

TOBACCO GRADING ACT IS ARGUED IN CHARLOTTE COURT

Constitutionality of Law Is Challenged in Federal Circuit Court of Appeals

VALID REGULATION IS NOT PROVIDED

"Due Process" Clause of Federal Constitution Violated and Authority Unlawfully Delegated to Secretary of Agriculture Is Claim Set Up

Charlotte, Jan. 11.—(AP)—The fourth United States Circuit Court of Appeals heard arguments today on the constitutionality of a tobacco inspection act passed by Congress August 23, 1935, empowering the secretary of agriculture to designate markets upon the favorable vote of growers, at which government agents should inspect and grade leaf offered for sale.

The case came before the court on an appeal of Secretary of Agriculture Henry Wallace and others from a district court ruling enjoining the department of agriculture and the district attorney for Eastern North Carolina from enforcing the terms of the act.

Counsel for D. T. Curran and other tobacco growers, appellees, contended the act did not provide a valid regulation of interstate commerce; that inspection and grading on only three of forty North Carolina markets violated the "due process" clause of the Federal Constitution; that the act unlawfully delegated authority to the secretary of agriculture and growers; and that it wrought irreparable injury to the appellees.

Attorneys for the Department of Agriculture argued that growers on the three markets where inspection was established had favored the move, and the injunction prevented its being established at the others. They contended, and cited authorities in support of their argument, that the act did not unlawfully delegate authority to agriculture officials or farmers, and said the grading and inspection was instituted only on approval of the growers in a referendum as specified in the act.

17 NOW ARE HELD IN DYNAMITE CASE

Some in Asheville Involved in Blasting Tennessee Home, Killing Three Children

Elizabethtown, Tenn., Jan. 11.—(AP) Sheriff Moreland said today 17 persons were in jail here or under bond in connection with the dynamite killing of three children last Friday.

Those detained in Asheville, the sheriff said, were permitted to make bond for appearance here Saturday, when eight men and a woman charged in connection with the blast are scheduled for arraignment.

Moreland would not disclose the names of those detained as witnesses, among them a Knoxville man.

Sheriff W. L. Walling, of Eledoso county, was to be arraigned today. Walling, Sheriff Moreland said, was arrested yesterday on a charge of being an accessory after the fact in connection with the blast that wrecked the home of Harmon Gouge and killed his three daughters. Three of the others, Crave and White Tollett, and Lee Walker, all of Pikeville, Tenn., Sheriff Moreland said were charged with murder. Five men and a woman were charged with aiding and abetting.

Hoey Sees Big Future Of Farmer

Raleigh, Jan. 11.—(AP)—Governor Hoey told agricultural extension workers at North Carolina State College today that "farmers and agriculture have a great future in North Carolina."

Welcoming the workers, Dean J. W. Harrison, of the college, said one million dollars was needed to equip the agriculture school so it could meet the demands of the people. Dr. C. W. Warburton, national extension director, also spoke.

Governor Hoey told of his own early days on a farm before he became a newspaper man and then a lawyer. He said farmers in those days did not know how to feed and care for their soils, burned off their land and kept it clean.

"Farmers have learned more now, though," said Hoey. "They know how to treat and feed the soil. Farming successfully is a complicated business, a science, and it takes a well trained man to be a good farmer. The farmer, though, is still the No. 1 man of North Carolina."

The governor said the State has unlimited resources if they are conserved and developed, but cautioned that

JAPS ARE PREPARED FOR FURTHER DRIVE IN CHINA INTERIOR

To Labor Post



Charles V. McLaughlin ... takes McGrady's old post

Appointment of Charles V. McLaughlin, 62, vice president of the Brotherhood of Locomotive Firemen and Enginemen, to be assistant secretary of labor, has been announced by the president. McLaughlin, succeeds Edward McGrady, who resigned several months ago to become personnel director of the Radio Corporation of America.

Deep Snow Shroud Ten Plane Dead

Huge Air Liner Falls in Montana Mountains, Killing All on Board

Bozeman, Mont., Jan. 11.—(AP)—A biting blizzard threw a snowy shroud over the bodies of ten persons killed when a Northwest Air Line plane crashed and burned in the Bridger mountains, 14 miles northwest of here yesterday.

Piloted by Nick Mamer, who has flown more than 1,000,000 miles without injuring a passenger, the plane went into a tail spin and plunged nose first into a small clearing. The nose was snapped off by impact with the frozen ground.

Searchers found all aboard dead, but the storm forced them to give up until late today the task of bringing the bodies here. A guard was left at the crash scene.

Gallatin county officials said snow plows would open the roads when the bodies are brought down by bobsled.

Two wood-cutters, C. A. Larson and Glenn White were working about 200 feet from where the plane crashed, but were unable to approach because of the flames. They went immediately for help, and met Sheriff Lovitt Westlake and a party of forest rangers.

Croil Hunter, president of Northwest Air Lines, issued this statement at St. Paul:

"It has been determined that all on board lost their lives. Until a thorough investigation has been conducted both by the air line's officials and the Department of Commerce, we will be unable to make any statement as to the definite causes surrounding the same."

