

12 FEARED DEAD AS BIG AIR LINER CRASHES

Son Of Rich Tacoma Doctor Kidnaped From Home

\$28,000 PAYMENT REPUTED PRICE OF RELEASE OF CHILD

Boy Is Nabbed from Living Room of Home in Full View of Brothers and Sisters

RANSOM NOTE LEFT WITH INSTRUCTIONS

Masked Intruder Escapes With 10-Year-Old Boy Through French Windows, Place of Entry; Mask Slips From Face and Children Get View of Man

Tacoma, Wash., Dec. 28 (AP)—A police official who declined to allow the use of his name, reported today the Dr. W. W. Mattson family had been directed to make contact with the kidnaper of Charles Mattson, ten, sometime this afternoon.

Officials said the instructions were included in the note left by the kidnaper when he abducted Charles from the Mattson living room last night. He indicated the note demanded \$28,000 ransom.

Of this, the officials said, the kidnaper demanded \$10,000 in old bills of small denomination (2 or 5) and the rest in old bills of 50 or over. In each case, the official said, the bills were ordered to be "old and wrinkled."

INVASER FLASHES PISTOL AND TERRIFIES CHILDREN Tacoma, Wis., Dec. 28.—(AP)—A masked, shabbily-dressed man, the first major kidnaper of 1936, hid from a swiftly-massed army of searchers today after abducting the 10-year-old son of a wealthy physician from his home, and leaving a crude ransom note.

The note, reported to demand \$18,000 to \$28,000, and apparently turned

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Pope Losing Confidence Of Recovery

"Better That I Die," He Is Quoted Telling Official Following Hemorrhage

Vatican City, Dec. 28.—(AP)—Pope Pius, despairing of his recovery after a slight hemorrhage in his paralyzed left leg, was reported tonight to have told a church official: "In this condition I cannot be the pope. It is better that I die."

Pius, apparently the only person in the Vatican not worried over his paralytic condition and pain, earlier had broken his own ban against re-

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New State Office Building Becomes Urgent Necessity

Multiplying Agencies of Government Requiring Space; Legislature May Authorize 6 Million Structure at Once With 40 Percent Gift by Government

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILLE Raleigh, Dec. 28.—One of the greatest needs here now is a new State office building to provide space for both existing State agencies and new ones which have been recently created. The belief in most circles here is that when the General Assembly gets together next week and sees the lack of space for legislative committees, as well as for State agencies, it will not be long before it takes some action to provide additional facilities. At the present time, the State is paying some \$16,000 a year in rent for space in privately owned buildings here and this is expected to be increased to at least \$20,000 a year by the end of this

Hitler—Will It Be Peace or War? World Awaits



Fuehrer Adolf Hitler with his aides, and center, speaking. Once more Europe is tense, wondering whether it will be peace or war. The crisis centers about the figure of Fuehrer Adolf Hitler, Germany's dictator. The key point is Hitler's decision on whether to intervene in Spain. Europe maintains a mounting hope that Germany will avoid any step en-

Drastic Tax Probable On Intangibles

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILLE Raleigh, Dec. 28.—A Statewide tax on intangible property, such as cash deposits and savings in banks, notes, mortgages, stocks, bonds and possibly even on the cash value of life insurance policies, is regarded as certain to be proposed in the forthcoming General Assembly, according to reports which have been current for several weeks. A good many observers are already certain that such a tax may even be recommended by the Advisory Budget Commission in its recommendations to the New General Assembly and that it will be included in the revenue bill recommended by the commission.

Those who have been studying the possibilities of a tax of this nature are already convinced that it would yield several millions of dollars a year and go a long way towards providing the new revenue needed for the various social security projects, especially old age pensions. It is maintained that the counties could not get much from a tax of this sort because of the difficulty of collecting it, but that the State can get much from it, because it can collect it so much better. A tax on intangibles has not been

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Germany Will Skirt War With Spain But Avoid It

Six-Power Naval Patrol Suggested

London, Dec. 28.—(AP)—A six-power naval patrol designed to "keep volunteers and arms out of Spain" is under consideration by British officials, informed sources asserted today. Germany, Russia, Italy and Portugal may be invited to join Great Britain and France in forming the coastal patrols, they said. Ships of the fleets would carry foreign observers as a guarantee of impartiality in blockading shipments of munitions and men to either side in the Spanish civil war, reliable persons declared. In authoritative quarters, the plan was described as "scrapping" all previous efforts of the international non-intervention committee and making a new start to isolate the Spanish conflict.

