S. (SIBERIA)

TWENTY-FOURTH YEAR

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., TUESDAY AFTERNOON, DECEMBER 28, 1937

EASTERN

TURKESTAN

TIBET

Kidnaped—Freed

John Bryan, Jr., 8 years old, is pictured above. The lad, son of a Centerville, Ind., bank cashier, was

sidnaped with his nursemaid and

held for \$3,800 ransom, but a quick police net balked the kidnapers. Neither boy nor nurse was harmed.

WILL BE AN ISSUE

May Figure Sharply In 1938

Primary Elections Over

The State

Daily Dispatch Burean, In The Sir Walter Hotel, Raleigh, Dec. 28—There are many

indications that the primaries of 1938

and perhaps even the general election

will find prohibition an extremely live

This despite the fact that only in

Sampson county is there any surface

indication that the advocates of coun-

ty kores are planning to force their

county board to call an election on

In Sampson, reports have it, a peti-

tion is being circulated for an ABC

and politically dangerous issue.

the wet-dry issue.

NEW MILITARY ROAD

CHINA RUSHES MILITARY ROAD TO SOVIET UNION

PUBLISHED EVERY AFTERNOOM
EXCEPT SUNDAY.

FIVE CENTS COPY

Japan Apologizes To Great Britain For Naval Attack

presses Regret For Incident

EMPEROR ADVISED OF INVESTIGATION

Tokyo Press Hails Settlement of American Panay Incident as Tribute to Spanish Insurgents Break "Coolness and Sincerity" of Japanese and American Peoples

Toko, Dec. 28.—(AP)—Foreign Minister Koki Hirota tonight delivered to the British ambassador, Sir Robert Craigie, Japan's reply to a protest against Japanese attacks on the British gunboat Ladybird.

The text of the note was not mad: public, but the military section of imperial headquarters issued a state ment saying the attack was a "mistake" and expressing "regrets". One sailor was killed in the attack. The Japanese note was given Ambassador Craigie after Hirota report-

ed details of the government's inves tigation to the emperor. Hirtoa's report on the attack, which occurred on the Yangtze the same day the United States gunboat Panay was sent to the bottom by Japanese bombe

included the government's measures for amicable settlement with Great With final disposition of the Ladyed settlement of the Panay bombing

bird incident, Tokyo newspapers hailas a tribute to the "coolness and sin cerity" of the Japanese and United States governments and peoples.

Rightists Gain Power In Rumania

(AP)-King Carol tonight accepted the resignation of Premier George Tatarescu and commissioned Octavian Goga, anti-Semitic president of the National Christian party, to form a new government.

Tatarescu submitted his resignation last week after the Liberal party failed to win a majority in the Chaniber of Deputies election. The king's decision wan announced after a series of conferences with party leaders. Goga immediately presented a cab inet slate which he described as "rightist, but representing the various parties, and all elements of Roumania's political life."

The king disposed of rumors of an impending dictatorship by announcing he was determined to stick to the parliamentary form of government.

AMERICAN GUNBOAT

Nearly 300 United States mery." Citizens Taken from **Province Capital**

Shanghai, Dec. 28.—(AP)—The Unrted States gunboat Sacramento steamed out of Tsingtao harbor today, carrying American refugees from that rich Shantung province seaport isolated by advancing Japanese armies.

Dispatches from the threatened city there, with the Sacramento, the destroyer Pope and the crusier Marble-head standing by to aid them. the list ranged from two points net higher to three lower.

Admits Shelling of Gunboat Was Mistake and Ex-RELIEF COLUMN ON BESIEGED TERUEL

Through Government Outposts Northwest of City

TRYING TO RESCUE 6,000 HELD THERE A new Sino-Russian super highway, built for shipment of war supplies from the Soviet Union to the heart of central

Hendaye, Franco-Spanish Frontier Dec. 28.—(AP)—General Muguel Aranda's relief column was reported today to have driven through Spanish gov ernment outposts northwest of Terue in a fierce counter action to deliver 6.000 men, women and children besieg ed in the fallen city.

