

## HULL FEARS CRASH FOR EUROPE UNLESS CHANGES ARE MADE

Secretary Fears Economic or  
Military Catastrophe  
There Within Next  
Two Years

IMMEDIATE WAR IS  
THOUGHT UNLIKELY

Speaks at Boston Conference  
and Discusses Trade Pacts With  
Other Nations; Says U. S.  
Will Stay Out if War Does  
Come

Boston, Mass., Sept. 20.—(AP)—Secretary Hull said today that unless economic readjustment were made within the next two years, Europe faced an economic or military catastrophe, but added he was confident the United States would not become involved in any war.

The secretary of state, at a press conference prior to a luncheon speech at a Boston conference distribution, said that, despite his views as to what might happen in the future, unless changes were made, he saw no immediate threat of war in Europe. An active proponent of reciprocal trade pacts as a pathway to peace, Hull lashed out at critics of his trade program. He asserted the critics of his program were the same people who assured business and labor just before the 1929 depression that there would be perpetual prosperity in this country.

Declaring that Europe's structure at this time was unsound, Hull said a critical problem would be presented when millions now engaged in arms manufacture abroad were thrown out of employment.

No extreme measures were contemplated, he said, under the administration's reciprocal trade program, adding that the rates in the pacts would not be high enough to be called embargoes, or low enough to injure different parts of this country.

## Madrid Is Shelled By Insurgents

Madrid, Sept. 20 (AP)—Insurgent artillery shelling of Madrid was resumed early tonight after many weeks of comparative quiet in this sector. The shelling began after the agricultural building of University City had been destroyed by government-placed dynamite mines that shook the city.

The explosions, some of the heaviest heard in Madrid in many months, destroyed remaining walls of the building and exposed insurgent machine gun locations, which were wiped out by government fire.

The surprise attack started a furious battle which continued after midnight in the University City sector, where insurgent units still have a foothold, and the sound of rifle fire was supplemented by the booming of insurgent artillery.

## Roosevelt Asks Better Distribution

President Urges  
Boston Conference  
To Tackle Problem  
Facing Nation

Boston, Mass., Sept. 20 (AP)—President Roosevelt, in a letter to the Boston conference on distribution, today asked correction of a "condition under which the people of one section of our country are smothered with over-production of raw materials and goods while the people of another section who are in dire need of them."

The President declared "economic distribution of the products of our fields and factories" was "the very base of our planning for future prosperity," and also was a factor in "safeguarding the peace of the world."

"The economic distribution of the products of our fields and factories at home and abroad lies at the very base of our planning for future prosperity," the President wrote. "It is also a factor in safeguarding the peace of the world."

"Our progress in developing the technique of vast production through mechanical and scientific processes is an outstanding marvel, but we have not kept pace with this in finding ways and means of correspondingly reducing cost charges between the producer and the consumer."

## Penn. Klan Backs Black For Court

York, Pa., Sept. 20.—(AP)—The Ku Klux Klan of Pennsylvania sent to its high command today its vote of support to President Roosevelt in the controversy stirred by Senator Hugo Black's appointment to the Supreme Court.

In white robes and hoods, the klansmen and their women folks talked over the "Black incident" at their state convention.

The grand dragon, who said he was a southeastern Pennsylvania business man, but that his name could not be disclosed, acted as spokesman. He announced that it was the feeling of "delegates from 65 of the 67 counties in Pennsylvania" that the Klan should support the President's action "four square."

## Legion Body Hears Pleas For Liberty

Gov. Lehman  
Speaks; Colmery  
Demands Independent  
Judiciary In U. S.

New York, Sept. 20.—(AP)—Twenty thousand Legionnaires and visitors packed into Madison Square Garden for the opening session of the American Legion convention today and heard Governor Herbert H. Lehman of New York, urge "continuation of the fight for our great principles of democracy and liberty."

Harry Colmery, of Topeka, Kans., retiring national commander of the Legion, presided. His report, warning of the Nazi influence in America, and calling for protection of the Constitution, and for an independent judiciary, high-lighted the day's program.

