

roll call vote was 233 to 153. Republicans and rebelling Demo-

statement of his country's

Germany. He added it was possible

igg would be retained in growers ballot on crop control. Flu

mates wore made:

co, 160,000 grower

nurder and manslaughter to outright acquittal. He took great pains to

Case Begun Wednesday

The case was started Wednesday morning with the selection of the

crats refused to include the "1B" surtax.

Other developments included: Chairman Arthur Morgan, of the TVA. declined to meet President Roosevelt's request for factual evidence to support charges that Morgan has made against the other two members of the TVA board.

"I am of the opinion that this meeting is not, and in the nature of the case cannot be, an effective or useful

(Continued on Page Six.)

China War Is Fought OverForeign In The Air

Shanghai, March 10.-(AP)- The Deadlock Threaten-Sino-Japanese war was fought in the air today.

Two squadrons of Chinese planes in a sudden attack bombed the Japan ese air field at Nanking, General Chiang Kai-Shek's lost capital. Japanese said there was no damage, but Chinese said ten planes wer: destroyed. A Japanese military train between Pengpu and Linhkaikwan

also was bombed. American missionaries at Pengfien to disclose his foreign policy until reported a low-flying Japanese plane assured of radical-socialist support dropped two bombs on mission prop- threatening a deadlock in France's eferty without damage.

Japanese planes bombed the pro- alarming developments in Central Euvincial capital of Shensi in west cen rope, including German troop move

(Continued on Page Three.)

BY ROGER W. BABSON,

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of the big reasons why the 1937 pros-

more efficient equipment, introducing

foreign policy issued at Prague, Premier Milan Hodza of Czechoslovakia hurled defiance at Germany in response to the threat contained in Fuehrer Hitler's recent speech. Premier Hodza told frantically-cheering members of the chamber of deputies that if Czechoslovakia were faced with the necessity of defending itself, "Czechoslovakia will defend, defend, defend herself."

Government

nancing for Small Concerns; Money Is Scared by

President's Hostility to Business in General

Faris, March 10.-(AP)-Premier

Designate Leon Blum refused today

forts to set up a new cabinet amid

(Continued on Page Three.)

some capacity. Schuschnigg announced by radio

that Germany had presented an ultinatum with a time limit demanding he reorganization of the Austian government. Earlier in the evening the governnent announced the plebiscite on Austria's independence had been post-

poned Austria was assuming the aspect of an armed camp, with clashes in many cities with Nazis and fatherland front supporters of Schuschnigg's fight for

Arthur Seysz-Inquart, Austrian min-ister of the interior, and close friend of Germany's Reichfuehrer Hitler, was reported to have presented **Blum Silent** was reported to have presented a de-mand "like an ultimatum" for can-

(Continued on Page Six.)

Policy Plans COTTON IS LOWER IN EARLY TRADING

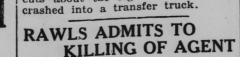
New York, March 11.-(AP)-Cotton futures opened three to five points ed in France's New Effort To Set Up A down, in response to lower Liverpool ign selling. May eased to 8.95, leaving quotations shortly after the first half hour at net losses of seven to nine response to lower Liverpool ables and under liquidation and fore-ign selling. May eased to 8.95, leaving quotations shortly after the first half hour at net losses of seven to nine response to lower Liverpool ables and under liquidation and fore-ign selling. May eased to 8.95, leaving quotations shortly after the first half hour at net losses of seven to nine response to lower Liverpool ables and under liquidation and fore-guotations shortly after the first half hour at net losses of seven to nine parations for a wat day comparison to the second second second second second second second second parations for a wat day comparison to the second secon

