

TOBACCO PRICES HIGHER ON BORDER BELT

WAR BY JAPAN AND CHINA CONSIDERED PROBABLE SHORTLY

Japanese Military Activity In North China and Inner Mongolia To Be Speeded Up

SPURRED BY BOOST FOR RUSSIAN ARMY

Japan Claims China Has Refused To Settle Diplomatically for Score of Outstanding Issues; China Says This Is Distrust and Fear of Japan

Peiping, China, Aug. 13.—(AP)—Armed conflict between China and Japan over a long series of differences was looked upon in informed circles today as not improbable within a short time.

Japan's military activities in North China and Inner Mongolia, which it is believed will be speeded up because of a Moscow announcement increasing the size of the red army, have greatly aggravated the tension between Nanking and Tokyo.

Japanese said efforts to induce China to undertake diplomatic settlement of a score of outstanding issues had failed.

The Chinese, in turn, said this was the result of China's fundamental distrust and fear of Japan, which they allege under a guise of economic development was attempting to establish a military hegemony.

American authorities here frankly stated a virtual deadlock in diplomatic activities between China and Japan did not augur well for peace in the Orient.

Astor Case Settlement Agreed On

Los Angeles, Cal., Aug. 13 (AP)—A settlement agreement ending the sensational child custody fight between Mary Astor, movie star, and her ex-husband, Dr. Franklin Thorpe, was approved today by Superior Judge Goodwin J. Knight, Attorney Ethel M. Pepin said.

CURTAIN GOING DOWN ON SENSATIONAL MOVIE CASE

Los Angeles, Cal., Aug. 13 (AP)—An agreement sealing shut Mary Astor's frank diary of film colony life and granting the pretty actress partial custody of her little daughter started the curtain downward today on one court drama—but disgruntled others threatened more fireworks.

Cutting short a bitter court battle, attorneys for Miss Astor and her former husband, Dr. Franklin Thorpe, completed for the judge's consideration an agreement assigning to mysterious hiding the diary. Its contents, Dr. Thorpe's counsel said, would have exploded in the face of several prominent persons.

But Miss Astor's accusations in attempting to break the full custody order held by her former husband that the physician had associated with other women left open the possibility of new sensations.

Paul Schofield, film writer, whose wife's name was linked with Dr. Thorpe by an Astor witness, said emphatically:

"Depend upon it, I'm going to take legal steps to refute that slanderous

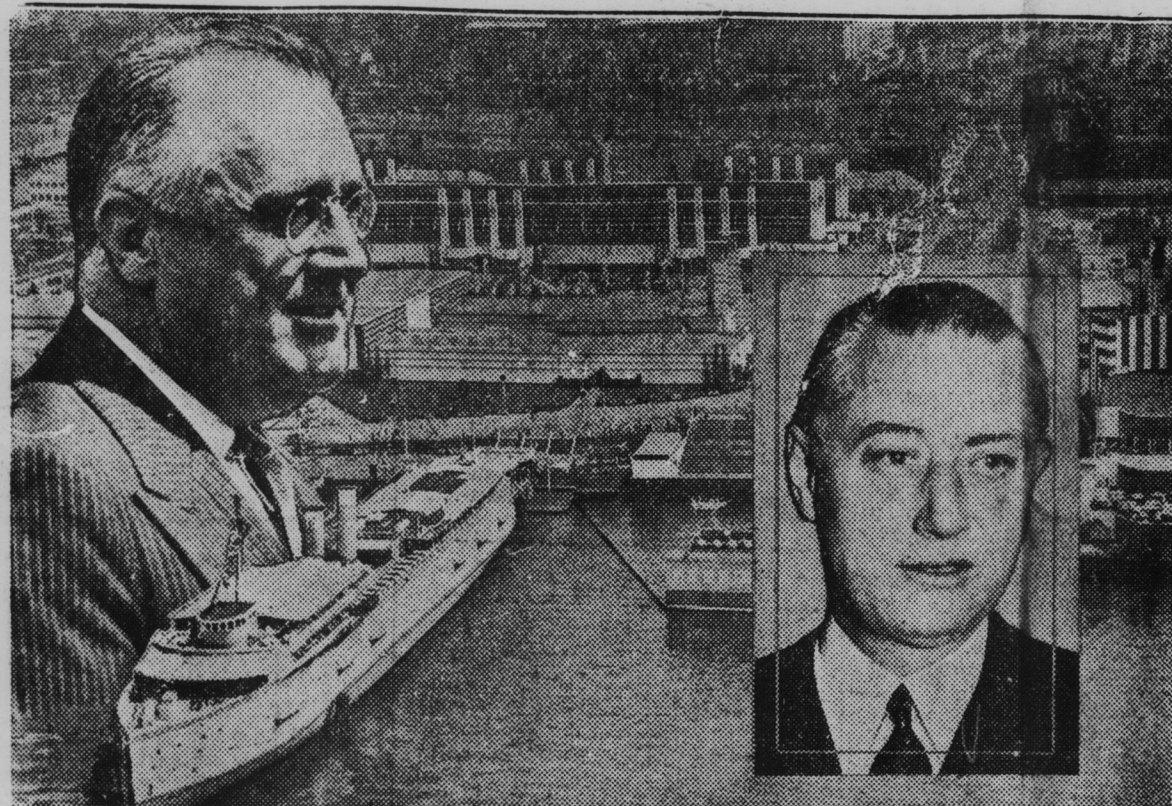
Effort To "Get" Waynick Has Complicated Aspects

