

POLISH ULTIMATUM MAY BRING ON WAR

Senate Gives President Full Reorganization Powers As To Revamping Federal Agencies

CONGRESS NOT TO RATIFY ANY MOVES BY THE PRESIDENT

Foes and Supporters Reorganization Bill Saw Major Test in Wheeler Amendment

HOUSE CONSIDERING BIG NAVY AIR FORCE

Secretary Wallace to Be Authorized to Conduct Referendum of Burley Tobacco Growers; Many Amendments Approved for New Farm Bill

Washington, March 18.—(AP)—The Senate voted 43 to 39 today to permit the President to transfer and consolidate federal agencies without obtaining congressional ratification of his action.

The chamber rejected an amendment to the government reorganization bill, which would have required the congressional approval before any reorganization order could become effective.

Amendment, submitted by Senator Wheeler, Democrat, Montana, would have compelled Congress to give consideration to executive orders as soon as they were received from the President.

Both opponents and supporters of the reorganization measure regarded the decision on the Wheeler amendment as a major test of the reorganization bill.

The House continued consideration of the billion dollar bill tentatively authorizing a minimum of 3,000 planes for the navy. The House passed and sent to the White House, meantime, a Senate bill authorizing Secretary Wallace to conduct a referendum of burley tobacco growers to determine whether they want marketing quotas for this year crop.

At the same time the House Agriculture Committee approved a long series of amendments to the new farm

(Continued on Page Four.)

INSURGENTS DRIVE NETS TWO CITIES

Franco's Army Gains Control of Montalvan-Alcaniz Highway

Hendaye France, March 18 (AP)—The huge curving Montalvan-Alcaniz-Paste salient, and surged onward toward the Mediterranean today as the insurgents pressed eastward their ten day on offensive.

Loss of Paste, medieval town in the fork of the rivers was admitted by the government. There was more than two days a desperate garrison had delayed the insurgent advance by a threat to its left flank.

Fall of Alcorisa, southward, also was admitted by government communiques. The surrender of the towns left insurgents in control of the Montalvan-Alcaniz highway.

Road Dead Lowest Now Since 1934

Daily Dispatch Bureau, In the St. Walter Hotel, Raleigh, March 18.—North Carolinians were luckier, but not really safer, on the highway in February, an analysis of the accident report of the Motor Vehicle division shows.

On the face of the returns, February was a banner month with automobile accident deaths falling to a new low since February, 1934, with only 55 victims; but behind the face of the returns there is a different picture.

There were more accidents last

(Continued on Page Four.)

Bombers Of Insurgents Continue To Rain Death Upon Barcelona Citizens

Asks French Aid



Juan Negrin ... pleads for French planes

Desperate in the face of advancing insurgents, the Spanish Loyalist government's premier, Juan Negrin, pictured, made a hurried plane trip to Paris to plead for French aid. Negrin is said to have asked for 200 planes and munitions immediately to resist the insurgent drive led by Gen. Francisco Franco. The Spanish government capital, Barcelona, is threatened by the insurgents, aided by strong reinforcements of Italians and possibly Germans.

NORRIS FALLS INTO HIS OWN TVA TRAP

Finds Hands Now Tied With Restrictions He Wrote Into Measure

By CHARLES P. STEWART Central Press Columnist

Washington, March 18.—When Senator George W. Norris was drafting the law creating the Tennessee Valley Authority his idea was to make the members of the Authority's three-man administrative board as nearly independent of outside influence as possible.

He provided for the members' presidential appointment but sought to

(Continued on Page Four.)

Babson Blames Congress For Business Stalemate

Too Much Persecution, He Says, and Washington Is Doing Nothing About It; Danger Point Near and May Turn to Another Major Depression

BY ROGER W. BABSON, Copyright 1938, Publishers Financial Bureau, Inc.

Babson Park, Fla., March 18.—Business this month is the worst in three years. Activity is now back to the level of the Spring of 1935. It is 28 per cent below a year ago, although still about 33 per cent above the depression bottom of March, 1933. My New Year forecast called for a bad first-quarter—at least 15 per cent below a year ago. We are having it all right. The drop is averaging even more than I predicted. It is about 23 per cent.

As 1938 opened there were signs of a turn-up. Business did move ahead two or three per cent between mid-

Morning Air Raid Staged As Thousands Creep from Shelter of Subway Stations

50 DEAD, 100 HURT IN LATEST ATTACK

Insurgents Warn City Attacks Will Continue Until City Bows to Advancing Army; 560 Killed and 1,000 Wounded Since Raids Started Wednesday

Barcelona, March 18.—(AP)—Swift insurgent bombers struck again and again at blood-soaked Barcelona today, carrying out a threat to attack continuously until the city surrenders. The 13th air raid since 11 p. m. Wednesday, left a total of 560 dead and 1,000 wounded.

