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IMPERIAL MEETING TO SHAPE PROGRAM OF JAPS IN CHINA

Emperor and War Lords To Direct "Unshakeable" Policy To Be Agreed on at Once

TSINGTAO OCCUPIED WITHOUT STRUGGLE

Not a Shot Fired in Capture of Rich Industrial Port of North China, Already Laid Waste by Chinese Before Resistance in Leaving; Shantung

Tokyo, Jan. 10 .-- (AP) -- An imperial conference was summoned today to meet in the presence of Empero. Hirohito tomorrow to decide formally "Japan's unshakeable policy toward

The conference was ordered after Premier Prince Fumimaro Konoyo placed before the emperor the government's decision on future policy in China. Details of the plan were kept a strict secret, pending a decision by the imperial conference.

Chiefs and vice chiefs of the army and navy general staff, the premier and the foreign, army, navy, home and finance ministers will attend the ses

Japanese press reports have said that the cabinet in two days of conference with the imperial headquarters was drafting a program to "destroy the anti-Japanese administra tion in China."

The foreign office spokesman declared Japan was prepared either for peace or for prolonged hostilities, and added that peace was impossible so long as China's Generalissimo Chiang Kai-Shek maintained his anti-Japan-

RICH NORTH CHINA PORT

TAKEN WITHOUT STRUGGLE Tsingtao, China, Jan. 10.-(AP)-The Japanese Navy tonight occupied this rich North China port without firing a shot. Landing parties of Japanese ma-

rines marched in without meeting the slightest opposition. First of the forces of occupation to arrive was a contingent of 400 Ma- EXPECTS REVENUE

rines, which landed 18 miles from here and marched in.

Shortly afterward, Japanese troop ships entered the harbor and began disembarking additional marines. Five Japanese destroyers lay off-shore. The Japanese posted patrols and be gan lowering the white flags which

in accordance with previous Japanese (Continued on Page Three.)

Women Will Go To Front For Chinese

Hankow, China, Jan. 10 .-- (AP) -China's Amazon warriors took the field today against the Japanese in-

The Kwangsi women's battalion, made up of 150 young women especially picked for their bravery, physical fitness, general intelligence and marksmanship, arrived here after a hard 600-mile march for service on the northern front.

These women will be used primarily to circulate through villages and the rates formerly applying to this the rates formerly applying to this the rates formerly applying to this the rates formerly applying to the rates formerly applying to the rates formerly applying to this the rates formerly applying to the rates formerly applying to this the rates formerly applying to the rates for the rates formerly applying to the rates formerly applying to the rates towns, stirring up war consciousness and organizing national resistance to . The levy is due March 15 on prop-

There was no trace of rouge or lipstick on the faces of the determined women, the youngest of them only 16. who marched into Hankow at the end of their long march.

New Labor Mayor For CIO Wages

Duquesne, Pa., Jan. 10.—(AP)—Elmer Maloy, new laborite mayor, put this city of 22,000 in the heart of the

Pittsburgh steel district on what he termed a "C. I. O. union basis" today. The 41-year-old C. I. O. organizer. elected on the Democratic ticket last

November, and inaugurated last week, ordered a 40-hour-five-day week for all city employees, including 66 in the fire, street and police departments. Seventeen additional workers will

Despite the reductions in hours and the hiring of more workers, Maloy bond pending trial next month for the

(Continued on Page Three.)

On Court List



Frank R. McNinch Another listed as possibility for the supreme court vacancy is Frank R. McNinch, chairman of the Federal Communications Commission and chief adviser to the president on power questions. Mo-Ninch is 64.

Asks Merchants' Secretaries at Pinehurst To Cooperate on Intangibles

WILL BE GREATER

Terms New Act Important

Pinehurst, Jan. 10.—(AP)—Revenue Commissioner A. J. Maxwell present ed today to the secretaries of North Carolina merchants associations a "primer" on the State's new intangibles tax law, and concluded with an appeal for "whole-hearted support and

cooperation" in making a success of "It is expected," Maxwell told the secretaries, "that the revenue at the greatly reduced dates will be greater than under the former much higher rates by reason of a more general and complete disclosure of this class of

property." He termed the new law "an impor tant change in methods and a radical change in rates of tax on "intangible personal property.

"No property of this class will here-They represent the nucleus of what after be required to be listed with clina's leaders intend to develop into local list-takers and subjected to the local list-takers and sub port the nation's fighting men in their tax rates applying on tangible property," he pointed out. "The new rates crimination in freight rates and of tax represent an average of not

class of property.' the invaders. Trained to shoot to kill, erty held December 31. The revenue they were ready for trench service as is to be divided equally between the States Supreme Court. State and the counties and cities.