Dispatches reaching the French

Insurgent sources declared Aranda's advance guard might soon reach the seminary-fortress, the Bank of Spain building and a civil governor's palace where 3,000 insurgent officers and soldiers and about that many civilians fought hungér, thirst and a blasting

ment sides told of heavy fighting outside the provincial capital, which was captured last week in a surprise offensive after it had lain seventeen months in insurgent control.

Barcelona dispatches said opposing patrols were still fighting inside the city, with government forces apparently controlling the greater territory (Teruel, whose insurgent forces long had threatened to spear into vital gov ernment territory, is 135 miles east of Madrid.)

Reports direct from Teruel said the three ancient stone-walled buildings which housed the insurgents were slowly being blasted apart by government artillery. The upper floors had been set afire.

FRENCH DIVISION LANDS

Paris, Dec. 28.(AP)-Senator Henri Lemery told the French Senate today there had been "rumors" a French division had landed on the island of Minorca, last stronghold of the Spanish government in the Balearic islands off the Mediterreanean.

denial from the government. controlled by the Spanish insurgents

ticians the past several months.) Lemery, rightist senator from Martinique, declared the Spanish Madrid WOVING REFUGEES the valencia government's resistance to General Franco was possible only by large numbers of volunteers recruited large numbers of volunteers recruited

protest the statement of Senator Le-

COTTON IS MIXED IN MIDDAY PRICE

Cables Are Steady and Trade and

Foreign Buying Are Much In Evidence

New York, Dec. 28.—(AP)—Cotton aid 280 Americans had evacuated, futures opened one to three points up many of them on the Sacramento, on steady cables, trade and foreign which was due in Shanghai Thursday. buying. March eased from 8.35 to 8.28. Earlier this week Tsingtao advices leaving prices three to six points net were that there were 300 Americans lower after the first half hour. By midday March recovered to 8.32 and

Worst Storm Of Year Rakes The Northwest With An 8-Foot Snow

Seattle, Wash., Dec. 28.—(AP)-Gales, ice, snow, rain and land slides handle said the two-day snowstorm crippled communication as the year's was the worst in their memories. The worst and most widespread storm 35-inch snowstorm at Wallace closed lashed the Pacific Northwest today. several miles of roadway. The fall Traffic was halted on Portland, Ore- measured 96 inches at Lookout Sumgon, streets as 4.47 inches of rain, mit on the Idaho-Montana divide. heaviest fall since 1911, was recorded in 24 hours. A small tug boat, the river threatened 45 families at Grand Ben Hur, overturned and sank in Island and Wheatland, Oregon, as the Portland harbor while trying to move Wheatland daw weakened. a heavy barge. Two men aboard were Water piled up behind the dam and

Pioneer residents of the Idaho pan-

Rising waters of the Williamette

cut through a country road.

Provincial Capital Captured Last Week by Government Surprise Attack After Rebels Held It 17 Months; Government Blasts Build-

frontier said Aranda's men were

fighting without pause.

Advices from insurgent and govern

ON MINORCA, SENATOR SAYS

He hoped, Lemery said, to have a (Reports of Italian forces based on Mallorca and Ibiza, Balearic islands have greatly perturbed French poli-

on French territory.

Foreign Minister Delbos said: "I

election and the prospects for secur ing the needed number of signatures are said to be very bright. Direct store elections, however, are expected to be comparativly unimportant. The battle for and against prohibition will be fought with especial vigor in the nomination of candidates for the 1939 General Assembly

The county stores were legalized by vote of almost as many legislators from now-dry counties as of those keep what they have the wets must mainly to get him out of the political not only have the votes of all legislators from wet counties, but they must get help—and plenty of it—from solons whose constituents have not said affirmatively that they favor the legal sale of liquo

The United Dry Forces are saying nothing for publication, but there are

(Confinued on Page Eight.)