MINE UNION GAVE FDR \$469,668 SUM

But Little Is Heard of That as Huge Contribution In Election

By CHARLES P. STEWART Central Press Columnist Washington, Dec. 28.—Sheep a lot has been said about huge contributions by plutocratic folk to the last Republican campaign fund. Less emphasis has been laid upon the fact that expenditures in the Democratic party's behalf are said to have run to an extraordinarily high figure in the case of at least one interest which may fairly be described as "special"—though it wasn't plutocratic but proletarian. In short, Senator Augustine Lonergan's campaign investigating committee chalks up \$469,668.91 as having been spent by the United Mine Workers of America on the Rooseveltian side of the contest. ALL FROM WORKERS This total is disputed, to be sure,

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U. S. SALES TAX ON TOBACCO PROPOSED AS CONTROL PLAN

Hutson Makes Suggestion as Possible Way To Maintain High Prices For 1937

TWO OTHER PLANS ARE ALSO OFFERED

One Is Continuation of Soil Program and Other Would Be To Supplement That With State Compacts as Authorized by Congress at the Last Session

Washington, Dec. 28.—(AP)—J. B. Hutson, Federal tobacco expert, suggested today a Federal sales tax on tobacco, combined with a subsidized crop control, as a possible way to maintain profitable prices next year.

Talking informally with a national steering committee called here from eleven tobacco growing states, Hutson, AAA assistant administrator said three courses were open for possible agreement:

First, continuation of the soil conservation program alone, "with as much control as possible with a bi-product."

Second, supplement this with State compacts as authorized by Congress last session.

Third, Federal sales tax program, possibly 20 percent on the first sale of tobacco, with a separate congressional act appropriating ten percent of the Federal customs receipts to

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GREEK STEAMER IS SINKING AT SHOALS

Filling With Water Off Erying Pan Shoals, Coast Guard Cutter Reports From Scene

Wilmington, Dec. 28 (AP)—The United States Coast Guard Cutter Modoc wireless the Oak Island Coast Guard station at Southport this morning the Greek steamer Mount Dirsys, which went aground on Erying Pan Shoals Saturday is filling with water.

COLUMBUS FARMER SENT UP TO COURT

Albert Shepherd, 44, Charged With Keeping 14-Year-Old Girl in Cavern Under Garage

Evergreen, N. C., Dec. 28 (AP)—Albert Shepherd, 44-year-old farmer of this community, was bound to Columbus Superior Court on charges of kidnapping and having carnal knowledge of Estelle Shaw, 14-year-old local girl, after a preliminary hearing here before Magistrate W. T. O'Berry this morning.

The search for the girl, daughter of a neighboring farmer, who had been missing since November 3, led a posse under the direction of Sheriff Herman Stanley to Shepherd's farm about two weeks ago. There the girl was found in a cavern beneath Shepherd's garage. Officers said Shepherd was there with her, but escaped into the night halfdead.

Bond for Shepherd was at \$3,000, which he had not posted prior to noon today.

PAROLES IN STATE ON MERIT SYSTEM

That Is Why Christmas Clemency by Governor Is So Very Scarce

Daily Dispatch Bureau, In the Sir Walter Hotel, By J. C. BASKERVILLE Raleigh, Dec. 28.—The principal reason no "Christmas paroles" have been issued to prisoners in a number of years is that, under the parole system in effect in North Carolina, clemency is based solely upon merit or

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Wreckage Sighted Atop Of Ridge Of California Hills

Chiang May Give Chang Job Again

Nanking, Dec. 28 (AP)—Marshal Chang Hsueh-Liang, it was believed today, will be restored to the army he led in the revolt against Chiang Kai-Shek and the civil crisis his capture of the premier precipitated will soon be forgotten. Chang was reported already to have told his erstwhile captor he would be returned to Sianfu, rebellion seat, and his military post. "Legally, the marshal is guilty of treason and should suffer a traitor's punishment," a foreign minister said, "but his release in the generalissimo's interest, has entitled him to consideration."