Chairman and Members of Highway Commission Not to Blame for All Troubles; Legislature to Blame

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

Raleigh, Aug. 13.—The movement now generally conceded to be under way to "get" Chairman Capus M. Waynick, of the State Highway and Public Works Commission and prevent his reappointment as chairman when Clyde R. Hoey takes office in January, as well as the widespread dissatisfaction with the present highway commission, has an involved and complicated background, according to those who have been following the ins and outs of the now generally admitted wave of resentment against the commission. For it has been an

President in Surprise Visit to Cleveland Expo



The showboat, Moses Cleveland, inset top, scene of President Roosevelt's conference and speech; Gov. Martin L. Davey of Ohio, inset below. Other governors invited, left to right, are Herbert H. Lehman of New York, Paul V. McNutt of Indiana, Philip La Follette of Wisconsin, Floyd B. Olson of Minnesota, George A. Earle of Pennsylvania and Frank D. Fitzgerald of Michigan.

President Roosevelt, deciding to include the Great Lakes exposition at Cleveland as an extension of his tour of western Pennsylvania and New York flood regions, announced that he had invited the governors of eight states bordering on the Great Lakes to meet him there Friday for a conference. Arrangement was made for a luncheon aboard the

showboat Moses Cleveland, moored at a pier abutting from the exposition grounds on Cleveland's lake front. The president's visit coincides with the opening session of the convention in Cleveland of the Rev. Charles E. Coughlin's National Union for Social Justice, transferring the spotlight from that group for the day.

Minnesota's Forest Fire Is Unabated

25,000 Men Unable To Check Towering Flames Doing Terrific Damage There

St. Paul, Minn., Aug. 13 (AP)—Towering flames spread swiftly through a northern wilderness today despite the effort of 25,000 grimy men who labored under increasing hazards.

Official pessimism grew. Adverse winds and low humidity handicapped the fire-fighting forces. But they struggled to stem the fiery onslaughts as Minnesota State Forester Grover Conzel warned:

"Anything may happen."

Hundreds of men were picked up on the street of International Falls, Minn., and enlisted along adjacent highways. They joined 1,000 others striving to head off an uncontrolled blaze on the international boundary north of Kabetogama Lake which broadened after blackening 6,000 acres.

Trucks rushed CCC reinforcements

Minnesota's Forest Fire Is Unabated

25,000 Men Unable To Check Towering Flames Doing Terrific Damage There

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

open secret for weeks that a big fight has been brewing over the roads and the highway commission and that all those who are disgruntled with the present highway set-up are going to make a bitter fight on both Waynick and the commission in the forthcoming General Assembly.

Those who have been following the course of this dissatisfaction, however, are convinced that both Chairman Waynick and the members of the commission are more victims of circumstance than anything else and that many of the grievances against

Collapse Of Revolt In Spain Within Few Hours Is Predicted In Madrid

Loyalist Advances and Repulse of Rebels on Several Fronts Form Basis of Claims

REBELS PUSHING ON FOR SAN SEBASTIAN

Miners in Northwest Support Government Defense; France Awaits German Note of Assent To Complete New General European Neutrality Accord.