SHERIFF INVOLVED IN DYNAMITE CASE

Tennessee Officer Accused as Accessory in Blast That Killed Three Children

Elizabethton, Tenn., Jan. 10.—(AP)
-Sheriff J. M. Moreland said today that Sheriff W. L. Wallin, of nearby Bledsoe county, had been charged with being an accessory after the fact in connection with the dynamite blast that killed three children near here

Friday. The arraignment, scheduled today for eight other men and a woman beheld in connection with the ing dynamiting of the house in which the children died, was postponed pending further investigation.

The sheriff said three men were charged with murder in connection with the blast. He named them as White and Crave Tollett and Lee Walker, all of Pikeville, Tenn.

Victims of the blast, which wreckbe employed and the pay of laborers ed the home of Harmon Gouge, were will be boosted from 62 1-2 cents to 75 his three children. Their mother was ed the home of Harmon Gouge, were injured seriously. Gouge is at liberty under \$10,000

WEATHER FOR NORTH CAROLINA. Cloudy, probably rain in west portion tonight and Tuesday and in east portion Tuesday; slowly slaving in 1936 of Arnold Tollett, rising temperature. brother of Crave and White Tollett.

Ambassador Dodd Returns



William E. Dodd, retiring as United States ambassador to Nazi German is pictured aboard the Washington, being interviewed by a reporter at New York. Dodd has been outspoken in his criticism of the Nazis, who for some time sought his retirement. (Central Press)

DuPonts Expect Decline Of 23 Prct. In Business

Senate Committee Given Opinion of Lamott DuPont for Slump, Listing Tax Uncertainty, Rising Public Debt and Money Value Changes

policies. Both called for tax revisions

trend of business and resorted to production curtailment only with the utmost reluctance.'

Change in Methods and charged that the industry "has en-Radical Change In Rates of gaged in any thought or action which Tax; That Class Property to its social and economic respon-Won't Be Listed for Local sibility, or hostility to the general national interest, or what has been referred to as a strike against the administration."

> Washington, Jan. 10.—(P)—Lamott DuPont told the Senate unemploy- sent fog" of business.

Fight on Wage-Hour Bill

Week's Peaks

Daily Dispatch Bureau. In the Sir Walter Hotel. Raleigh, Jan. 10.—Two North Car-

the other a Federal circuit court of

appeals judge, took places in the pub-

lic eye as likely timber for the United

The pair who took up the cudgels

for Dixie were Governor Clyde R.

Hoey, who urged on President Roose-

velt the necessity of a wage differen-

tial if and when a wage and hour bill

is passed, and Utility Commissioner

Stanley Winborne who went to At-

lanta to look after the State's inter-

ests at a hearing on the railroads' request for a flat 15 per cent increase

Nothing much was printed about Governor Hoey's attitude at the South

eastern Governor's Conference with the President, but it is a practical

certainty that he did present to F. D.

R. the views he is known to hold on

Commissioner Winborne reiterated

to the I. C. C. examiners his previous

contentions that a flat percentage in-

the heavy differential already in ef-

(Continued on Page Three.)

fect against the entire South.

in freight rates.

the wage-hour bill.

Washington, Jan. 10.—(AP)— Two business spokesmen denied before a Senate investigating committee today that industry was striking or threating the first half of 1938, ening to strike against administration compared with the first six months in

to restore investment confidence.

They were Lamott DuPont, the manufacturer, and Dr. Claudius T. Murchison, president of the Cotton Textile Institute

Muschison the Cotton Textile Institute Textile Institute

Muschison the Cotton Textile Institute Texti Murchison told the committee his ployment in our company during the industry had "opposed with every first half of this year, for it is evipower at its command the downward dent that we are in a pronounced re-

DuPont said he had no "panaceas" most reluctance."

to improve business, but that "govthe government and seven ship lines
the government and seven ship lines
assured today the strengthening of counsel together in a spirit of forbearance and cooperation."

He asserted, however, that tax uncertainty, the fear of higher prices, due to the rising public debt, uncertainty as to the value of money, the number of strikes and "fear of changes in and the manipulation of the legal rules under which business must operate" had contributed to "the pre-

RATES AND WAGES Power Loan MUSSOLINI GIVES ARE OUTSTANDING Order Made U.S. LOUD HA-HA'S Court Candidates And Hoey Effective

Washington, Jan. 10 (AP)-The Supreme Court took action today which will permit four Alabama municipalities to begin immediate construction of power plants with loans and grants obtained from the Public Works Ad-South, in the important matter of dis-

ministration. At the request of the government, Chief Justice Hughes ordered that the Supreme Court's decision last Monday on PWA loans and grants be placed in effect immediately instead of waiting the customary 25 days to permit the

losing litigants to file an appeal.

