HAUPTMANN DEFENSE FIGHTS DESPERATELY

REVENUE PROGRAM IS DECLARED LESS THAN REAL NEEDS

Will Advance Principle Of Tax Equity, However, Revenue Commissioner Asserts

HEARINGS STARTED FOR NEW MEASURE

Would Retain Capital Stock Tax in Addition to Levies on Corporate Reserves; Helvering Tells Committee It Should Consider Other Sources Also

Washington, March 30 (AP) -An administration spokesman told the House Ways and Means Committee today its revenue program would advance the principle of tax equity, but would not fully cover the needs for additional revenue outlined by President Roosevelt.

Guy T. Helvering, commissioner of internal revenue, was the first witness on the tax report drafted by a ways and means sub-committee as the basis of hearings after Mr. Roosevelt recommended new levies to meet bonus payments and farm relief costs. Remove Inequalities

He said the additional revenues that would be obtained by revision of the present corporate tax structure would result in the removal of inequality, discrimination and tax avoidance, and will come mainly from members of the upper income groups of our popu-

Helvering told the legislators Treasury officials were in complete harmony with the tentatively drafted revenue program.

The plans embrace raising \$591,000,corporation net income, based on percentages of that income turned into reserves: \$100,000,000 from a "windfall" tax on processors who escaped payment of AAA processing tax levies and suggestions for bringing in \$83,-000,000 from temporary continuation of capital stock and excess profits taxes, and \$25,000,000 from taxes on corporation dividends to foreign stock

Other Sources Talked Helvering added, however, that he hought the committee should conider whether there were not addiional sources of temporary revenue that can be provided for the next two three years "to bridge a gap" between the committee's recommendations and those of the President.

Ethiopia's Capital Now Fears Raids

City of Harar Virtually Destroyed By Italian Bombs In Attack Sunday

Addis Ababa, March 30.—(AP)—An Italian air raid spread fire and panic hroughout Harar, wrought virtual detruction on that second city of Ethiopia, the government charged today. nd wrecked several hospitals and

A squadron of Fascist planes, Ethiopian reports said, plunged incendiary ombs down on the strategic center for more than two hours yesterday, leaving the city in flames. Casualties Few.

Forewarned by scouting planes, however, most of the populace fled the city in terror, advices to the capital said, and few persons were believed to have fallen victims to the bom-

An official communique, relayed by the Ethiopian Red Cross hospital, and presidential yearstwo fell near the Swedish hospital.

A French mission, the French consulate, the former Italian consulate, the Ethiopian radio station and prison all were reported officially to

have been ruined. Capital Expects Raid.

native fears in Addis Ababa that the He puts it away in moth balls at the determine water rights in the Colocapital itself might be the next target of the Italian aerial bombs.

As Congressional Committee Investigates Townsend Pension Plan



General view of the investigation in Washington of Townsend plan

Robert E. Clements, resigned secretary and co-founder of the Townsend old age pension organization, is pictured being questioned by congressional committee in Washington headed by Representative 1 right, directly across the table from Clements,

C. Jasper Bell, D., of Kansas City, Mo. Clements (arrow) is at the extreme left, while Representative Bell (arrow) is at the extreme

New Hitler Proposals Will Astound World, Berlin Says

Berlin, March 30 (AP)-Adolf Hitler, bearing the greatest endorsement ever given in any plebiscite, turned today to drafting proposals to the Locarno powers in the Rhineland crisis which political sources intimated would "as-tound the world."

The Nazi propaganda machine, mov ing with speed and precision, swung virtually the entire German nation behind Der Fuehrer in yesterday's election, nominally to select a new

Almost Unanimous

per cent—the strongest majority the head of Germany ever received—of inch of German territory, nor one bit the 44,952,476 votes cast, only 542,954 of German rights. votes being counted as invalid.

In the German view, the first that

Reichstag, but actually to approve sources said, that whatever he might Rhineland issue.

the remilitarization of the Rhineland. I demand from the other powers he would demand not as the dictator but Official returns gave Hitler 98.79 as the servant of 67,000,000 Germans,

Contents Not Revealed There was no intimation, however, there was no chance to vote in oppo- of the exact contents of his extensive sition, but only to take the Nazi party | counter-proposals to the Locarno pow list or leave it, did not detract from the overwhelming Nazi triumph.

Der Fuehrer now felt, informed London plan for a settlement of the

Finances Will Be Over-

come Eventually

By LESLIE EICHEL

Central Press Staff Writer

What causes movements that prom-

se a great deal for a little to collapse?

accord. Time is against them.

form of a fate marches on."

his answer:

by time.

ment of problems.

movement. We are.

