TWENTY-THIRD YEAR

FIVE CENTS COPY

HOEY AND GRAHAM NEAR TOGETHER IN RUNNER-UP BATTLE

Pulling Up on McDonald and Hoey Both at This Time

McDONALD BACKERS ARE MOSTLY 'ANTIS'

They Are Against Something More Than for Him; Too Conservative for Middle Grounders, Who Are Lining Up Behind Graham As Their Best Choice

than either care to admit.

The reasoning back of this belief is

The McDonald strength is essential ly composed of those who are against omething, rather than for McDonald The youthful former college professor means nothing to most of those who are planning to vote for him except that he is against something—against the sales tax, against Governor J. C. B. Ehringhaus, against former Governor O. Max Gardner, against the socalled "Democratic machine," against everything represented by the present and past Democratic administrations. This "anti" sentiment has been existing for years and has been growing Four years ago R. T. Fountain ran on almost the same platform that Mc Donald is now running on and almost defeated Ehringhaus for the nomina tion. McDonald has now taken this

(Continued on Page Six)

PRESIDENT PLANS **VISIT TO MID-WEST**

Will Go to Arkansas, Texas and Indiana June 8; Not Visit Canada

Washington, May 22 (AP)-Presi- jobs but there is no assurance ever cratic chairman. dent Roosevelt said today that he would probably leave Washington June 8 for his Arkansas, Texas, Indiana trip and that he would be unable to go to Canada on the same

He added that if the legislature decides to take three day recesses over the week nd of the eighth, h would probably go to Texas during that

TARIFF RAISED ON

Doesn't Conflict With

faction over the proclamation, the president told reporters that under was to lower tariff without hurting domestic interests.

He said the government tried to reach a gentleman's agreement for limiting Japanese imports but this ham. The result is that it is now dif-

duties on Japanese cotton goods might | timent among the merchants here a- to arrive at any estimate of the prohave on the volume of exports of American cotton to Japan.

Sapanese cotton goods hight gainst Dr. McDonald, since they know gress they are making, Erwin said.

American cotton to Japan.

Sapanese cotton goods hight gainst Dr. McDonald, since they know gress they are making, Erwin said.

The control of the cotton to Japan. American cotton to Japan.

months ended April 30 were more than 1,300,000 bales.

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., FRIDAY AFTERNOON, MAY 22, 1936

PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY.

Belief Is Sandy Graham Is

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILL, Raleigh, May 22.—A close race between Clyde R. Hoey and Sandy Graham for second place in the first primary, in fact a much closer race than backers of Dr. Ralph W. McDonald will publicly admit, is now in progress, according to the more thoughtful political observers over the State. For in spite of the figures shown in the various straw polls being conducted, and in spite of the claims of the various candidates and their managers, the belief prevails among the more experienced observers here that Sandy Graham is not yet out of the running and that he is pulling up on both McDonald and Hoey much faster

At his press conference, the president said that if congress adjourned by June 6, he would leave on the

JAPANESE COTTON

President's Proclamation Reciprocal Agreement

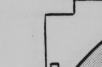
Washington, May 22 (AP)-President Roosevelt said today his proclamation raising tariff walls against cotton cloth imports was not in conflict with his general program of lowering trade barriers by reciprocal

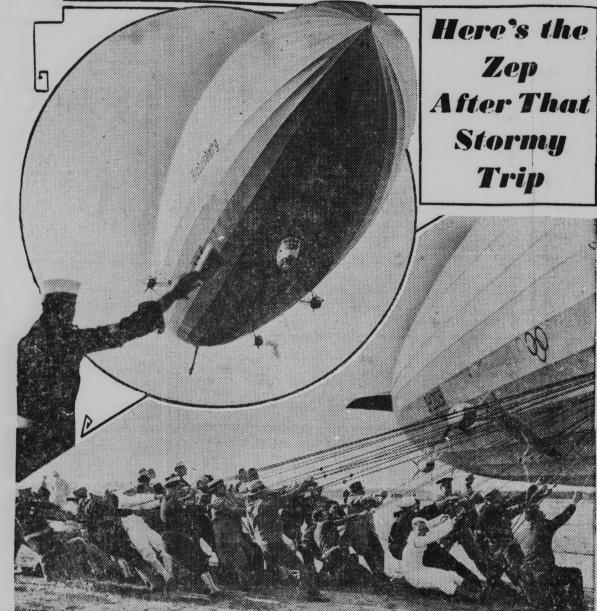
As textile interest expressed satisthe recidrocal agreement, the idea

cause one branch of an important industry was suffering from foreign

limiting Japanese imports but this did not succeed, and the only other avenue open was the flexible clause. Secretary Wallace later declined to comment on the effect the increased

Japan has been United States largest single customer for cotton, and injure business and reduce sales. Oth- worry about and that I will win the exports to that country for the nine ers do not like his fiscal program and nomination over my two oppouents





It took the Zeppelin Hindenburg fifteen hours longer to make her second Friedrichshafen-Lakehurst trip because of adverse wind and weather conditions. Time on the second trip was 76 hours 30 minutes. In one of the squalls the passengers had a bad fright. The huge ship dipped so sharply that plates were thrown off the table at which they were dining. These pictures taken of the second Lakehurst landing show (top) the ship as she approached the mooring mast and (below) the landing crew having a little difficulty with ground winds.

