

GOVERNMENT RUSHES PLANS FOR TRIAL OF TRIO OF GANGSTERS

Weyerhaeuser Lad Will Be Chief Government Witness Against Mahan In Tacoma

KARPIS GANG AIDES ARE BEING SOUGHT

Group Escaped Capture In Cleveland Two Years Ago Because They Were Tipped off by Two Politicians, Hoover Says; Karpis Bail Is Fixed at \$500,000

Tacoma, Wash., May 8 (AP)—William Mahan came back to the scene of the George Weyerhaeuser kidnaping today with the government ready to place him on trial immediately for the \$200,000 abduction of the nine year-old lumber fortune heir.

Brought here by airplane last night, after his bloodless capture by Federal agents at San Francisco, the 33-year-old ex-convict was hustled off to a cell scarcely a dozen blocks from the scene of the kidnaping May 24, 1935. "We are ready to go to trial today, if necessary," said J. Charles Dennis, United States district attorney.

He also indicated the young kidnap victim would be the government's chief witness against the scarfed fugitive who evaded capture for nearly a year.

Dennis and State officials agreed Mahan would be tried—unless he pleads guilty on Federal indictments charging kidnaping and mail fraud.

Harry H. Johnston, Pierce county prosecutor, said he did not plan to ask a trial in State courts, although the State law would allow imposition of the death penalty in event of conviction.

SEEK NAMES OF AIDES OF KARPIS BARKER GANGSTERS

St. Paul, Minn., May 8.—(AP)—An effort to learn the names of the Karpis-Barker gang aides—including politicians—was pressed by Federal agents today in questioning Harry Campbell, last of the major members of the mob.

Campbell, seized in Toledo yesterday and rushed here by plane, was interrogated in the Federal building. Campbell's capture followed a five-day quiz of his confederate, Alvin Karpis, in the same place.

Government officials declined to comment, but the Minneapolis Tribune said they had learned Karpis furnished the clue that led to his lieutenant's arrest.

J. Edgar Hoover, chief of the Justice Dept., said he was in the city.

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MRS. BRODIE MADE DISTRICT LEADER

Henderson Lady Honored at State Garden Club Convention, Concluded at Burlington

Burlington, May 8.—(AP)—A luncheon this afternoon, at which State prizes and other convention awards were made, concluded the two-day session here of the members of the Garden Clubs of North Carolina.

District directors elected included: Mrs. James H. Brodie, Henderson, north coastal plains district.

Mrs. Taft for F. D. R.



Mrs. William Howard Taft, widow of the late Republican president, has announced in an interview that she favors the re-election of President Roosevelt. Mrs. Taft, herself a Republican, is the mother of Robert A. Taft, who is running in G. O. P. primaries as Ohio's "favorite son" candidate opposed to Senator William E. Borah. Mrs. Taft said: "It will be disastrous if President Roosevelt is not re-elected, but I believe he will be. Although I've always been a Republican, I believe that no one except President Roosevelt can fill the place under present conditions."

TO KEEP M'DONALD ON THE DEFENSIVE

Hoey and Graham Forcing Professor To Make Some Explanations

HE HAS SOME TRICKS

Will Throw Some Fleas at His Opponents Same as Theirs on Him, His Supporters Rejoice

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

Raleigh, May 8.—Dr. Ralph W. McDonald, the youthful college professor from Winston-Salem, who is now leading in the race for the Democratic nomination for governor, is now definitely on the defensive for the first time since the campaign started, most observers here agree. His strategy so far has been to beat the opposition to the attack, and to attack everything and everybody with vim, vigor and vitality. That he has traveled far as a result of this strategy is generally conceded.

But the youthful candidate, who was born in Illinois and reared in Arkansas, is now having to stop making attacks on the other candidates in order to do some explaining, supporters of Clyde R. Hoey and of Sandy Graham, the other two leading candidates for the nomination, maintain, which means that Dr. McDonald is now definitely on the defensive. And if Messrs. Hoey and Graham, or either one alone, can keep Professor McDonald busy enough explaining and

Limit Put On Trading In France

Paris, May 8 (AP)—Market officials today made speculation on foreign exchange in Paris virtually prohibitive by fixing premiums of 1.25 francs for three months on British operations, and 6.75 francs on dollar operations.

Parcel Regnier, minister of finance, conferred with President Albert Lebrun on the present financial crisis, and it was rumored in the lobbies of the Chamber of Deputies that Regnier planned to resign because of the difficulty in preventing panic.