FOR NORTH CAROLINA. Cloudy and unsettled tonight and Wednesday; probably mists or light rain in south portion; slightly colder near coast tonight and in north portion Wednesday.

Expansion Over South Very Rapid

Route of new highway, designed for speedy shipment of war materials from Russia to heart of China.

plan wide-scale indirect support of China in its war against Japanese invaders. More than 1,000,000 laborers are said

to be working on the highway, which includes a spur from central China to Ulan Bator, capital of Outer Mongolia

Chattanooga, Tenn., Dec. 28.—(AP) Council said today Southern industry expanded by \$165,000,000 during 1937 This expansion, the council reported gave permanent employment to 67,735

The council's figures, announced following its annual survey, were based on programs either completed or launched during the year. "Notable among the new manufacturing enter-prises was the expansion of the paper and pulp industry," the report con-tinued, adding that since 1935 some \$85,000,000 had been invested in south ern plants to provide employment for 13,000. It said production capacity was doubled in the last two years.

New industries cited by the council included: Manufacture of china in Georgia, pottery in Alabama, various types of chemical plants in southeast ern states, trailer manufacture and the manufacture of dairy machinery. Stating that the expansion program made no material impression on em ployment figures for the year, the council explained numerous plants reported complete shutdowns and others had seasonal lay-offs.

BUFFALO IS AGAIN SHORT OF CURRENT

Failure of Electricity Hampers Industry and Affects Many Homes and Hospitals

Buffalo, N. Y., Dec. 28 (AP)-Buffalo and suburbs, with a population of about 700,000, encountered its second emergency of a month today when elec trical service failed in about 100,000

Hospitals, office buildings and stores also were affected by the power tie-Traffic lights failed. Shoppers and office workers were marooned in elevators between floors in eight downtown buildings. Six hospitals

were without electric service. A low, rumbling explosion in a large electric distributing plant in suburban Tonawanda, followed by fire, cut off the electric service for virtually all residential sections at 9:22 a. m., eastern standard time.

Colonel William Kelly, president of the Buffalo Niagara Electric Company, said service would be resumed this afternoon.

INTO LONDON POST

Washington Gossips He Is Being Dropped from 1940 Limelight

By CHARLES P. STEWART Central Press Columnist Washington, Dec. 28.—Is Joseph P. Kennedy, being shipped over to London, as Uncle Sam's ambassador,

limelight on this side of the water? I had occasion to refer to this matter recently. The story then was to the effect that Kennedy was President Roosevelt's choice for nomina tion as head of the Democratic ticket in 1940 and that his selection for the London embassy was made with a view to increasing his prestige in an ticipation of his party's next national

As I remarked at the time, this account did not seem to me a probable

Much Discussed Man. Thomas P. Kennedy has had a tre nendous amount of publicity of late. He made wonderfully good as head

(Continued on Page Eight)

Woman Freed In Death of Mother

Warren, Ohio, Dec. 28.-(AP)-Miss Louise Campbell was ordered free from the Trumbull county jail today after Corener J. C. Henshaw ruled the gunshot death of her mother was accidental.

The 28-year-old woman had been in jail without charge since Saturday. Mrs. Campbell, 55, daughter-in-law of a pioneer Ohio steel master, James A. Campbell, died Sunday of internal hemorrhages induced by an abdominal wound, despite a blood transfusion from her daughter.

The verdict of the coroner's inquest said: "All the witnesses in connection with the fatal shooting of Mrs. Cordelia Campbell were fairly examined by Coroner J. C. Henshaw, and they all stated that

the shooting was accidental."

The order for the release of the young woman gave her the oppor-tunity to attend private funeral services for her mother at a Youngstown funeral home.

Action Renews Demands in Congress for Tax Relief to Business

Detroit, Mich., Dec. 28 (AP)-William Kundsen, president of General late last night as Johnson rode a J. Shaw, of Greensboro. The funeral Motors Corporation, announced today employment in General Motors plants throughout the United States would be reduced by about 30,000 employees,

effective January 1.