The national champion Legion band of musicians Post No. 394 of St. Louis, Mo., touched off patriotic fervor with strains of martial music, and Miss Lucy Monroe, opera star, sang the "Star Spangled Banner."

The Massachusetts color guard, at the call of Commander Colmery, advanced the national colors while the packed galleries sat tense.

Besides Governor Lehman, Mayor Fiorello H. LaGuardia, of New York City, and Major General James C. Harbord, president of the American Legion 1937 convention corporation, made welcoming addresses.

The Los Angeles delegation, making a strong bid for the 1938 convention, distributed literature urging choice of the California city, and let loose with a barrage of 30,000 oranges caught by the delegates.

## N. C. FARMER GETS HIGHER AVERAGES

Crop Prices Above National  
Figure, But Livestock  
Is Lower

Daily Dispatch Bureau.  
In the St. Walter Hotel.  
Raleigh, Sept. 20.—The North Carolina farmer gets far more for his crops than does the average grower in the United States, although he gets considerably less for the livestock he raises.

These facts stand out from an inspection of figures compiled and released by the Cooperative Crop Reporting Service through Frank Parker, agricultural statistician of the U. S. Bureau of Agricultural Economics, on duty with the N. C. Board of Agriculture, and W. H. Rhodes, associate agricultural statistician of the State Board of Agriculture.

Crop prices paid the North Carolina farmer as of August 15, compare with those paid the average United States farmer as follows in the case of some of the important crops:

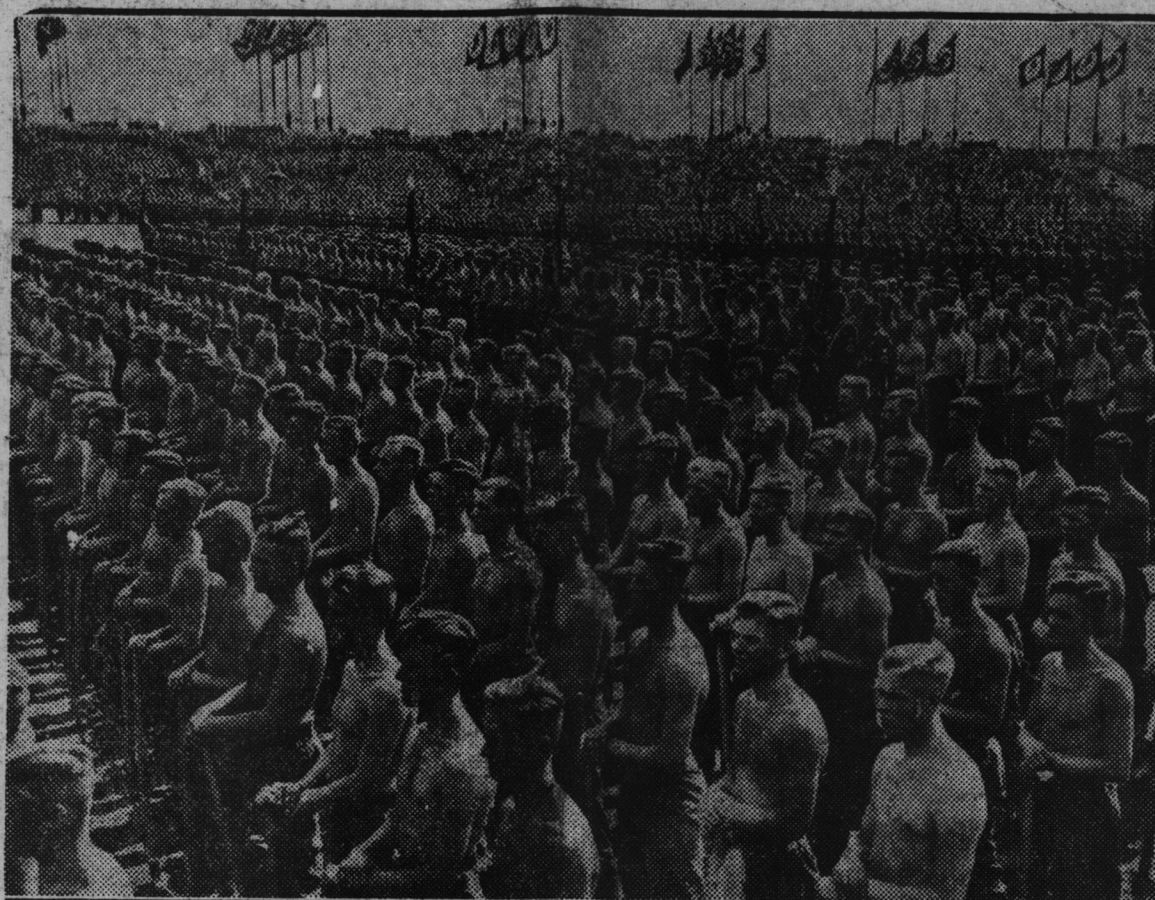
Corn, N. C. \$1.05 per bushel, U. S. \$1.03; wheat \$1.17 for N. C., 99 cents for U. S.; oats, 55 cents for N. C. to 29 cents for U. S.; barley, 85 cents for N. C. to 52 cents for U. S.; alfalfa hay, \$20.30 per ton for N. C. to \$10.23 for U. S.