Doughton Denies Charge Of Republican That He Was Partial With Relief

Chairman of House Ways and Means Committee Answers Dickinson's Charge at Concord; Reynolds Also Charged With "Playing Politics" in WPA Jobs

Concord, May 22 (AP)-Represent hat these recommendations will retative Doughton, Democrat, North sult in appointments. I can't do any-Carolina, chairman of the House thing but make the recommendations.' Ways and Means committee, denied today a charge of Senator Dickinson, Republican, Iowa, that he injected politics into relief.

"I have never thought about politics in giving relief help," Doughton

or Republicans." he had not responsible job to give.

Senator Dickinson had charged Representative Doughton and Senator Reynolds Democrat, North Carolina, with "playing politics" in dis-

Dickinson read a letter, he said, was said. "I have never asked neither to Eugene A. Russell, Watauga counthose needing relief were Democrats ty, North Carolina, from Reynolds, promising "we would be more than Doughton said that in the first place | glad to take up your case with the WFA" if furnished a letter of recom-"I have recommended some for such | mendation from the county Demo-

STATE EMPLOYEES SHY AT M'DONALD

They Are Afraid of Losing Finds Little Interest, How-Their Jobs If He Wins As Governor

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILL Raleigh, May 22.—At one time it

was generally Ralph W. McDonald, the anti-sales Erwin is confident that he will win tax and anti-administration candidate the nomination to succeed himself in for the Democratic nomination for the Democratic primary June 6, degovernor, would lead all the other spite the fact that he is still holding candidates here in Raleigh and Wake to his policy of making no political county. For usually a majority of the speeches, although he admits he is State employes, of whom there are doing some campaigning between some 500 or more in Raleigh, and commencement speeches. One of the their families are against the admin- biggest obstacles he is meeting with istration, or at least unfriendly to the is the lack of interest on the part of retiring governor, since most of them the public in his candidacy as well feel they ought to get larger salaries as in those of other State officials and have less work to do.

But since Dr. McDonald has been for governor. promising that he would "clean out the present gang" in Raleigh and put tion or store I always make it a point overtures to anti-New Deal Demoin an entirely new set of officials and to ask about the campaign and to crats. employes, and since his workers have find out how sentiment is in that loployes not known to be McDonald campaign for State superintendent of who will, indeed, sulk at home on eleced governor, the situation has chang- ed, but in far too many cases the peo- some inducement to do so. To be der the flexible provision of the Ta-riff act, he added, was ordered beployes who at first were planning to plainly indicate that they are not invote for Dr. McDonald have now de- terested in who is nominated for anycided that unless they want to lose thing except governor. Before I leave their jobs they had better support however, I naturally try to get them

> are for Dr. McDonald. This is also serving to solidify sen- ing the nominations for these offices that if several hundred State employes should be fired that it would go, however, that I have nothing to

(Continued on Page Three.)

HE WILL WIN OUT

ever, in Anything but Governorship Race

Daily Dispatch Burean, In The Sir Walter Hotel, By J. C. BASKERVILL Raleigh, May 22.—State Superintenconceded that Dr. dent of Public Instruction Clyde A.

"Whenever I stop at a filling sta- the G. O. P. should make out-and-out

with hte exception of the candidates

The fact that so many people are ficult to find any State employes, not interested in the candidacies of from janitors to division heads, who makes it very difficult for those seek-

(Continued on Page Three.)

Plans Stepped Up When Commons Hears of Difficulties of Holding Mediterranean

MOBILIZE INDUSTRIES

Will Facuitate Munition Production, of Empire; Furnish Food.

London, May 22.—(AP)—Great Britian stepped up its plans for mobiliza tion of the nation's industries in the event of war today after a House of Commons emphasized the difficulties of holding the Mediterranean in case of conflict with Italy.

A vast program for facilitating munitions production, speeding up a Highway Patrol would greatly assist supply of airplanes, protecting "the the patrol in its primary functions of life line of the empire," and provid- preventing accidents and saving lives, ing food supplies for civil population in addition to assisting it in the arin any future wartime began to take rest of law violators, Ben R. Stroup,

ently involved in the preparations: Cranborne, Parliamentary under sec- tem would make the present highway retary for foreign affairs, told the patrol of 120 men doubly efficient, or House of Commons yesterday the Bri-tish government is "is taking and will North Carolina is such a large State, take most energetic steps" to clear with almost 600 miles of highways up the whereabouts of L. J. Bonner, and more than 500,000 registered au-Red Cross worker, arrested at Drewd- tomobiles. wa in Ethiopia.