The reduction in Michigan, he said will approximate 20,000 employees. Knudsen said "the recession is bus iness makes a readjustment of the working force necessary."

He explained the General Motors plants would operate on a three-day-aweek basis, each operating a tota of 24 hours a week. That will be the working schedule for those employees who are retained.

NEWS BRINGS NEW DEMAND OR FEDERAAL TAX RELIEF

Washington, Dec. 28-(AP)-Senator Van Nuys, Democrat, Indiana, said today the decision of General Motors Corporation to reduce its working force by 300,000 January 1 demonstrated that the immediate duty of the oncoming Congress is to take steps to reassure business.

Van Nuys declared the undistributed profits and capital gains taxes should be revamped early in the session. This, he predicted, would "bring an almost immediate benef-

Van Nuys and Senator Adams, Democrat, Colorado, both termed the General Motors job cut "unfortunate.

BAILEY MANIFESTO **GETTING PUBLICIT**

"Address to the People" by U. S. Senators Not Specific, However

Daily Dispatch Bureau. In the Sir Walter Hotel. Raleigh, Dec. 28—Senator Josiah W. Bailey couldn't get many fellow members of the "greatest deliberative body on earth" to sign "an address to the people of the United States"; but his of legislators seem as little inclined manifesto is getting unusually widespread distribution and publicity through the medium of full page news paper advertisement under which ap-

(Contirued on Page Five)

U.S. Will Keep Up Silver Purchasing From The Mexicans

DEATH CONTINUES TO RAVAGE STATE DURING HOLIDAYS

Fayelteville Woman Is Burned to Death in Fire That Destroys Home There

HIT-AND-RUN CAR KILLS ANGIER BOY China in two weeks, is being rushed to completion, Chinese sources reveal. The report strengthens belief that Soviet

Two Negroes Drown Near Manteo as Car Leaves Highway and Dives Into Canal; Negro Accused in **Drowning of Eight Persons** Near Wallace

Fayetteville, Dec. 28 (AP)—Deputy Sheriff Patrick said today he had been informed Charting Weeks, 24-year-old son of Mrs. Nannie Fisher, 49, had shot himself to death when officers approached him to question him about a fire at her home that cost

Patrick said the deputies, Frank Gray, Ernest Jackson and Wesley Freeman, came upon Weeks about approached him to question him, a mile from the burned house, and but he fled, carrying a shotgun. The officers telephoned in, Patrick said after a short chase, Weeks "turned the gun on himself and blew his brains out."

Fayetteville, Dec. 28.—(AP)— The body of Mrs. Nannie Fisher 49-yearold widow, was found early today in the ashes of her home near here. The home, on Cedar creek road. three miles from Fayetteville, burned shortly after midnight. City firemen were called, but the flames had gained so much headway that they were unable to extinguish them. At first it was believed the residence had been unoccupied for the night, but a member of the family, on being informed of the blaze, told officers Mrs. Fisher

County authorities said they would investigate in an effort to determine whether there was any evidence of FORMER LIBRARIAN

ANGIER YOUTH IS KILLED

BY HIT-AND-RUN DRIVER Angier, Dec. 28.— (AP) —Chester Johnson, 17, of near Angier, was dead today after an unknown hit-and-run at her home here today, apparently of driver ran into him on Highway No. natural causes. She was a sister of 15-A just inside the Wake county line the late Superior Court Judge Thomas

bicycle homeward. Highway Patrol and Wake county ern Pines, Wednesday afternoon. officers sought the driver but his identity had not been established, said Captain Charles Farmer, of the patrol.

NEGRO ACCUSED IN DEATH

OF EIGHT NEAR WALLACE Wallace, Dec. 28.— (AP) -Alonzo Whitehead, Negro, was charged today with fast and reckless driving in the death by drowning of eight other Ne-

(Continued on Page Four.)