The court last Monday held that private power companies had no legal right to challenge PWA loans and recent article, making fun of us, apgrants for publicly-owned power plants

Similar action was taken by the court last week to permit immediate construction by Greenwood, county, S. C., of a power plant at Buzzard

ROCKEFELLER SHAFT IN GREAT SMOKIES

North Carolina and Tennessee Park Officials Plan for Memorial for Donation

Washington, Jan. 10 .- (AP)-North crease in freight rates would add to Carolina and Tennessee park officials wetn ahead today with plans to erect a memorial to the late Laura Spell-Chief Justice Walter P. Stacy and Judge Justin Miller of the circuit Rockefeller, mother of John D Rockefeller, Jr., in the Great Smoky court of appeals for the District of Mountains National Park.

A. B. Cammerer, national park di rector, said F. L. Olmstead, of Brookline. Mass., probably would be engaged to aid in choosing a location for the marker.

His statement followed a confernce with T. W. Raoul, of Asheville, acting treasurer of the North Carolina Park Commission, and Robert Liv-ingston, of Nashville, acting Tennessee park director.

London Advises Paris and Washington of Objections to Japanese **Control There**

SOME INCREASE IN RULE ASSENTED TO

Some Japanese Representation or International Settlement Police Force Conceded; Distinction Between Temporary and Permanent Changes

London, Jan. 10.-(AF)-The British government today declared opposition to any permanent administrative changes in the international set-tlement at Shanghai such as have been demanded by the Japanese conquerors of the Shanghai area.

England, however, was authorita tively represented as ready to agree to some of the Japanese demands for increased power in the ru'e Shanghai settlement. The British pocition was stated in communications to the United States, France and the British authorities at Shanghai.

Officials would not indicate on what points the government was ready to meet Japanese demands, but it was intimated they included increased Japanese representation on the settlement's police force.

Prime Minister Neville Chamber

lain reviewed the whole question of British interests in China, especially at Shanghai, with Sir Hughe Montgomery Knatchbull-Hugessen, the retiring British ambassador to China. (Sir Hughe returned to London to complete recovery from wounds inflicted by Japanese machine gun tulots near Shanghai last August.)

In its communications to Washington and Paris, Britain made a clear distinction between "temporary chan-ges necessitated by abnormal conditions and changes of a more general character which must be considered through normal procedure.'

Government Will Help Finance New Merchant Marine

Washington, Jan. 10.-(AP)-Signing of subsidy agreements between assured today the strengthening of the American merchant marine coincidental with proposed eypansions of the navy.

The Maritime Commission, whose job is to put new life into merchant shipping, announced approval of the long-term contracts for construction by 1942 of 20 new ships for the foreign trade. There was a possibility the number might reach 63. In addition, arrangements for another 25 ships

Says Democracies Afraid of Democracy in Emergency Situations

By CHARLES P. STEWART Central Press Columnist

Washington, Jan. 10.-One must admit that Benito Mussolini has plenty justification for his attitude of hilarity toward the United States in connection with Congress' predomin ant reaction to Representative Louis Ludlow's proposed constitutional amendment calling for a popular vote in support of an American declaration of war against any foreign power. At least, I suppose it was Il Duc himself who gave us the ha-ha. The peared in his personal newspaper, the

(Continued on Page Five.)

Justice Cardozo Reported Better Of Heart Attack

Washington, Jan. 10.—(AP)— Physicians reported improvement today in the condition of Associate Justice Benjamin N. Cardozo, who they said recently had suffer-ed "alarming" heart attacks. They said, however, that the 67-

year-old jurist, who has been ill for a month, would not be able to return to the Supreme Court bench for some time and must be kept "absolutely quiet."

Dr. J. P. Ernest, Cardozo's personal physician, said consultations had been held almost daily with heart specialists.

Justice Cardozo suffered simi-lar heart trouble in June, 1935, but fully recovered. He was appointed to the Supreme Court in 1932 by President Hoover, and has been one of the justices most sym-pathetic to Roosevelt administration legislation.

WAR REFERENDUM IS LASTING CHANGES SHELVED BY 209-188 IN SHANGHAI RULE VOTE IN THE HOUSE

Follow Sutherland?



Copyright, Harris & Ewing Justice James Clark McReynolds

... next to quit court? Will another supreme court justice quit the high bench before June, as reported? And will he be Justice James Clark McRevnolds? He will be 76 on Feb. 3. -Central Press

Some Expect President's Opposition to Them; FDR Voted for G. O. P.