And so on all along the line. North Carolina crop prices are below the U. S. average only in a few cases such as buckwheat, sweet potatoes and apples.

On the other hand the average U. S. farmer gets \$11.46 per 100 pounds for his hogs, the North Carolina raiser gets but \$10.70. Beef cattle averages

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## Hitler Reviews the Nazi Shovel Army



Spades were more than mere implements of agriculture when Reichsfuehrer Adolf Hitler reviewed his famous labor corps at Nuremberg during the Nazi party congress. Thousands of stalwart Nazis, stripped to the waist, bearing spades instead of rifles, paraded under the benevolent eye of Der Fuehrer. Here they are, lined up for inspection. (Central Press)

## ACRE LIMITS FOR TOBACCO GIVEN IN FEDERAL FIGURES

Four Special "Goals" Set for  
Different Types of Tobacco Grown by  
Farmers

LIMITS ALSO FIXED  
UPON OTHER CROPS

Cotton and Peanuts Would  
Be Restricted Under Plan  
for Crop Control of 1938;  
E. Y. Floyd, N. C. State College  
Expert, Reveals State  
Totals

Washington, Sept. 20.—(AP)—Tobacco growers learned today of acreage limits established by the Agriculture Department for their 1938 crop under the Department's conservation program.

Secretary Wallace set four special "goals" for tobacco farmers for different types, as well as different payment rates for staying within these goals.

The acreage limit, compared with averages from 1933 to 1937, included flue-cured tobacco, the 1938 limit of 840,000 to 888,000 acres, and the average 924,000 acres.

If the individual grower stays within his limit assigned by national, state and county agricultural units, he will be paid for normal average yield for each acre within the goal. Payments for flue-cured tobacco will be one cent a pound.

GOALS ON NORTH CAROLINA  
CROPS STATED BY FLOYD  
Raleigh, Sept. 20.—(AP)—E. Y. Floyd, in charge of the program for  
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## Succeeds McGrady?



Robert J. Watt

While no information is forthcoming from Washington political observers say that Robert J. Watt, Scotch-Irish secretary of the Massachusetts Federation of Labor, will become the new assistant secretary of labor, a post recently vacated by Edward F. McGrady. McGrady now is labor relations director of the Radio Corporation of America.

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## Soil Program For 1938 Is Announced For State

Offers Greatest Opportunity Yet for Soil Improvement  
and Conservation Through Sound Farm Practices;  
Separate Goals for Varied Crops

College Station, Raleigh, Sept. 20.—agricultural conservation program for 1938, as it applies to North Carolina growers, was announced today by E. Y. Floyd, of State College.

This program, he said, "will offer the greatest opportunity of any program yet for soil improvement and conservation through sound farming practices."