TRADING LIMITED IN STOCK MARKET

Some Profit-Taking in Monday's Best Sellers Holds Advance

Table with 2 columns: Stock Name and Price/Change. Includes American Radiator, American Telephone, American Tob B, Anaconda, Atlantic Coast Line, etc.

Ready for "Next Operation, if Necessary," Spokesman Says, Without Elucidation

FUTURE POLICY OF EMPIRE DISCUSSED

Conference With Emperor Held To Determine Course on Continent; Jap Warships Attack China's Southern Coast; Heavy Jap Troop Movements Seen

Shanghai, Jan. 11.—(AP)—The Japanese army spokesman announced enigmatically today that Japanese forces were "prepared for the next operation, if necessary."

He gave no hint of the objective of the "next operation", or the conditions implied by "if necessary."

(The spokesman's statement was made while an imperial conference met with Emperor Hirohito at Tokyo to decide Japan's future policy in China.)

China war fronts, the spokesman said, were quiet. Japanese planes rained bombs on the Hankow air field and three newly discovered Chinese air fields in the interior. Japanese forces in Shantung province pushed westward from Tsingtao, which they occupied without resistance yesterday, and southward toward the Lunghai railway in a drive to trap thousands of Chinese troops.

(On China's southern coast, a Japanese cruiser and destroyer exchanged shells with Chinese forts guarding the river approach to Canton, the southern metropolis. The destroyer retired, apparently hit, after trying to land a boatload of Marines on an island. Four British-owned river vessels ran the gauntlet of shell fire to safety.)

(A Japanese push against south China to choke the flow of war supplies from the British crown colony of Hong Kong to Canton and thence to Hankow has been expected several weeks.)

Heavy movements of Japanese troops and artillery from the interior to the coast were reported in Shanghai. Since they did not arrive here it was believed the troops were reinforcements for Japanese trying to consolidate their gains at Hangchow for a drive to the west.

COTTON SHADES IN FORENOON TRADING

Early Advance Registered, However, on Higher Cables and Better Textile Sales

New York, Jan. 11.—(AP)—Cotton futures opened one to five points up on higher cables and increased sales of textiles. Shortly after the first half hour early gains were lost and prices ranged from unchanged to one net higher. March had eased from 8.54 to 8.53, when the list was net unchanged two points lower.

HANCOCK SEEKING BENEFITS ON SNUB

Jackson Day Speaker Saturday Night Lauded Reynolds, Omitted Bailey

Daily Dispatch Bureau. In the Str Walter Hotel. Raleigh, Jan. 11.—Partisans of Frank Hancock are seeking to turn to their advantage the so-called "snub" which Oscar Chapman, assistant secretary of the Interior, declared to Senator Josiah W. Bailey at Saturday night's Jackson Day dinner here.

Likewise at least two political commentators of considerable State-wide renown—Carl Goerch, radio man and publisher of The State, and Tom East, publisher of Raleigh's reformer and correspondent of the Greensboro News—have expressed the opinion that the studied omission of Senator Bailey's name by the speaker was a political boner.

Revolt in Guatemala?



President Jorge Ubico ... dictatorship threatened

According to reports, a revolt has broken out in Guatemala against the dictatorship of President Jorge Ubico, chief of the Central American "dictators' league". Army garrisons in northern Guatemala are said to have joined a movement to oust the iron-fisted president. President Ubico, however, denied rumors of a revolt, declaring the "country is in complete tranquility."

BYRNES, FIGHTING LYNCH BILL, SAYS NEGRO IN CONTROL

Tells Senate South May Just As Well Know It Has Been Deserted By Democrats

SAYS LONE NEGRO ORDERED THE BILL

Walter White, Secretary of Negro Association, Could Stop Measure Right Now If He Wished, South Carolina Democrat Shouts in Senate Speech

Washington, Jan. 11 (AP)—Senator Byrnes, Democrat, South Carolina, continuing a filibuster against the anti-lynching bill, said today "the Negro has not only come into the Democratic party, but the Negro has come into the control of the Democratic party."

"The South hmay just as well know," he said, "that it has been deserted by the Democrats of the North."

"One Negro whose name has heretofore been mentioned in the debate, Walter White, secretary of the Association for the Advancement of Colored People, has ordered this bill to pass, and Mr. President, it must pass," Byrnes shouted to the Senate.

The South Carolinian, his voice mounting in volume as his speech progressed, said that "if Walter White, who from day to day sits in the gallery, should consent to have this bill laid aside, the advocates would be unable when the whistle of the recess is heard."

If the present anti-lynch legislation is passed, Byrnes said, White will make further demands on Congress. A joint congressional committee, meanwhile, reported agreement on wheat provisions of the "ever normal granary" program. Senator Pope, Democrat, Idaho, a committee member said the wheat agreement was "a direct compromise" between the separate bills passed by the House and Senate.

Meantime, Senator Smathers, Democrat, said that "if the bill is passed, it will be a great step forward in the history of our country."

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Five Captains Of Industry Are Called In By Roosevelt To Discuss Business Trend To Discuss Business Trend

His Eyes Are on Albany



Postmaster General Farley is shown with his arm around the shoulder of Robert H. Jackson, Assistant United States Attorney General, at a luncheon of Democratic bigwigs in New York City. Jackson announced he would accept the nomination for the governorship of New York in the next election.