They invariably do-of their own

Even, however, when they strike in

the heat of emotion, prior to the work

ng of time, they collapse within a

Men who study such matters give

the outcries of millions, logic in the

There is no easy road to a settle

Thousands of our readers will as-

We wrote, also, a year or so ago

We said that, in any contest, Presi-

-not because the president was right,

or fate probably will disclose the il-

icy. But, as the president has the

power of government behind him and as he can change policies to meet expediencies, he is likely to survive

conservatives and diehards will sup-

money. Even while they attack him,

they will consider him a bulwark on

The collapse of "easy-road" move-

(Continued on Page Five.)

OUR WEATHER MAN

FOR NORTH CAROLINA.

Cloudy, somewhat warmer in

west and central portions tonight,

with occasional rain late tonight

in extreme west portion; Tues-day rain and colder, possibly

changing to snow flurries in

this particular issue.

logic of the Roosevelt financial pol-

Letter Promises Death Of Daughter if Condemned Pair Are Executed

Gastonia, March 30 .- (AP)-Rev. W. Earl Armstrong, of Gastonia, revealed today the receipt of an anonymous letter threatening the life of his eleven-year-old daughter. Jean, if two Negroes convicted of an attempted assault upon her are executed.

The minister also said that a Negro grabbed Jean's arm as the child was playing in her front yard yesterday, but fled when she screamed.

Grier and Frank Armstrong, Negro brothers, were convicted at the March term of court here of entering Mr. Armstrong's home at night and attempting to take Jean from the house. They were sentenced to die and now are at State's Prison at Raleigh await-

ing execution. Mr. Armstrong said he received the letter Saturday and that an armed guard was kept at his home last night after the apparent attempt of a Negro

authorities in the case, as the letter was received through the mail.

COG IN CAMPAIGNS

Already Stuff Being Written to Make Up Voter's Mind for Him

By CHARLES P. STEWART Central Press Staff Writer

Washington, March 30.-Strickland Gillian, professional funny man, after dinner orator, daily broadcaster of political news by radio out of Washtelephone from Harar to Addis Abana, ington, and immortal as the author aid 15 bombs struck the Egyptian of "Off agin, on agin, gone agin, Fin-Red Cross hospital there, several hit nigin", was philosophizing aprops

"Since," as he observes, "this is one —a year for what my smart friend Hank Mencken calls boob-pumping, when the saps get a workout.

"Credulity will take the place of reasoning—and there will be no great New Yo struggle for supremacy between the The attack on Harar, coupled with two in the average 'mind,' I put 'mind' heavy bombardment of Jijia, 50 in quotation marks because I am kidmiles east of Harar and a center of ding. Notody uses any mind in a poli-E hiopia's southern defenses, raised tical campaign; that is, no voter does.

(Continued on Page Five.)

Flood Fund Hits Near 1-2 Billion

Washington, March 30 (AP)-With many members of Congress clamoring for projects, the new flood control bill was expanded tentatively today from \$300,000,000 to \$385,000,000.

Chairman Copeland, Democrat, New York, of the Senate Commerce Committee, predicted it ultimately would involve "between a half billion and a billion dollars."

NEW DEAL RULING

Guffey Coal Decision Deferred; Won't Pass On Utility Act as Yet

Washington, March 30.-(AP)-The Supreme Court deferred today for at least one week its decisions on conto harm Jean yesterday.

Local police asked aid of Federal stitutionality of the Guffey coal and 1933 securities act.

Fourteen opinions were delivered, all unanimous.

In a ruling on one of the most important anti-trust suits in recent years the court held certain practices of the Sugar Institute, Inc., violate the Sherman anti-trust act, barring restraining of competition.

Despite arguments that its practices critics and movements. Furthermore, were intended to be cooperative in the public interest, Chief Justice Hughes, port a president tacitly in defense of for the court, held that "the end does not justify illegal means."

Granting a government request, the court refused to pass, at present, on the public utility holding act. This law is on its way up to the court on other cases. Provisions of the Washington State

law of 1933 imposing an occupation tax on radio broadcasting were held unconstitutional. The levy was ruled an allegal "burden on interstate com-Other actions included:

Mrs. Gloria Morgan Vanderbilt lost her attempt to obtain custody of her wealthy 12-year-old child, Gloria. The justices refused to review lower court New York officials were granted a

review of their contention that a 1933 law fixing minimum wages for women and children was constitutional. Arizona's request for oral argument of its right to have the high tribunal rado river among seven western states was granted.