Speculators said financial experts apparently have been expecting the devaluation of the franc since they already have been paying "exorbitant" premiums.

Dead or Alive?



With the arrest of Alvin Karpis speculation again is rife as to whether Dr. Joseph P. Moran, Chicago physician, is dead or alive. A college graduate who married a society girl, Moran was sent to prison for performing an illegal operation. There he is supposed to have become associated with gangsters. He is known to have performed facial operations on Karpis, John Dillinger and other desperadoes. A body recovered from Lake Erie some time ago was partially identified as Moran's. Authorities point out the physician may have "talked too much."

(Central Press)

BRITAIN PRESSING GERMANY TO HURRY AGGRESSION PACTS

London Urges Inclusion of Soviet Russia, Latvia and Estonia in New Accord

SEEK CLARIFICATION OF TREATY PROGRAM

Blunt Question Included In Questionnaire Sent Hitler as to His Intentions; Eden Says There Are Also Other Matters That Must Come Up Later

London, May 8.—(AP)—Great Britain's was declared by responsible sources today to be putting renewed pressure on Germany for the inclusion of Soviet Russia, Latvia and Estonia in the Reich's proposed non-aggression pacts.

That point, said these sources, was the most important contained in the Locarno questionnaire which Great Britain has handed to Germany after consultation with France and Belgium.

Britain likewise requested a clear declaration from Hitler as to whether Germany now regards herself in a position to conclude "genuine treaties."

There was also a blunt question as to whether the point has been reached where Germany can signify she recognizes and intends to respect the existing territorial and political status of Europe.

The questionnaire failed to treat

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2 YOUNG NEGROES ARE ELECTROCUTED

Pay With Lives at State Prison for Killing Winston Negro Iceman

Raleigh, May 8.—(AP)—German Williams, 25, and Lawrence Dingle, 32, Negroes, were electrocuted at State's Prison today for the confessed robbery and murder in Forsyth county of John Grant, Negro iceman.

Williams went to the chair first, entering the death chamber at 10:33. He was given two shocks of current, aggregating three minutes and 43 seconds, and was pronounced dead at 10:46 a. m.

Haile Selassie Arrives In Palestine, Refuge In Exile

White-Clad and Wan, Emperor of Fallen Empire Leaves British Warship at Haifa

MUSSOLINI TO BID FOR SANCTION BAN

Move Expected To Accompany Decree Formally Annexing Ethiopia as Italian Colony; Cabinet Crisis In Britain Looms Over That Same Issue

(By The Associated Press) Ethiopia's beaten ruler reached sombre self-exile in Jerusalem today amid conflicting reports of the fate of his second city, Harar, and tightening tension in Europe over the status of his once sovereign empire.

But a press dispatch from Magadiscio to Rome said the southern troops of General Rodolfo Graziani already had captured the city, thus completing Italy's military objective in Africa.

(By The Associated Press) White-clad and wan, Emperor Haile Selassie reached his exile goal of Palestine today, while the second city of his fallen Ethiopian empire—Harar—was reported in flames.

A British warship carried the fleeing "king of kings" to a respectful military reception in Haifa, and the emperor rode through streets patrolled by heavily armed troops to board a train for Jerusalem.

Meanwhile, there were these developments in Europe:

Rome—Reliable quarters predicted Premier Mussolini will bid for a lifting of sanctions Saturday night along with the expected decree for total annexation of Ethiopia.

London—A tempest of British anti-sanctions feeling gave rise to predictions of a possible cabinet crisis for Premier Stanley Baldwin's government.

Geneva—League of Nations officials annoyed by the reported imminent annexation of Ethiopia by Italy, insisted the fallen empire still was recognized as a sovereign member of the League.

AAA PUBLICITY IS COMPLICATED BILL

Huge Payments Reveal Old Problem of Land Concentration Remains

By CHARLES P. STEWART Central Press Staff Writer

Washington, May 8.—Senator Arthur H. Vandenberg's resolution, demanding information concerning big payments to agriculture for AAA plowings-under and other forms of non-production, turned out very well in the shape in which the Senate finally adopted it.

However, it will take an immense amount of work for government agencies to answer the questions put by the lawmakers.

All the same, they ought to be answered.

A PARTISAN MOTIVE Undoubtedly there was a partisan motive behind the Michigan senator's request for a list of all AAA payments above \$10,000.