To comply with the program, farmers will need to carry out half again as many soil-building practices as in 1937, he said, but these are practices that any farmer interested in conserving his soil will be glad to carry out.

Heavier Deductions  
A greater effort will be made to control the production of soil-depleting crops next year by providing for heavier deductions from the payments of growers who exceed their "goals," Floyd added.

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## PREPAREDNESS NOT WHOLLY EFFECTIVE

Nation Armed to Teeth Al-  
ways Tempted To Use  
Its Teeth

By CHARLES P. STEWART  
Central Press Columnist

Washington, Sept. 20.—We hear a deal of the desirability of national preparedness for international trouble. The argument is that predatory countries are extremely hesitant to step on the toes of a country which militarily and navally is very strong. It is assumed that such a country is much more likely to be left in peace than a weak country, which can be cuffed around in comparative safety.

This kind of talk is prevalent throughout the world just now. The European powers are arming, big and little ones alike, in hot haste and at enormous expense. Our own military folk are urging us to do likewise, and we are doing some of it—not on Europe's vast scale, but noticeably. We must be in a position to defend our neutrality, experts tell us.

It is natural for army and navy men to reason thus. They are trained to believe in formidable armaments. Such armaments make for the importance of the jobs of professional militarists, too, and for more of them. I do not question the good faith of the militarists, but I suspect that they are unconsciously prejudiced.

They themselves do not contend that their armaments have any economic value. They admit that they simply are a huge tax burden. They say only that they are necessary insurance.

Writer Heard It Previously.  
I listened to much of this chat while Europe was arming prior to the World War.

I doubt the soundness of its logic. I surmise that a country with a seemingly overwhelming armament is

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## WEATHER

FOR NORTH CAROLINA.  
Partly cloudy tonight and Tuesday, possibly occasional rain on the southeast coast; somewhat cooler tonight in west and north central portion.

## AMERICAN EMBASSY LEAVES NANKING ON JAPANESE WARNINGS

### U. S. Not Closing Nanking Embassy

Washington, Sept. 20.—(AP)—Withdrawal of Ambassador Nelson Johnson from Nanking today was a temporary measure and did not constitute any abandonment of the Nanking Embassy, so far as diplomatic relations with China are concerned, the State Department said.

The move merely means diplomatically that Johnson has transferred his base of operations, officials said. They were informed of the move through press reports.

They stressed that aboard the gunboat Luzon the ambassador and his staff can transact any official business with the Chinese government while gaining maximum protection against the danger of threatened Japanese air raids.

Bombing of Chinese Capital  
Is Begun as Promised,  
With 40 Civilians  
Killed

OTHER EMBASSIES  
TO REMAIN THERE

Chinese Authorities Disappointed at U. S. Ambassador's Action; Warships Remain in Harbor To Protect Nationals; Japan Declines Blame

Shanghai, Sept. 20.—(AP)—The American Embassy staff departed Nanking tonight in the face of a Japanese threat to lay waste to the Chinese capital, emphasized by a morning aerial raid in which 40 civilians were killed and 40 homes destroyed. United States Ambassador Nelson Johnson, with his assistants, boarded the American patrol boat Luzon, stationed in the Yangtze river, and turned up-river.

They planned to withdraw to Wu-hoo, 30 miles from Nanking, thereby observing a demand by the Japanese naval force. The Japanese had warned that foreigners would face danger of death from the air, beginning at noon Tuesday. Japanese officials declared Japan would not be responsible for loss of foreign lives after that time.

Johnson's decision to withdraw aroused bitter disappointment by Nanking officials, some of whom felt that the ambassador should remain as a gesture of loyalty and sympathy with China's cause in the conflict with Japan.

The British, Russian, German and Italian embassies decided to remain, at least for the moment, and British and French naval commanders warned Japanese that they would be held strictly responsible for any loss of life or damage to property of their nationals.