(By The Associated Press.) Collapse of the Fascist revolt against the Madrid communist-socialist regime within a few hours was forecast today by the Spanish government.

Advances against the rebels, who have fought for almost four weeks to establish a dictatorial government in Spain, and repulse of rebel offensives on various fronts were pictured in

(Continued on Page Eight.)

State Due Big Sum On Electricity

College Station, Raleigh, Aug. 13.—North Carolina stands in line to receive \$1,000,000 to \$3,500,000 from the Federal government for electrifying rural communities during the 1936-37 fiscal year.

The National Rural Electrification Administration has allotted \$1,000,000 to this State for loans to be used in constructing rural power lines and wiring farm homes.

An additional \$2,500,000 may be allotted if the REA is convinced that

(Continued on Page Three.)

Roosevelt Sees Damage by Flood

En Route With President Roosevelt to Johnston, Pa., Aug. 13.—(AP)—Off on a swift-moving flood survey control trip through Pennsylvania and New York, President Roosevelt today set himself to view personally before dusk some of the area inundated by last spring's overflows.

Says South Has Helped Weed Drop

Dillon, S. C., Aug. 13.—(AP)—B. D. Hill, chief of the tobacco division, Department of Commerce, attributed the decline in American exports of tobacco in recent years to general world conditions and increased production of tobacco in other countries in an address at the opening of the Dillon tobacco market.

"What the future will bring forth," he said, "is problematical. Your type of tobacco leads in the export trade, and any adverse effect upon that trade as a whole is reflected directly on the farms of South Carolina growers."

Hill said growers had benefited temporarily by increased values but that this was a factor in declining exports.

Values necessarily placed upon your

(Continued on Page Six.)

GROWERS PLEASED WITH AVERAGES ON SEASON'S OPENING

Brisk Sales Range From \$2 to \$80 Per Hundred on Floors of Various Markets

CROP SELLING FINE, KNOTT WIRES HERE

"Prospects for Us Bright," Henderson Warehouseman Wires from Fair Bluff; Heavy Offerings on Most Markets, With Large Sales for Day Certain

SELLING FINE

A telegram was received this afternoon by Roy O. Rodwell, vice-president and cashier of the Citizens Bank & Trust Company, from G. W. Knott, Henderson warehouseman, at Fair Bluff, N. C., observing the opening sales, and which read:

"Tobacco selling fine, especially better and medium grades. Prospects for us bright."

Florence, S. C., Aug. 13.—(AP)—Tobacco sales on the 21 markets of the Carolina "border belt" opened briskly today.

Report from over the belt indicated growers were pleased with the opening prices.

The Mullins market opened the auctioning at 9 a. m., with more than 1,500,000 pounds on the floors of the eight large warehouses there. Early estimates said prices apparently would average about 25 cents a pound for the day. Opening bids ran from \$5 to \$60 per 100 pounds.

Dillon warehouses were jammed with an estimated 300,000 pounds for the first sales. Pile prices were low, with first bids ranging from \$5 to \$45 per 100 pounds. Officials estimated the day's average would amount to \$23 to \$25 per hundred.

At Lake City a check upon 100 of

(Continued on Page Six.)

LEWIS IS ANXIOUS TO BE KICKED OUT

Rebel Union Group Wants A. F. of L. Convention to Expel Them

By CHARLES P. STEWART

Washington, Aug. 13.—President John L. Lewis of the United Mine Workers and the approximate 1,000,000 members of his affiliated unions, enlisted in the campaign for industrial labor organization, undoubtedly want to be expelled from the A. F. of L.

It would not be good policy for them to admit it, out and out, but they almost do so.

They were hopeful of expulsion by the A. F. of L.'s executive council, at

(Continued on Page Three.)

Will Not Reveal Tests of Slayer

Asheville, Aug. 13.—(AP)—Counsel for Martin Moore, 22-year-old Negro who Sheriff Laurence Brown said admitted killing Helen Clevenger here, said today they would not divulge findings of psychiatrists who examined the Negro until he goes to trial.

Dr. B. E. Morgan and Dr. Charles A. Hensley made the examination yesterday at the request of defense attorneys, soon after Solicitor Zeb V. Nettles had announced Moore would be called to trial in superior court here Wednesday.