It manifestly will be irritating to a farmer, who received a little check of less than \$100 for his non-planting, to learn that large-scale farming enterprises received up to \$1,000,000 each for similar acquiescence in the AAA program. The consumer, too, is likely to be enraged at the thought of the fancy figures paid to huge companies to restrict production, making the prices that he has to pay correspondingly higher.

Obviously Vandenberg's purpose was to call attention to the fact that semi-famine prices inevitably are high, which is all right for the folk who are paid for creating the famine but hard on those who have to pay them.

It is a fact to which, indeed, attention should be called.

OVER-CONCENTRATION What Vandenberg disregarded was

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U. S. Debt Is Increasing By \$10,000 Every Minute

Relief Rolls Greater Than a Pit of Depression in March 1933, and No End In Sight; Make Your Vote Count in November, Is Advice of Mr. Babson

BY ROGER W. BABSON, Copyright 1936, Publishers Financial Bureau, Inc.

Babson Park, Mass., May 8.—Our Federal deficit has been considered a partisan issue for the past three years. In this column I purposely avoid discussing controversial political issues. I feel that readers want impartial comments on economic conditions, not any effort at campaign propaganda. I sincerely believe, however, that our Federal deficit has now reached the stage where it is no longer simply a political issue. It has become an economic problem of vital importance to every man, woman and child in this country. Hence, I want to tell you without reservations, exactly what I think of this deficit program and where it is leading us.

Relief Rolls Still Growing. First, let us start out with the facts. The population of the nation has grown tremendously since 1860, but in the table below you will find the story of the cost of Federal government on a per person basis. It has more than doubled in the past ten years. Moreover, these figures do not include the cost of State and local

government—they cover only Federal expenses. Note the number on relief—more than in 1933 at the pit of the depression, yet business is 60 per cent higher than three years ago and 14 per cent above last year. Public debt is skyrocketing—it is already at the highest level it has ever been in peace time or in war-time.

Astronomical Figures. Yet, despite these figures people do not seem to be worried about the situation.

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Conqueror!



When Mussolini announced that "Ethiopia is Italian," the credit for the victory went to Marshal Pietro Badoglio. This latest picture of the Italian commander was taken shortly before the final victorious drive on Addis Ababa.

(Central Press)

\$2,500,000 TAXES PAID OUT BY GRAY

That's the Winston Man Whose Name McDonald Said Was Not on Books

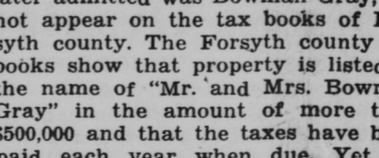
Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE

Raleigh, May 8.—The man whom Dr. Ralph W. McDonald said was holding up to his audiences as a "horrible example" of how rich men evade taxes in North Carolina and maintaining that this man's name did not even appear on the tax books of Forsyth county, actually paid \$2,500,000 in personal taxes from 1930 to 1935, it was pointed out today following the publication of a letter written by this man's son setting the record straight. For the man was none other than the late Bowman Gray, of Winston-Salem, as Dr. McDonald has since admitted. And, according to the letter written by his son, Gordon Gray, and published yesterday, Bowman Gray paid out a total of 62 per cent of his annual income in taxes every year, while 40 per cent of his estate will go to pay Federal and State inheritance taxes.

Yet Dr. McDonald said in his first campaign speech in Winston-Salem that the name of "this man" who he later admitted was Bowman Gray, did not appear on the tax books of Forsyth county. The Forsyth county tax books show that property is listed in the name of "Mr. and Mrs. Bowman Gray" in the amount of more than \$500,000 and that the taxes have been paid each year when due. Yet be-

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OUR WEATHER MAN



FOR NORTH CAROLINA. Fair tonight and Saturday.

Zepplin Is Due Here At Early Hour

Giant German Dirigible Making Fast Time on Way to the United States

Aboard the Zeppelin, Hindenburg, En Route to America, May 8.—(AP)—Officers of the Hindenburg indicated today they hoped to reach Lakehurst, N. J., at 7:30 a. m., eastern standard time, tomorrow, completing her crossing from Friedrichshafen, Germany, in 63 1/2 hours.

The excellent weather into which the Hindenburg emerged over the Grand Banks of Newfoundland after a stormy night was responsible for the prediction as to the possible arrival time.

At midnight the ship ran into a 40-mile an hour headwind and heavy rain.