The American commander-in-chief of the United States Asiatic fleet, Admiral Harry Yarnell, likewise declared that the Luzon and her sister ship, the

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## Chinese In More Night Air Raids

Shanghai, Sept. 20.—(AP)—Chinese fliers launched new night air raids tonight, swooping in death-defying dives over the Japanese military air field in the Yangtze sector.

Japanese anti-aircraft batteries on the fringe of the international settlement sprayed shrapnel fragments over a wide area, but apparently failed to bring down any of the Chinese planes.

In Peiping, Japanese military forces indicated that a vast area of central China would be made the next object of extensive bombing attacks. The Japanese Embassy, acting on behalf of the army, notified the British and other embassies, except that of the United States, that all foreign residents north of the Lunghai railway should display flags prominently on their property.

Cholera in the Shanghai foreign areas, already at epidemic proportions, spread alarmingly. Health officials battling against spread of the dread disease from the fifth of jammed Chinese refugees camps, reported 1,015 known cases and 120 deaths. There have been 19 cases among foreign residents and nine deaths.

## Insurgents Crack Lines Of Loyalists

Further Progress Is  
Made by Spanish  
Rebels on Last Bis-  
cayan Seaport

Hendaye, Franco-Spanish Frontier, Sept. 20.—(AP)—Insurgents driving toward the government's last north-west stronghold at Gijon broke through Asturian defense lines today, insurgent communications reported, and captured the village of Los Callejos after heavy fighting.

Waves of counter-attacking Navarrese drove back the Asturian defenders who started the battle with infantry drive in the Sella driver sector.

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## SPAIN IS REFUSED PLACE ON COUNCIL OF WORLD LEAGUE

Member Nations Sympathetic to Insurgents Are Jubilant Over Result of Voting

EDEN PESSIMISTIC  
ON PEACE OUTLOOK

Declares People of World  
Seem as Far as Ever Re-  
moved from Permanent  
Peace; Nyon Piracy Group  
Ready To Hear Sug-  
gestions Made by Italy

Geneva, Sept. 20.—(AP)—The League of Nations Assembly refused today to grant government Spain a seat in the League Council for the next three years, to the jubilation of member nations sympathetic with the insurgent regime of General Francisco Franco.

The Madrid-Valencia government failed by nine votes to obtain the two-thirds majority necessary for a new term in the Council. Spain's present three-year term expires this year.

However, Spain remains a member of the League and may send a representative to Council sessions dealing with matters concerning her, but will lack the power to vote in the Council. The major powers hold permanent seats on the Council, which is, in effect, the League's executive committee, but Spain has held one of the four seats rotated among minor nations at three-year intervals.

The vote came at a session wherein British Foreign Secretary Anthony Eden deplored that "peoples of the world seem as far as ever from attaining peace."

Eden, pledging Britain to unstinted efforts toward preserving peace, nevertheless belittled the importance of Germany's demand for return of war-lost colonies, some of them now under British control, and inferred that Italy herself was to blame for the limited patrol area offered her by the Nyon conferees on piracy in the Mediterranean Sea.

The foreign secretary declared that the nine Nyon powers undoubtedly would be ready "to consider suggestions" for elaborating Italy's part in the plan to drive piracy from the Mediterranean.

But it was felt that he expected Italy to take the first step and he pointedly remarked that it was "quite impossible to have attempted an elaborate plan in negotiations with a country not represented at Nyon."

## COTTON FUTURES AT CLOSING ARE LOWER

Drop of 9 to 11 Points Shown, But  
Spots Are 8.95 Cents on  
Last Quotations

New York, Sept. 20.—(AP)—Cotton futures opened barely steady, two to five points lower, with steeper Liverpool cables offset by active hedge selling. December recovered from 8.88 to 8.71 shortly after the first half hour, when quotations generally were three to four points net lower. December eased to 8.66 by midday, when the list showed net losses of eight to nine points.

Cotton futures closed barely steady, 9 to 11 points lower. Spot quiet, mid-dling 8.95.

	Open	Close
October	8.80	8.76
December	8.70	8.63
January	8.75	8.67
March	8.85	8.77
May	8.95	8.89
July	9.03	8.99