## points. TARBORO SHOWMAN **INJURED IN CRASH**

John C. Lyles, 39, in Critical Condi-tion in Macon, Ga., After Auto Collision

Macon, Ga., March 11 (AP)—John drain a few tall glasses. C. Lyles, 39, Tarboro, N. C., general The wet generals were agent of the Art Lewis Shows, was in strategy to be used in the coming cama critical condition in a hospital to- paign, which strategy will consist larday after a head-on automobile crash gely in seeing to its that all legislators early this morning. Although he is in serious condi-ing advocates of the stores and in keeping constantly before the public tion, physicians expressed hope for keeping constantly before the public

the fact that every one of the 27 coun-Lyles' recovery. Lyles suffered a fracture of the left ties in which there are stores is aparm, rib fractures, contusions and parently quite well satisfied with their



Restrictions on Financing Damming Up Adequate Fi-Joe Thomas West Implicated by Rawls in Shooting of Federal Agent in State

Washington, March 11 (AP)-Treas ury agents announced today Bernard "Big Boy" Rawls has confessed at

entative Zeb Weaver, of Ashevilla Norfolk, Va., to the killing Tuesday paid the State Board of Elections \$100 night of Treasury Agent John Wiltoday to seek the congressional Dem liam Jackson, Jr.

closed that the pair shot Jackson on the North Carolina side of the Vir-ginia boundary. Officials said Rawls and West would be taken to North

Jackson was shot when he and Sergeant John Estes, of the Norfolk, Va., police tried to stop a suspected bootl legging car.

e-cured toba Floyd said reports from N. C. State College Extension specialists who in 64 counties. Cotton, 180,000 to 200,000 growers have gone into the more than 80 counties for educational meetings were in 79 counties. Dean I. O. Schaub, of the college, unanimous that the favorable vote

estimated 140,000 farmers would h would be from 80 to 85 percent of the eligible in each referenda, and around farmers. There must he a two-thirds favor-100.000 would actually vote in each.

The polls in the counties will open able vote to make a compulsory control vote effective.

WETS, DRYS LIKELY

It will be continually dinned into

the public ear that the people of the

ABC counties are united in their sup-

The wets in the coming legislature

(Continued on Page Six.)

Raleigh, March 10 .- (AP)-Repre

FOR NORTH CAROLINA.

perature in central portion.

IN CONGRESS RACE

WEAVER PAYS FEE

port of the store system.

nounced opposition.

tles over liquor.

and Sampson counties. ible

at 7 o'clock tomorrow morning and The only organized opposition en-close at 7 in the evening. Results will countered, Floyd said, was in Johnston be forwarded here as quickly as pos-INVESTIGATION OF

Wets Already Have Start To Chairman Morgan Gaining Sympathy in His Demand Hold What They Have for Fair Inquiry In Legislature

By CHARLES P. STEWART **Central Press Columnist** 

IVA NEEDED BADLY

Washington, March 11 .-- If ever a situation seemed to need impartial treason and murder charges. investigation it is the one arising out parations for a wet-dry campaign this of the row within the three-man memyear which will bring recollections of bership of the Tennessee Valley Authe hottest of these ever-warm batthority.

The rumpus is hard for a bystander The meetings held lately by the even to take one side or the other on State Association of County ABC until a lot of testimony has been lis-Boards and by the county commistened to.

sioners of those units which have the Charges and counter-charges arg stores were not held just for the fun ugly and voluminous enough, but thus of the thing or to swap tall tales and far nothing has been substantiated Surely some disinterested body ought The wet generals were planning the

to dig into the facts in the case. **Opposing Views.** 

Chairman Morgan of TVA wants Congress to appoint a committee to do from ABC counties are thorough-goit. The administration does not say so but its obvious reasoning is that such a committee would have as its principal business the making of trouble for President Roosevelt.

An opposing suggestion is that the Federal Trade Commission should do the investigating. Chairman Morgan's answer is that this would be a case of one "independent office", consist-ing of presidential appointees, prob-

(Continued on Page Three.]