Despite the rough weather outside, the passengers noticed only a slight swaying of the ship at the height of the storm.

INCOME TAX LAWS REMAIN A PUZZLE

Study of Eight Years Simplifies Them but Little In England

By LESLIE EICHEL Central Press Staff Writer

NEWS FROM ABROAD is interesting. Much of it never finds its way into American newspapers. Here is some:

Eight-and-a-half years ago a government committee was appointed in England to recommend means to simplify income tax.

The committee finally has made a report. It found its task nearly hopeless. Income tax laws never can be made so that people will understand them, the committee concludes.

It does, however, submit a new codifying bill, with 417 clauses and eight schedules. That is some progress, for the existing legislation consists of nearly 800 distinct provisions, embodied in 19 different acts of parliament, with 1,800 different methods of application.

The committee, nevertheless, sadly concludes that income tax legislation "must by its nature be abstract and technical and never can be easy reading." But, the committee adds, "this is no excuse for perpetuating the law in its present confused and illogical shape."

FOOTBALL POOLS The chief gambling in England is through football pools.

A member of parliament, Mr. Russell, introduced a bill against football pool betting, which he said amounted to \$100,000,000 a year.

The bill was defeated, 287 to 24. In moving for its rejection, Mr. Lennox-Boyd said the bill was an "un-

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ROOSEVELT SEEKS ADVICE NOW FROM INDUSTRY LEADERS

Wants Plan To Build Up Certain Businesses With Large Capacity for Expansion

THIS WAS PURPOSE OF RECENT TALKS

Saw Baruch, Owen Young and Chrysler; President Says Railroads, Burdened With Debt, Unable To Buy Equipment, Which Is Holding Back Factories

Washington, May 8 (AP)—President Roosevelt said today he was seeking suggestions from industrial leaders on how to build up certain industries that have a large capacity for expansion, particularly railroad equipment and housing.

The executive, in response to questions at his press conference, explained this was the purpose of recent talk with such captains of industry as Bernard M. Baruch, Owen D. Young and Walter P. Chrysler.

The President said the railroad equipment industries were being held back because railroads, heavily laden with capital charges, were unable to buy equipment.

He added that before adequate housing for low income groups could be provided, construction would have to be placed on a mass production bases, like the automobile industry.

FLOGGING VICTIM WAS WHIPPED RAW

Two Defendants in Bartow, Fla., Trial Sought To Silence Witnesses, Testimony Shows

Bartow, Fla., May 8.—(AP)—The prosecution in the Shoemaker flogging trial presented testimony today that Eugene F. Poulnot was beaten "as raw as any piece of beef you could see in a butcher store," and that two of the defendants sought to silence a witness to his abduction from near the police station.

The description of Poulnot's condition after he, Sam Rogers and Joseph Shoemaker, who died, were tarred and feathered last November 30, was given by John W. Scott.

"Did you examine Mr. Poulnot today?" asked State Attorney Rex Farrior.

"Yes," the witness replied, but defense objections restrained him from describing Poulnot's present condition. Poulnot himself previously had testified he still carried marks of the beating.

Testimony that Sergeant C. A. Brown, Jr., and G. W. Carlisle, two of the defendants, tried to keep him from telling what he knew of the case, was given to the jury by former Policeman H. L. Russell.

He quoted Carlisle as telling him, in part, to "keep my mouth shut, that he was depending on me not to tell anything about what was going on around the police station."

Troops Sent To Aid Fight About Harar

Badoglio Dispatches Some of Northern Army To Complete Drive in South

With the Italian Army in Addis Ababa, May 8.—(AP)—Italian soldiers who thus far have battled through Ethiopia afoot, on mules, on trucks and in airplanes, moved to an attack today by railroad train.

The soldiers formed an expedition ordered by Marshal Pietro Badoglio to reinforce southern contingents in the taking of Harar.

The expedition left last night for Dire Dawa, the railroad station closest to Harar.

Martial law has wiped out lawlessness in Addis Ababa. The sacked city, whose central section was wiped out by rioters previous to the arrival of the Italian forces, was returning to quiet.

The Italian command divided the city into four sections, while 400 military police instituted a systematic search for arms and loot. They arrested 100 persons for attempting to withhold contraband.

The natives submitted quietly to a proclamation ordering them to give up their arms. They surrendered large quantities of rifles and swords as they fled submissively past headquarters.

All legations were notified that, since they were accredited to an

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