STATE IS GROWING SCHOOL CONSCIOUS

Realizing Need for Providing Better Facilities Than State Gives

VOTING SUPPLEMENTS

Number of Cities and Districts Have Already Decided in Favor of Increases, Superintendent Erwin Says

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILL

North Carolina are becoming more past 36 years than McDonald. and more "school conscious" and are the cities which have either voted lo- governmental affairs of North Caro- disputed rail did not come from the cal supplements with which to im- lina. Even Illogic of Roosevelt provee their school systems, or ar planning to hold elections on the levying of supplemental taxes for schools. Raleigh an Example.

"The entire State now knows how the public generally is at last becoming convinced that the only immediate ly in other states. way to improve the schools is by voting local supplements."

"Logic is inexorable. Against even sert we are writing of the Townsend of Huey Long and Father Coughlin. supplementary tax elections between of Kentucky. now and fall are Salisbury, Wilmingdent Roosevelt would win over them ton and New Hanover county, Concord, Kinston, Goldsboro, Mount Airy, but because the illogical reasonings of the movements would be disclosed The same inexorable march of time

Total Supplements 13. The action recently taken by Ra leigh in voting a supplementary tax for schools brought the total number of cities which have voted supplemen-

(Continued on Page Eight.

Vera Stretz Will Ask Self Defense Plea in Her Trial Wanted To Complete Dams

New York, March 30 (AP)—Vera Stretz will plead self defense in the slaying of Dr. Fritz Gebhardt, ner wealthy lover, said Attorney Samuel Leibowitz today during a recess in her first degree murder trial.

"On the morning of November 12," Leibowitz said, "Gebhardt called Miss Stretz to his quarters on the pretext that he did not know how to operate an electric heating pad she had purchased for him. We will prove that Miss Stretz's affection for Gebhardt had cooled and that he attacked her in his apartment."

The 32-year-old secretary was on the stand for the second day, but she was asked few questions about her illicit romance with the German industrialist.

Liebowitz occupied most of the morning session reading letters from Gebhardt showing his love for the blonde university graduate.

PARDON BODY ASKS EVIDENCE IN CASE OFFERED AT TRIAL

THOUGHTFUL FOLK ARE NOT EXCITED BY DOC M'DONALD

They Are Convinced State Is Not Going Haywire and Refuse to Worry Themselves

WILL NOT TURN ON **DEMOCRATIC PARTY**

Record of 36 Years Not Going to Be Repudiated at Swept Off Their Feet by Demagoguery.

Daily Dispatch Bureau,
In The Sir Walter Hote.,
By J. C BASKERVILL.
Raleigh, March 30.— The more thoughtful people over the State are not getting all hot and bothered over the progress Dr. Ralph W. McDonald is said to be making in his campaign for the Democratic nomination for

according to reliable reports reaching here from all sections of the State. They are confident that between now and the June primary a majority of the people are going to decide that tended the executive session, was eseither Clyde R. Hoey or Lieutenant Governor A. H. Graham will make a better governor of North Carolina and

realizing the need for providing bet- North Carolina are not going to turn ter school facilities than the State is their backs on records of the nine able to provide in the State-supported Democratic governors they have elect-dence in the trial. eight months school term, State Su- ed from 1900 to 1936 or forget that perintendent of Public Instruction from Aycock to Ehringhaus there has was accompanied by Arch W. Loney, Clyde A. Erwin said today. In support never been a single whisper of scan- PWA engineer, who later reported to of this contention, Supet. Erwin cited dal or a trace of corruption in the the governor it was his opinion the

> People Too Intelligent. There are two basic reasons for this

1. The superior intelligence of the people of North Carolina, as compar Raleigh waked up and voted a supple- ed with that of the voters in most of ment of \$95,000 a year with which to the other southern states, due very provide a ninth month, a twelfth largely to the better system of public grade and additional teachers, with education in North Carolina which the result that many other cities and has been built up by successive Dem-

towns are going to hold elections and ocratic administrations for the past 36 try to emulate the capital city," Supt. years, so that North Carolina voters Erwin said. "For indications are that cannot be swayed by the type of demogoguery which is still used effective 2. The examples which the voters of North Carolina have had from other Eleven cities or counties have either states, and which they have had decided to hold elections for the vot- enough intelligence to evaluate and ing of supplementary taxes for make them realize that they do not

schools, or are contemplating doing want a governor in North Carolina so. Erwin said. The voters of Reids- similar to Talmadge in Georgia, the ville will hold a school supplement late Huey Long in Louisiana, Cole election April 14, while the people of Blease or the present Governor John-Greensboro will hold a similar election ston in South Carolina, Bilbo of Mis-May 5. Other school administrative sissippi, Catts of Florida, the Ferunits which are contemplating calling gusons in Texas or "Happy" Chandler Examples Over South.