## FT. BRAGG PRIVATE **DROWNED IN RIVER**

Body of Howard E. Hartley, of Avery County, Found in Stream Near Fayetteville

Pope Field, Ft. Bragg, March 10 .-(AF)-Searchers this morning dis covered the body of Private Howard B. Hartley, 16th Observation squal-ron in Little river about 15 feet from the point where he fell from a row boat last night, while poling up the Partly cloudy, slightly warmer stream with four companions. He was in northeast and central portion native of Heaton (Avery county), N. C., and had been in the army about tonight; Saturday fair, rising temeight months.

Prosecutor Slurs U.S. **Vs. Soviets** was held. **Russian Plotters Are** Called Unfit To Live Even If America Desperate **Tolerates** Capone

Moscow, March 10 .--- (AP)--- Deaths for 19 of the 21 defendants in Soviet Russia's greatest blood purge trial was demanded today by Prosecuto: A. Y. Vishinsky at the end of a bitter summation of the government The only two spared from death

were the once-esteemed Soviet diplo-mat, C. Rakovsky, and S. A. Bessanoff a former Russian trade delegate. For them the prosecutor demanded 25 years imprisonment.

of G. G. Yagoda, compared the oncedreaded head of the secret police to before the three-day-old thrust, had Al Capone.

"We cannot leave such people alive," he cried. "They can do so in America with Al Capone, who kill and kidnap people they want to get out of the

way. But Russia, thank God, is not America.'

New York, March 11 (AP)-The

immediate re-arrest of Richard

Whitney, five times president of

the New York Exchange, on a

new charge of grand larceny, was

ordered today by State Attorney

Whitney was at liberty in \$10,000

bail on another first degree grand

larceny charge, on which he was,

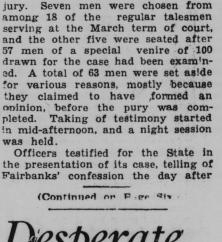
arrested yesterday through the efforts of District Attorney Thos. Dewey. He has not pleaded.

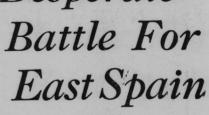
a complaint of Commodore Wil-

liam A. W. Stewart, of the New

The present charge is based on

John J. Bennett, Jr.





Hendaye, France, March 10.-(AP) -With Belsik lost, the government's Aragon army moved up to meet the insurgent's great offensive in a battle for control of eastern Spain. Mili-The prosecutor, demanding the life tary advices said the government which had been withdrawing steadily been forced by insurgent gains to take a stand, risking its army in a major clash to decide the fate of the Medi-

terranean seaboard. Insurgents said a Moorish corps

(Continued on Page Six

Whitney Ordered To Be **Re-Arrested On Charges Of Grand Larceny Crime** 

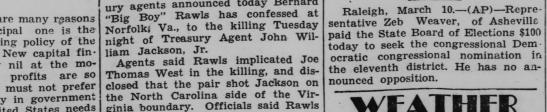
> York Yacht Club, prominent lawyer and former friend of Whitney, that Whitney "undawfully" took from a safety deposit box \$103,000 of bonds belonging to the club, of which Whitney had been treasur-

New York, March 10 .- (AP)-Investigation into the tangled financial af-fairs of Richard Whitney, former president of the New York Stock Exchange, centered today on the pending Federal grand jury probe and State

(Continued on Page Sir '

absent today. There are many reasons why, but the principal one is the money and bookkeeping policy of the Babson Park, Fla., March 11.—One Federal government. New capital financing is practically nil at the moperity did not "catch" was the dearth ment. Underwriting profits are so of new expansion and new enterprise. new industries. They must not prefer Building new factories, installing just to "salt" it away in government bonds. What the United States needs novel products, and the like, should today is not that kind of salt, but the

offset the losses from decaying indus- right kind of pep. The necessary confidence to take however, people with money must be willing to risk it by financing such lacking ever since 1929—and it is still (Continued on Page Four.)



Carolina for prosecution.

Little Business Choked By Government Control

## cuts about the leg when his coupe crashed into a transfer truck.