60 Are Dead In Air Raids From Rebels

Insurgent Planes Bomb Santander, Loyalist Government City in Spain

Madrid, Dec. 28 (AP)—Insurgent bombing planes attacked the northern coastal city of Santander yesterday, killing 60 persons in a destructive air raid, the socialist defense council reported today. In the capital the Socialist command claimed advances on the western line of fortifications along the Manzanares river. Militiamen seized insurgent trenches and fortified houses on the edge of the Usera district, the council said.

Capture of strategic positions on opposite sides of Madrid was reported in an official communique.

Man Admits That He Slew His Wife By Firing on Her

Kenansville, Dec. 28 (AP)—Deputy Sheriff German Powell said today James Wilson, of Mount Gilthead, had admitted he fired the shot killing his young wife December 19, but that the 22-year-old farmer insisted it was an accident.

Powell said Wilson called him to his jail cell where he has been held since the day after the shooting and dictated his statement to him and to the clerk of the court, R. Vowell Wells.

Earlier, officers had quoted Wilson as saying his wife, Adele, had committed suicide.

SAYS CONSTITUTION UNCONSTITUTIONAL

Nation's Gigantic Law Is Framed Contrary to States' Instructions

By CHARLES P. STEWART Central Press Columnist Washington, Dec. 28.—"If ever a constitution was unconstitutionally adopted it was the Constitution of the United States," says Congressman Sol Bloom, who is director general of our Constitution's sesqui-centennial celebration. "You see," explained the New York representative, "the pre-constitutional Congress which voted the convention which framed the Constitution did not vote a convention to frame a constitution at all. It voted a convention to revise the articles of confederation, and the states sent their delegates to the gathering on that supposition. "Instead of going ahead with the job assigned to it, the convention turned

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Rest of Plane "All Spread Out" in Valley Below Is Word Brought By Searchers

SEEMING TRAGEDY NEAR BURBANK, CAL.

Meantime, Fruitless Search Goes on for Plane Missing With Seven Aboard in Utah Since December 15; Bodies Found in Northern Idaho

Burbank, Cal., Dec. 28 (AP)—United Air Lines announced today searchers had sighted the wings of an airplane in the mountains north of here, presumably their missing air liner with 12 persons aboard.

The wreckage was seen from the air near Saugus, about 15 miles from here.

Airport Manager R. D. Dickinson, flying his own plane, returned to Burbank shortly after 10 a. m., Pacific time, telling United Air Lines executives he saw the ship's wings atop a ridge.

He reported the rest of the transport was "all spread out" in the valley below.

INTENSIVE SEARCH OF WIDE AREA CARRIED ON

Burbank, Cal., Dec. 28 (AP)—Three air liners sped northward into threatening skies today, carrying searchers for an United Air Line transport with four women and eight men, the third large passenger ship to disappear in the west this month.

Twelve hours overdue, the latest ship was feared to have crashed as it approached the Union air terminal here last night from San Francisco. The ship's radio was silenced after reporting it was about to land.

A regularly scheduled air liner and two surplus transports piloted by United's men, hopped off a few minutes after 7 a. m., Pacific time (10 a. m., eastern standard time).

They were instructed to make a de-

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Kidnap Gang Grabs Son Of Ambassador

Ecuadoran Envoy Reports Incident of Christmas Night to Government

Washington, Dec. 28.—(AP)—The Ecuador ambassador, Senor C. E. Alfaro, reported to the State Department today his 15-year-old son had been restored to his home after having been kidnaped by three unidentified men Christmas night. He had been missing about five hours. The ambassador gave details to Walton Moore, acting secretary of state, but made no request for action by this government. Moore said he assumed Washington police were handling the case. The envoy's son, Olmeda Alfaro, told his father he was strolling near

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OUR WEATHER MAN Cloudy, probably scattered showers tonight and Tuesday; slightly colder Tuesday.