Sheriff Brown also questioned the prisoner about his confession, but, asserted the Negro declined to make any changes in it.

OUR WEATHER MAN



FOR NORTH CAROLINA. Generally fair tonight; Friday partly cloudy to unsettled.

WHITE HOUSE SAYS NO NEW TAXES WILL BE ASKED IN 1937

WPA Storm Center



Mrs. Sarah S. Dennen (top) quit as head of the New York WPA women's division because "the WPA is abetting Communism." Her resignation was accepted by Lieut. Col. Brehon B. Somervell, New York administrator, with the remark that "men don't engage in controversies with women."

Democrats Will Elect A Chairman

State Executive Committee Meets in Raleigh Tomorrow Night for Purpose

Raleigh, Aug. 13.—(AP)—The Democratic State Executive Committee meets here tomorrow night to elect a chairman, a vice-chairman and secretary and transact any other necessary business, with eyes trained on the fall campaign.

The chairman will be designated by Clyde R. Hoey, of Shelby, the Democratic gubernatorial nominee, and if he has divulged his choice the capital city has not been able to ascertain it.

Most speculation brings in the name of the present chairman, J. Wallace Winborne, of Marion, to continue in the post, but numerous other names are also talked.

At Greenville, Mrs. J. B. Spillman

(Continued on Page Three.)

Announcement Follows Roosevelt Conference With Morgenthau, Doughton, Harrison

MAY BE POSSIBLE TO REDUCE LEVIES

Nuisance Taxes and Those Hard To Collect May Be Eliminated Or Altered; Rise in Business Volume May Bring Balanced Budget at Very Early Date

Washington, Aug. 13 (AP)—A White House tax conference today produced an announcement that no new taxes would be recommended to Congress at the next session, and that a thorough going study to begin immediately may, in fact, lead to reductions.

Secretary Morgenthau, Chairman Harrison of the Senate Finance Committee, and Chairman Doughton of the House Ways and Means Committee, met with the President, just prior to his departure from Washington on a drought inspection trip, to study a recommendation made to the chief executive by Mr. Morgenthau that:

"Any changes in the tax structure should, therefore, not be in the direction of increased taxes. But this very situation makes it possible and timely for us to consider revision of the tax laws with the purpose of removing any inequities or unnecessary administrative difficulties that may be inherent in the law and abate our modifying taxes that create unfairness to consumers or to trade, or have other disadvantages

(Continued on Page Six.)

SUSPECT PEONAGE IN ARKANSAS AREA

Attorney General Cummings Sends Data to Little Rock Grand Jury

Washington, Aug. 13.—(AP)—Attorney General Cummings today acted to send a Little Rock, Ark., grand jury a report which he said contained evidence of possible violations of the Federal peonage laws by southern planters.

The report, prepared by Samuel Whitaker, a special assistant to Cummings, contained "conflicting" evidence, the attorney general said. He declined to explain use of the word "conflicting," but said there was a question as to what Federal laws were involved.

Whitaker's investigation, Cummings added, failed to produce any evidence that a Federal statute had been violated in connection with the alleged floggings of Miss Willie Sue Bladen, Memphis, Tenn., social worker, and Rev. Claude C. Williams, of Little Rock, near Earle, Ark., last June 15.

Announcement late yesterday of the department's action was greeted with outward unconcern by Arkansas planters.

Miss Bladen, here to lecture on living conditions of southern cotton workers, said she was "very glad" to hear that the Justice Department was going "to carry on" the peonage charges.

(Continued on Page Three.)

Retail Sales Rise 34.6 Pct. For July, Best For District

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

Raleigh, Aug. 13.—Retail sales in North Carolina showed an increase of 34.6 per cent in July as compared with an increase of only 2.5 per cent in July a year ago, and as compared with a gain of only 15 per cent in July for the four states in the fifth Federal Reserve district, and an average gain for the United States of only 14 per cent, according to the retail sales report for July just issued by the Federal Reserve Bank of

Richmond, Va. The four states in the fifth Federal reserve district are Virginia, West Virginia, North Carolina and South Carolina.

The average increase in retail sales in these four states in July was 15 per cent more than the sales in July, 1935, the report shows, and the cumulative sales for the first seven months of 1936, from January through July, were 10 per cent greater than the cumulative sales for the corres-

(Continued on Page Three.)