Washington, Jan. 10.-(AP)-Presi dent Roosevelt's Jackson Day assertion that the Democratic party "must slough off any remains of sectionalism and class consciousness," drew belated attention today from Democrats in Congress who have opposed administration measures.

In some quarters the remarks was interpreted as a hint that administration support would not be extended in coming elections to anti-Roosevelt Democrats. Other party members, however, attached little significance to the President's statements.

Politicians who have speculated on possible relignment of parties noticed also that the President appealed for disregard of partisanship. He told of having voted for Theodore Roosevelt when he was a Republican candidate for President.

Secretary Wallace, speaking in Des Moines, invited small business and professional men to leave the Republican party and join Democratic ranks James A. Farley, Democratic national chairman, said at New York that the Jackson Day receipts indicated a pro-fit of more than \$400,000.

Battle for Teruel by No Means Ended; Government Still Resisting

Hendaye, Franco-Spanish Frontier, Jan. 10.-(AP)-Fresh insurgent victories indicated today the battle for possession of Teruel was far from over, despite the government's success in crushing all resistance withn the captured provincial capital.

Dispatches said government com-manders had decided on counter attacks north and south of Teruel to offset insurgent victories. The capture of LeCoca, plus further gains by General Francisco Franco's troops in the Villastar sector, southwest of Teruel, threatened to cut the government's communications between its flank elements and their supply base, the dispatches said

Insurgent sources, reported steady progress on the two wings had en-abled them to form an arc around Teruel while the government was con-centrating on subjugating the insurgent garrison trapped within the city when government troops took it in a surprise attack more than two weeks

ago.

The surrender of this insurgent garing about 6,000 was completed Saturday night, according to the govern- in trying to have law enforcement

Speaker Bankhead Leaves Rostrum To Read Letter of Roosevelt Opposing Measure

GRAVEST QUESTION IN TWENTY YEARS

Calls Referendum on War Declaration as Radical and Revolutionary Attack on Basic Principles of Representative Democracy in United States

Washington, Jan. 10.-(AF)- The House shelved the proposed war referendum amendment to the Constitution today, voting against floor consideration of the proposal. Speaker Bankhead announced the vote against the referendum was 209 to 188.

The motion went down to defeat shortly after the House had heard Speaker Bankhead read a letter from President Roosevelt condemning the amendment, offered by Replesentative Ludlow, Democrat, Indiana. The resolution would have authoriz-

three-fourths of the states would have to approve calling for approval by the people in a national election before the United States could declare war. The President warned that the proposal would "cripple any President" in his conduct of America's foreign relations. It also would encourage other nations, the President said, "to

ed a constitutional amendment, which

believe that they could violate American rights with impunity." Bankhead left his rostrum to read the letter and to speak against the referendum. It was one of the rare instances he had taken the floor to

discuss pending legislation.

Asserting he left his place as an impartial presiding officer with the deepest regret to speak against the legislation, the speaker said, "I measure my words when I say that in my opinion this is the gravest question that has been submitted to the Congress since I became a memmebr of

the House 20 years ago."

He then described the referendum as a "radical and revolutionary attack on the fundamental basic principle of representative democracy.'

ERWIN MILL UNION ASKS FOR ELECTION

Labor Board Representative Hears Appeal by Workers at Hearing in Durham

Durham, Jan. 10 (AP)-Formal request for an election during the week of January 24 to determine the rights of collective bargaining for more than 4,000 employees of the Erwin Cotton Mills through the textile workers organizing committee, a CIO af-filiate, was filed with the National Labor Relations Board at a hearing here this morning. McClellan Butt, the last examiner of the NLRB in Washington, presided.

The evidence will be submitted to the National Labor Relations Board for study and decision. The hearing was conducted for the

purpose of giving employees of the mills an opportunity to present their arguments. Several witnesses were placed on the stand by the union group, but counsel for the mills did not offer any testimony.

Anti-Lynch Fight Taken VICTORY CLAIMED By Harrison

Mississippian Says Senate Bill Is Aimed at South and Its Program

Washington, Jan. 10 (AP)-Senator Harrison, Democrat, Mississippi, took up the southern battle against the anti-lynching bill in the Senate today by reading to his colleagues a plea from Andrew Jackson for states' rights.

Recalling how Democrats had gathered all over the nation Saturday night to honor Jackson, Harrison read to them one of the former President's utterances condemning encroachment by the Federal government on the pow ers of the states.

He said he hoped "my Democratic colleagues who paid \$100 for duck dinners will think about these words before voting on this legislation be-

fore us.' Harrison contended the anti-lynching bill would put fear "into the hearts of the womanhood of the South."

"It is an arrow pointed at the South." he shouted. "It is an insult rison and civilian supporters number- to the South and an insult to the progress the southern people have made and to do away with a condition."