BASKETBALL YOUTH DIES OF PRACTICE

Gastonia, Dec. 28.—(AP)—Charles J. DockeryS, 23-year-old Firestone mills basketball player, died here about noon today, 45 minutes after he became suddenly ill at a practice game at the Armory. Death was attributed to his having become over-heated. He is survived by his parents, Mr. and Mrs. J. D. Dockery, of Chattanooga, Tenn., and several brothPresent Policy To Hold Through January, Mexicans in Washington Agree

TRADE BALANCE IN 1937 IS FAVORABLE

Margin of Exports Over Imports Is \$151,670,000 Through November; Wheat Crop Insurance Rider To Be Insisted on in Farm Bill

Washington, Dec. 28.—(AP)—Treasury and Mexican officials announced today continuance of United States purchases of Mexican silver through

The understanding was reached in conference this morning between Mexican Finance Minister Suarez and Secretary of the Treasury Morgenthau. The purchases will be made on the same basis as the past year, the United States paying 45 cents an ounce for newly-mined Mexican silver delivered at New York.

It was understood no permanent agreement could be reached until President Roosevelt announced the price to be paid next year for newly-mined United States silver. His year-old proclamation fixing the present domestic price at 77.57 cents an ounce will expire Friday night.

The Commerce Department announce d, maenwhile, United States merchandise exports showed a \$151,670,-000 excess of export over imports in the first eleven months of the year. Although imports ran ahead of ex ports during most of the year, the last few months changed the trend and November alone accounted for \$91,456,000 of the export balance.

November foreign trade was slightly smaller than in October, but, the commerce Department said, the decline was seasonal. Exports totalling \$314,-682,000 were five percent under October, and imports aggregating \$233 -226,000 were one percent below the

previous month. Other developments: Senator Pope, Democrat, Idaho, pre-dicted that Senate conferees would insist on retention of a wheat crop in-

surance rider on the la Usually well informed officials said the President would tell Congress next week that the 1938-39 budget can be balanced if relief expenditures can

be held within bounds. AT DAVIDSON DIES

Aberdeen, Dec. 28 (AP)-Miss Cornelia Shaw, librarian emeritus of Davidson College, was found dead in bed will be held from the home in South-

TWO LABOR CASES ARISE FROM STATE

Labor Board To Hear Complaints from Erwin Mills Employees Early In January

Baltimore, Md., Dec. 28 (AP)-Bennet Schaufler, regional director of the National Labor Relations Board, announced today the NLRB would consider three new cases in Virginia and North Carolina early in January. Schaufler said both North Carolina cases involved petitions by the TWOC for a representation vote at the Erwin mills. One vote will be taken at Dur-

ham, the other at Cooleemee, on or about January 10. The Virginia case involves a complaint brought by the American Federation of Labor against the Titmus Optical Company of Petersburg. The union has charged the company with general discrimination against AFL workers, Schaufler said. It will be

Predicts Next Congress Will Block FDR Program

heard January 6.

Another Do-Nothing Session Forecast, With Executive Dictation Stepped on About As Completely As During Extra Sitti ng Just Ended

By CHARLES P. STEWART Central Press Columnist gular session, beginning Jan. 3, prob- to be worked on at leisure by the ad-

extra session, recently ended. During the short holiday recess New Deal leaders have worked hard It was significant that the lawmakto put some "pep" into the Roose- ers dodged, by absenting themselves veltian program, but the rank and file so numerously. as ever to lend support to White reason for going into hiding, The House recommendations. Quite generally they scattered from Washing-ton over Christmas and the New pressure. But, considering that Demo-Year. Probably few of them went home, except those who live very near-

by the capital, but they went a-vaca-tioning elsewhere, anyway. Apparent-Washington, Dec. 28.—Congress' re- ly they preferred not to remain here, ably will be as unproductive as the ministration's managers. Said managers wanted them to stay, for a week or 10 days of fixing between sessions.

Not that the Republicans had any Democrats were the solons

Continued on Page Five.)