Bright-winged bombers wheeled over the city at 7 p. m., just as thousands of men, women and children in this city of more than 1,000,000 were streaming home from subway stations after a night of fearful refuge.

The roar of bombs and anti-aircraft guns sent them rushing back to shelter at 8:40 a. m. the bombers returned. Officials put the dead at 50, and the wounded at 100 in these two raids. 510 were killed in previous bombings.

The raiders yesterday dropped leaflets over the city warning that the bombing would continue every two or three hours until the city was forced to kneel.

The insurgent planes dived over this city at 1:10 a. m. dropping the bomb cargo near a hospital in a suburb. Ten times yesterday and last evening, Barcelona underwent bombardments.

FIVE QUESTIONED IN STOKES SLAYING

Sheriff Taylor Probes Into Death of Detroit Mechanic in Stokes County

Winston-Salem, March 18 (AP)—Stokes county Sheriff John Taylor questioned five men at Danbury today about the slaying of George W. Taylor, of Detroit, automobile mechanic, but reported he had not been able to get to the bottom of their incoherent story about a drinking party and dice game.

The sheriff said he was considering a robbery motive, but indicated he could make no progress along that

(Continued on Page Four.)

Czechoslovakian Army Large and Well-Equipped



Top, infantrymen going through their paces at Pardubice; below, motorized units in maneuvers

Czechoslovakia is prepared to defend itself against invasion from Germany should the German Fuehrer try to take over the central European republic as he did Austria. These pictures are of maneuvers of Czechoslovakia's army, which numbers 1,875,000 with reserves. It is well trained. In addition,

word from Prague has it that Soviet Russia and France have both given Czechoslovakia formal and official assurance they would furnish military assistance in event of interference from abroad. Within Czechoslovakia itself there is division—a fifth of the population of 15,000,000 being German.

COUNTIES PAY FEES FOR IDENTITY WORK

\$720 Sent in to State From Three Courts Existing in This County

Raleigh, March 18.—Frederick C. Handy, Raleigh insurance man, ought to call himself to order and adopt a ringing resolution of thanks and appreciation to John R. Morris; because Mr. Handy most certainly owes his recent appointment as head of the State Identification Division to Mr. Morris' activities since January 1.

The former New Hanover county sheriff has since the first of the year boosted "Collections under Chapter 349, P. L. 1937" (as the report of State Auditor George Ross Post puts it) approximately \$25,000, which it took seven months to collect, to \$40,603.95—an increase of about \$15,000 in the less than three months of Morris' activity.

All of which enabled Mr. Handy to have his present job, which was dependent upon collection of the special \$1 cost fee levied by the 1937 General Assembly upon every criminal conviction in the State.

Incidentally the Morris accomplishment

(Continued on Page Six.)

WHITNEY EXPELLED FROM STOCK BODY

Two Associates, Morgan and Mygatt, Suspended for Three Years

New York, March 18.—(AP)—Richard Whitney, bankrupt broker awaiting sentence on grand larceny charges to which he pleaded guilty, was expelled from the New York Stock Exchange today.

The expulsion order, voted by the governing committee last night, was read from the rostrum at the opening of today's trading by Charles Gay, who succeeded Whitney as president of the exchange.

Two of Whitney's partners, Edwin Morgan, Jr., and Henry Mygatt, were suspended for three years. The governing committee absolved them of any knowledge of any "wrong doing" of Whitney, but suspended them under a rule that holds all members responsible for acts of their firms.

Whitney, who guided the exchange through the tempestuous days of 1929 was president of the exchange five times, was expelled permanently.

WEATHER FOR NORTH CAROLINA Fair tonight and Saturday; slightly colder in extreme south-eastern portion; scattered light frost tonight; Saturday fair and warmer.

Chamberlain Endeavors To Balk War And Halt Bombings Of Civilians

Using Efforts to Settle Polish Dispute and Halt Slaughter of Spanish Civilians

FEARS GERMANY MAY TAKE OVER MEMEL

In Touch With Both Governments in Dispute and Urges Peaceful Settlement; Vatican's Aid Asked in Halting Slaying of Barcelona Civilians

London, March 18.—(AP)—Prime Minister Chamberlain shifted Britain's buffeted world's diplomacy today in a new effort to prevent a Balkan war and to end bombing horrors in Spain.

Struggling with cabinet and party differences at home, he told the House of Commons:

1. Britain was intervening outside the League of Nations in the Polish-Lithuanian dispute to balk an arm struggle, which might send German troops into the Germanic city of Memel, Baltic city in Lithuania, once a part of East Prussia.

2. Britain and France were seeking the powerful help of the Vatican on an appeal to both sides in the Spanish civil war to cease merciless bombing of civilian population at Bar-

(Continued on Page Six.)

HITCH-HIKE KILLER IS ELECTROCUTED

Goes to Death Denying He Deserves Chair for Arkansas Slaying

Tucker Farm, Ark., March 18.—(AP)—Lester Brockelhurst, 24-year-old, confessed hitch-hiking killer, was electrocuted today, protesting his crime did not warrant the death penalty.