The people of North Carolina have read of the recent political turmoil in Rockingham, Guilford county and Georgia, when Governor Talmadge

Continued on Page Three.)

\$144,500,000 MORE IS ASKED FOR TVA

Projects; One in N. C. for \$29,000,000

additional dam projects involving an to be an intermediary in ransom negoestimated expenditure of \$144,500,000 tiations with the Lindbergh baby kidwere recommended to Congress today napers-stood self-accused by a conto complete development of the gov- fession" purportedly penned in his ernments' Tennessee Valley project. The expenditure's together with the \$185,188,525 cost of projects already au thorized by Congress would bring the

to \$329,688,525. ed in a special TVA report which em- either by the court of pardons or by phasized the importance of the pro- Governor Harold G. Hoffman was gram for controlling floods on the whether Hauptmann would die as lower Mississippi.

New projects recommended included construction of a storage dam on the Little Tennessee river at Fontana, pected to change its former attitude, N. C., costing approximately \$29,000,-

Wood Expert's Opinion About Rail 16 in Kidnap Ladder Is Questioned at Hearing

HOFFMAN PRESSING FIGHT FOR GERMAN

Governor Battles Over State's Contention After Visit to Hauptmann's Bronx Home Last Week; PWA Wood Expert Disputes Authenticity of the Evidence

Trenton, N. J., March 30 (AP)—The last-ditch effort to save Bruno Richard Hauptmann from execution tomorrow night from the Lindbergh baby murder swung into an attack before the court of pardons today on Behest of An Outsider; Tar the testimony of one of the State's chief witnesses-Arthur J. Koehler, Heels Too Intelligent to Be Federal wood expert, who swore it was his opinion Bruno Richard Hauptmann built the Lindbergh kid-

nap ladder. A call for testimony at the Flemington trial, which included that part pertaining to Koehler's qualifications as an expert, was made after the court had been in session about two

and a half hours. It was regarded as an indication that Governor Harold G. Hoffman, who has questioned the State's contention that Hauptmann built the ladgovernor, and are refusing to get all der, was pressing his fight in Hauptexcited, as are some of the politicians, mann's behalf. It was learned that the court, composed of the governor, Chancellor Luther A. Campbell and

and appeals, only five of whom atpecially interested in the testimony that qualified Koehler as an expert. Governor Hoffman last Thursday more to uphold the traditions of the visited Hauptmann's Bronx home to Democratic party in the State for the see for himself the attic flooring They believe the Democrats of Hauptmann took a board which became rail 16 of the ladder, and one of the most damaging pieces of evi-

six lay judges of the court of errors

On his Bronx visit, the governor

At Hauptmann's trial, Edward J Reilly, then the carpenter's chief defense counsel, strenuously fought Koehler's qualifications an an expert.

2 More Men Involved In Kidnap Case

Gaston Means Purported To Have Confessed Guilt In Lindbergh Affair

Trenton, N. J., March 30.—(AP)—The long shadow of the Lindbergh baby murder fell across two more men today, even as the court of par-dons met to consider the mercy plea of the condemned third-Bruno Rich-

ard Hauptmann. One of the new figures in the inreasingly bewildering case—the middle-aged clergyman's son, Paul H. Wendel—was held in jail here. A for-mal charge of having murdered the baby was filed against him, but he issued a statement denying any knowledge of the crime, and the county prosecutor said he, too, was convinced there was nothing to warrant prose-

Gaston Means "Confesses." The other man-Gaston B. Means, former Federal agent, and now a Federal prisoner for having fleeced Mrs. Washington, March 30 .- (AP)-Six Evelyn Walsh McLean by pretending

Leavenworth penitentiary cell. The focus of interest, however, burned with increasing brightness upon the principal figure, Bruno Richtotal outlay for the huge development ard Hauptmann, despite the sudden injection of the new characters into The recommendations were contain- the case. The question to be answered scheduled tomorrow night.

Court May Stand Pat. The court of pardons was not ex-

(Continued on Page Eight.