THIRD TERM MOVES ARE CROPPING OUT

Reform Program Can Be Completed Only By Roosevelt, Claimed

By CHARLES P. STEWART Central Press Columnist

Washington, Jan. 11.—Investigations which Rooseveltians are conducting generally are regarded in Washington as hinting strongly at third term activity in behalf of President Roosevelt.

These investigations confidently are expected to lead up to conclusions favorable to the Rooseveltian politico-economic philosophy, but some of them of them are pretty certain to be strung out to the tune of two or three years' duration. For example, Senator James F. Byrnes' committee is trying to hit on the basic cause of unemployment. It surely will be some time before it can have analyzed its problem thoroughly enough to be able to submit a convincing answer to it.

A dozen other investigations similarly are in progress. The fruit will be progressively ripening between now and 1940, but it generally can be counted on to be sufficiently mature to fall off the tree much before the latter year.

Six Years Needed. After that it will have to be "canned" in the form of legislation. The job of legislative "canning" will be completed rapidly if another four years witnesses its completion.

If the investigations fruit is of Rooseveltian growth, can't it be more capably legislatively "canned" under Rooseveltian than under any other auspices? Assuming an affirmative response, the obvious rejoinder is that "F. D.'s" continuation in the executive mansion at least until the end of 1944 is essential.

It will be quick work at that. Such a transformation, from an orchardful of budding politico-economic fruit into a cellarful of legislative canned goods usually takes two or three generations. Effecting it in the space of three four-year presidential terms would be accomplishing it in record time.

See F. D. R. Needed. Of course the theory is that "F. D.", having started the pretty well up to the point for the canners to take it in hand, can afford to turn it over to the latter to preserve it for the future.

Yes, but the contrary argument is that not more than about once in a century is one man equipped to put through the whole program competently. Mussolini and Hitler have tried it, but not with results all hands approve of. "F. D.'s" admirers consider that his system permits to turn out perfectly—if he is left alone to see it through to the finish.

WALLACE ASSERTS WESTERN FARMERS CALLING FOR HELP

Increasing Appeals for Financial Aid Coming From Great Plains States Region

DIRECT AID GIVEN TO 108,000 FAMILIES

These in Addition to Families Receiving Rehabilitation Loans; North Carolina Has Received \$92,757,651 In Relief Funds in Three Years

Washington, Jan. 11.—(AP)—President Roosevelt asked five industrial chiefs to confer with him at the White House late today on the business recession.

Those invited for a 5 o'clock conference in the President's study were: Alfred Sloan, chairman of the board of General Motors Corporation; Ernest Weir, chairman of the board of the National Steel Corporation; Lewis Brown, president of Johns-Manville; M. W. Clement, president of the Pennsylvania Railroad; and Colby Chester, head of General Foods Corporation.

Meantime, Secretary Wallace told the Senate Unemployment Committee that pleas for Federal financial aid from farmers, particularly from the Great Plains States, had been "rising steadily" since July.

Wallace said demands for subsistence grants averaging about \$20 a month per family had more than doubled rural relief spending since mid-summer. The areas where needs are greatest, he said, are Montana, Wyoming, North and South Dakota, Colorado, New Mexico, Kansas and Nebraska.

He said 108,000 rural families received direct subsistence grants in December, adding there was little likelihood that this number would decrease before the next harvested season. These were in addition to families receiving rehabilitation loans.

Elsewhere in the Capital, the National Emergency Council reported North Carolina had been allocated \$92,757,651 from relief funds appropriated by Congress in 1935-36-37. Of this amount, the report showed, \$84,492,656 actually had been spent in the

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12 Children Injured In Bus Wreck

Chester, S. C., Jan. 11 Twelve high school pupils were injured, none seriously, today when State Highway Patrolman Legare Ansel reported, a heavy truck struck their bus at Evans, three miles south of here.

Ansel said he had arrested the driver of the truck, whom he listed as Labeur W. Pitts, 34, of Columbia, on a charge of failing to stop as he approached the bus, which, according to the officer, had come to a halt to take on more pupils.

The driver was quoted as saying his truck skidded when he put on brakes on seeing the bus, and an oncoming passenger bus threw a dense fog.

Snow Falls Over Parts This State

Raleigh, Jan. 11.—(AP)—Snowflakes descended on northern North Carolina, while elsewhere in the state rain fell early today.

Lee Denison, in charge of the Weather Bureau here, reported .06 of an inch of snow here, which was melting. Snow fell also in Goldsboro, Henderson, Clayton, Garner, Wilson Mills, Wilson and Selma. Flakes, the first of 1938 for North Carolina, fell in parts of northern North Carolina and Virginia, Denison said.

At Rocky Mount and Wilson shortly after midnight it was raining also. A light sleet fell in Charlotte early last night, and this morning the city was blanketed by a heavy fog.

WEATHER FOR NORTH CAROLINA

Occasional rain tonight and Wednesday; warmer tonight and in east portion Wednesday.