2. Palestine-Egypt affairs in which Prime Minister Stanley Baldwin told radio police control, will tell you that with the Republican party. the Commons Britain would not tol- this police radio has doubled or triperate foreign interference.

REPUBLICANS SEEK ANTI-NEW DEALERS

Overtures to That Group Has Some Merit

By CHARLES P. STEWART Central Press Staff Writer Washington, May 22—Many Repub-licans think there is a deal of merit in ex-President Hoover's contention that

Their theory is that there are nubeen serving notice on all State em- cality, especially with regard to the merous old-fashioned Jeffersonians backers that they are going to lose public instruction," Erwin said. "Some tion day, but will not actually vote their jobs if he is nominated and elect times I find that I seem to be favor- Republicanly unless they are offered

(Continued on Page Two.)

OUR WEATHER MAN



FOR NORTH CAROLINA. Generally fair tonight and Saturday, moderate temperatures.

Sudden Decision on Day Old Agreement Made When Found Embraced Tax on Tax CORRECTION WOULD **CUT ESTIMATED YIELD**

Senate Committee To

Reconsider Compromise

On Taxing Corporations

Tax Bill Would Be Millions Short and Necessitates Turning to Some Other Device for Additional Revenue; Suggest Increase Rate on Undistributed Earnings

Washington, May 22.—(AP)— The Senate Finance Committee agreed today to reconsider its day old compromise plan for taxing corporations. The sudden decision to back track on the agreement voted yesterday 18 to 1 was prompted by defiite word that the compromise plan embraced tax on taxes.

Some committee sources said that to correct this situation would reduce the revenue yield estimated at from \$500,000,000 to \$600,000,000 by millions and necessitated to turning to some other device for raising money.

One suggestion for regaining this loss was to place a nine instead of a

corporation earnings, but a number of members objected to that. The compromise plan called for a flat 18 per cent tax on total corporation net income and a seven percent tax on undistributed income, together with retention of existing capital stock and excess profit taxes in application of the normal four per cent

seven per cent levy on undistributed

income tax on dividends. The decision to reopen the whole mattre came when committeemen found that they had approved a proposition under which money used to pay taxes, since it would not be distributed, would in itself be subject to the seven per cent tax.

Statewide Communications System Urged by Safety Council Official

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILL Raleigh, May 22.—A Statewide radio

communications system for the State field representative in the southeast Two major situations were appar- ern district of the NIational Safety Council, said here today. He believes The Italo-Ethiopian, Viscount that a Statewide radio control sys-

> "The director of public safety or chief of police in any city that has Club." Although it had no connection led the effectiveness of the police department in the prevention of accidents, in reducing traffic violations Stroup said: "For the radio system makes it possible to get police or patrolmen to scenes of accidents within ughout the country. very few minutes after they occur,

(Continued on Page Two.)

Camden Residents Hunt Fire Bugs

Camden, N. J., May 22.—(AP)— An aroused Camden county this morning was frantically trying to track down a person or persons, who, within 24 hours, has set two fires in the Camden-Bellcross section, the second last night completely destroying the store of W. S. Berry at Ballcross.

Hopes Lehman May Reconsider

Roosevelt Says New York Needs Present Governor Who Declines to Run

Washington, May 22.—(AP)—President Roosevelt today reiterated his personal hope that Governor Herbert H. Lehman, of New York, would reconsider his decision not to run for re-election.

The statement was made at a press conference after the President had conferred with Edward J. Flynn, secretary of state of New York, and Bronx Democratic leader. The President said Lehman, a close

friend and a political ally, was needed by the State. Previously Flynn had told reporters he expected the State convention to nominate Lehman dispite his announcement that he would not seek

A SECRET SOCIETY

Sixteen Members of Black Legion Held in Detroit For Worker's Death

Detroit, May 22.—(AP)—Police Inspector John I. Navarre said today several members of the Black Legion, black robed secret society of night riders, would be charged with murder for the "ritual slaying" of Charles A. Poole, found shot to death beside a surburban road May 13.