Brockelhurst was convicted of the hitch-hike slaying last May of Victor Gates, Little Rock land owner. He was arrested in New York on a minor traffic law violation a few days after the Gates killing, together with his sweetheart, Bernice Felton, of Rockford, Ill. He confessed killing Gates. Allen Theander at Rockford, and Jack

(Continued on Page Six.)

HITLER MAY SEIZE MEMEL WHEN POLES ENTER LITHUANIA

Poland's Ultimatum To Lithuanians Expires 9 P. M.; Demands "Normalized" Relations

HITLER'S MOVE MAY BE A TRUMP CARD

Former German Baltic City of Memel, Now Lithuanian, Will Be Seized, Nazi Spokesman Declares; Berlin Awaits Another Hitler "Declaration"

Berlin, March 18.—(AP)—A source close to the chancellor today said the German's opposition to the threat of Polish military action in Lithuania had been withdrawn in return for Polish acquiescence in a possible German annexation of the Free City of Danzig.

German troops were to march into Memel, formerly German, now Lithuanian if Poland sends her army into Lithuania, a Nazi party spokesman told the Associated Press early in the day.

Polish invasion of their tiny neighbor was deemed likely unless Lithuania bows to a Warsaw ultimatum expiring at 9 p. m. (3 p. m. EST tomorrow) demanding "normalization" of Polish-Lithuanian relations. German observers began speculating whether a German march into Memel which Germany considered an "unrecovered part" of their war-lost territory would be to help Poland or to obtain a trump card for bargaining with Poland over the Polish corridor.

"There is no doubt about it," said the Nazi spokesman, "the moment the Poles cross the Lithuanian frontier, our troops will march into Memel."

Then he became silent and declined to elaborate any more. Berlin, meanwhile, set the stage for another dramatic "declaration" by Adolf Hitler to be delivered tonight the Reichstag, Austria, which Hitler has just added to his expanding realm, was expected to be his chief subject.

Meanwhile, German diplomacy was adding its voice of caution to advice other powers were giving Warsaw, counselling peace.

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EDUCATION HEADS MEET AT RALEIGH

B. L. Smith Assured of Presidency; Miss McDonald Heads Teachers

Raleigh, March 18.—(AP)—Dr. William H. Kilpatrick, of Columbia University, urged North Carolina public school administration to insist on democratic instead of autocratic leadership in the teacher profession.

Dr. Howard Dawson, director of rural service for the National Education Association, told teachers of the State that Federal aid for education was "inevitable."

Dr. Dawson asserted that a poll of representative and senators indicated that the Harrison-Pletcher bill to provide \$1,000,000, for public schools will pass when it comes to a vote.

Dr. Donald Dushane, of Columbia, Ind., advocated a system of teacher job tenure to "protect the school children of the country." He also called for "adequate salary for teachers."

More than two score divisional meetings of delegates attending the North Carolina Education Association were held this morning, and the teachers voted by separate ballot on the new vice-president.

B. L. Smith, of Greensboro, vice-president, was assured of the election

(Continued on Page Four.)

France And London Seek Settlement

Paris, March 18.—(AP)—France and London agreed today to bring simultaneous pressure to bear on Poland and Lithuania for peaceful settlement of their friction, menacing the peace of Europe.

Official quarters disclosed that France would try to induce Poland which has issued an ultimatum to Lithuania to moderate its stand. Russia was to use her influence to persuade Lithuania to concede enough to ease the tension.

New Allocations of Funds by WPA

Raleigh, March 18 (AP)—The WPA announced allocation today of \$46,582 to Lenoir in Caldwell county for street improvements.

Ten projects in all were approved including: Halifax, \$5,063 for home assistance. Craven county \$4,764 for repairs of articles for free distribution. Person county \$6,881.40 to clean public buildings.

Goering Asks Dissolution Of Reichstag

Hitler Speaks to Momentous Gathering With a "Deeply Moved Heart"

Berlin, March 18 (AP)—Adolf Hitler, back from his absorption of the German realm, began his speech before the Reichstag at 8:05 p. m. (2:05 p. m. EST) tonight.

Before he began, Field Marshal Hermann Goering, president of the Reichstag, announced its dissolution and ordered a new election for April 10.

The date is the same as that when Austria will vote in a plebiscite on its union with Germany.

"The present session," Goering said "is, I suppose, of the most noteworthy we have held in the new Reich."

"For the first time as guests of the Reichstag, there are sitting on the government benches the first Reichstag (governor) of Austria and the Austrian government."

Immense applause greeted this. Arthur Seys-Inquart, former chancellor now governor of Austria and other members of his cabinet had flown from Vienna to attend this session. Hitler began: "I have called you together to give

(Continued on Page Four.)