Sixteen officers of the society were held for investigation. Navarree said four of them had confessed to participating in the "execution" of the young WPA worker, after he was accused of beating his wife. Prosecutor Duncan C. McCrea, took

statements from the sixteen whose organization he said, was known publicly as the "Wolverine Republican

Alfred E. Ferrell and Lou Chamber lain, sheriff's investigators, said the men told a detailed story of terroristic activity by the society, despite fears and in apprehending criminals," for their lives because of their statements. The men told the investigators

Poole was shot eight times, Navarre said he had learned, by members of

Hoover's Contention For Retail Trade Today Best For 6 Years, Babson Says

Sees Outlook Next Six Weeks Exceptionally Bright; Higher Farm Income and Payrolls, Federal Spending and Bonus Are Grounds for Forecast

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

Babson Park, Mass., May 22.-Derepresent the average of all industry; but of course some groups have given now turning in particularly encouraging reports are the department store In addition to these and mail-order lines.

Why Trade Outlook Good The unit volume of department factors are about to come into the store sales is heavier this month than picture. June, of course, is graduation forest areas where even the use of the for any May since 1930, although the decline in retail prices makes the dollar volume no better than in May

order houses this spring have broken and preparing studies of land ocall previous records. Furthermore, I cupancy, which will be made availbelieve the outlook for the next six able to the public as soon as they spite the great problems still facing weeks in the retail line is exceptionare completed. This project, when the nation, business today is at the ally bright. Why? Farm income is completed, will give the citizens of highest level since the summer of running \$50,000,000 a month greater the State a comprehensive picture of 1930. According to the Babsonchart, than a year ago. Factory payrolls what their land resources consist of. present activity is 15 per cent greater show a 10 per cent increase. Govern- It will also point the way to future than a year ago and 61 per cent above ment spending is at an all-time peak. adjustments between population and the depression bottom. These figures Dividend payments are today seven the productive capacity of the land. per cent greater than last Spring. "There are regions where most of This gain in public purchasing powa much better account of themselves er should be felt in nearly every line where no attempt should be made to than others. Among those which are and lwil even be reflected to some support more people than can be sup-In addition to these cyclical forces

which will continue to build up the Dr. Paul Wager, regional chief of the volume of trade, certain seasonal and wedding gift season. Some inter- land for timber would not be eco-

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THREATEN COURT TRIAL TOWNSEND FOR HIS DEFIANCE

Pension Leader Charges Committee Activities Daggers at Heart of Democratic Gov't.

TOWNSEND MOVES TO **BALTIMORE HOTEL**

Says "He'd Rather Go. To Jail Than to Submit to Further Congressional Investigation; Personnel Leaves Washington For Headquarters in Chicago

Washington, May 22 (AP)-Contending activities of the House committee investigating his old age pension plans are "daggers held at the heart of Democratic government," Dr. F. E. Townsend, today directed other leaders of the Townsend movement not to answer the committee's questions.

Washington, May 22.-(AP)- The possibility of a court trial of Dr. F. E. Townsend for his defiance of a House investigating committee was projected today by Speaker Byrns. While the investigating group head-

House seize Townsend and punish him on a contempt charge. Byrns told reporters: "I expect the House to take whatever action is recommended by the

ed by Representative Bell, Democrat,

Missouria, planned action to have the

committee." As Speaker Byrns spoke, Townsend, in Baltimore, said he had "rather go to jail" than to submit to further congressional investigation of his plan to

pay \$200 a month to everyone past 60 years of age. Amid an uproar, the elderly retired doctor bolted the hearing yesterday, protested against "this communistic dictatorship in Washington" and established headquarters in a Balitmore

Dr. Townsend was not the only one of his organization to leave the capital. In the small hours of the morning, every member of the personnel staff occupying rooms in an office building here departed for Chicago where a new national headquarters will be established.

Sheridan Downey, Dr. Townsend's counsel, told newsmen that the pension leader is working today on the book he is writing regarding his move ment and his personal philosophy. "The doctor is writing a good book and is very happy," said Downey. "If he goes to jail, it will give him more

time to work on it." HINT SCANDAL AS

OFFICIAL RESIGNS London, May 22.—(AP)—Official and political quarters heard rumors late today that J. H. Thomas, colonial secretary, had resigned as a result of

LAND SURVEY FOR STATE UNDER WAY

the British budget leak scandal.

Resettlement Administration to Determine Best Uses of Soil

Daily Dispatch Bureau, In The Sir Walter Hote., Py J J. BASKERVILL Raleigh, May 22.—A survey of all

the land in North Carolina-farm land, forest lands and all waste lands -is now under way by the land planning division of the Resettlement Administration as a part of its progress to secure a better balance between the population and the productivity of the land on which they live, it was announced here today by Regional Director Homer H. B. Mask. The purpose of the survey is first to determine the various types of land in the State and the uses to which they are best adapted and then try to put them to these uses.

A land planning specialist, R. T. Melvin, with headquarters in the Resettlement Administration here, is now engaged in maping the entire five years ago. Sales by some mail- state, classifying every acre of land ported in comfort from the marketing of the timber in these forests,"

(Continued on Page Six.)

land use planning section of Reset-

tlement said. "There are still other