

HOUSE COMPROMISES REORGANIZING BILL

U. S.-MEXICO ACCORD TO BE FIRMER AFTER CONTROVERSY ON OIL

Warm Exchange Between Hull and President Cardenas Tends to Cement Friendship

MEXICAN RIGHT OF SEIZURE CONCEDED

Mexico Learns With Relief of Attitude of United States, but Managers of Oil Companies Are Anything but Gratified at Price Washington Asks

Washington, April 2.—(AP)—Persons close to the State Department expressed the opinion today that out of the oil controversy between the United States and Mexico would come a permanent better relationship between the two nations.

Their statement followed publication of a warm exchange of friendly sentiment between President Cardenas of Mexico and United States Secretary of State Hull. They said the United States was proceeding toward Mexico in the friendliest and most cautious way, allowing President Cardenas great leeway so as to avoid not only friction between the two countries, but also between Cardenas and his people.

Two things were said to have done much to win Cardenas' friendship in the present situation: First, Hull's acknowledgment that the Mexican government had a legal right to expropriate the American oil properties; second, the reported view of President Roosevelt that the valuation the United States had in mind for the oil properties was the money actually invested, less depreciation.

MEXICO MUCH RELIEVED AT PROSPECT OF ACCORD Mexico City, April 2.—(AP)—Mexico learned with relief today that trouble with the United States on oil expropriation was on the way to settlement.

But managers of the oil companies nationalized were anything but gratified. One charged bitterly that "Washington let us down." Another declared, "we might as well have thanked President Cardenas for expropriating our properties."

LEWISTON MEN ARE HURT AT CROSSING

Automobile Apparently Crashed into Freight Train Standing at Crossing at Hobgood.

Tarboro, April 2.—(AP)—Two men identified here as Percy Minton, 19, and Robert W. Bazemore, 28, both of Lewiston, were injured today in a grade crossing accident at nearby Hobgood. They were brought to a hospital here unconscious. Later both said they remembered nothing of the accident.

Officers said the automobile apparently had crashed into a car of an Atlantic Coast Line freight train at a crossing.

Far Eastern Weed Crop Sets Record

1937 Harvest 290 Million Pounds, Government Reports From Shanghai

Washington, April 2.—(AP)—The Bureau of Agricultural Economics said today reports from a representative in Shanghai showed the 1937 production of flue-cured tobacco in Far Eastern countries was the largest on record.

The harvest was estimated at 290,000,000 pounds, divided as follows: China, 210,000,000 pounds; Japan, 76,000,000 pounds; and Manchuria, 4,000,000 pounds.

"This large 1937 production" the bureau said, "was in line with recent trends which are expected to continue with a temporary interruption in

Leaps Into Primary



Mayor S. Davis Wilson ... in Pennsylvania primary

Announcement that Mayor S. Davis Wilson of Philadelphia will oppose Gov. George H. Earle for the Democratic senatorial nomination in Pennsylvania constitutes a major addition to the complicated May 17 primary lineup. Mayor Wilson will run with Lieut. Gov. Thomas Kennedy, seeking the gubernatorial nomination on the Guffey-C. I. O. ticket. Governor Earle is paired with Charles Alvin Jones, gubernatorial candidate of the regular state Democratic organization.

Six Utilities Taken Over By Workers

Michigan CIO Units Seize Properties When Wage Negotiations Break Up

Jackson, Mich., April 2.—(AP)—Electric and gas service continue without interruption today despite seizure of six strategic plants of the Consumers Power Company in southern Michigan by employees belonging to a CIO union.

New Deal Bank Program Is Salvation Of Banks

Government Guarantee of Deposits Has Prevented Many Bank Runs and Broken Banks During Current Recession, Commissioner Hood Says

Raleigh, April 2.—The New Deal's banking program, particularly the Federal Deposit Insurance Corporation, has saved many a North Carolina bank and is responsible for a sense of security which has never before existed among depositors, Gurney F. Hood, State commissioner of banks, today told this bureau's representative.

"I believe that the banking program of President Roosevelt has removed any possibility of a mass fear or mob psychology which might result seriously for the banks of North Carolina because of 'runs' and systematic withdrawal of funds," the commissioner said.

He pointed out that there hasn't been even the suspicion of a mass movement to withdraw funds from any bank in the State since Uncle Sam became guarantor of accounts of

FRESH MECHANIZED UNITS HURLED INTO CHINESE DEFENSES

Stubborn Resistance Continues Despite Blasting of City by Japanese Artillery

CLAIM OF CHINESE DISPUTED BY JAPS

6,000 Chinese Troops Reported Killed in Mopping Up Operations by Invaders in Area West of Shanghai; Chinese Still Holding Taierchwang City

Shanghai, April 2.—(AP)—The Chinese hurled new mechanized units into the battle raging at Taierchwang, on the south Shantung front, today. This city, on the Grand Canal stands in the way of Japan's offensive against the Lunghai railway, vital transportation artery of central China.

The walls of Taierchwang were blasted into ruins and mud houses were reduced to dust, but the stubbornly resisting Chinese, who for 20 days have blocked all Japanese thrusts at the rail line, were still holding.

Japanese planes swooped low over two points northwest of Taierchwang, dropping food by parachute. Japanese discounted Chinese claims of successes, asserting Japanese were completely in control of the area.

The Japanese army announced mopping up operations in an area west of Shanghai have been completed, and that more 6,000 Chinese troops had been killed.

AL CAPONE AGAIN SEEKING FREEDOM

Petition for Habeas Corpus Signed by Mother of Gangster Now Serving in Alcatraz

Chicago, April 2.—(AP)—A habeas corpus petition seeking the release of Al Capone from Alcatraz prison was filed today in the United States District Court.

Bearing the name of Mrs. Theresa Capone, Al's mother, the document asserted the Federal prison sentence of the former public enemy No. 1 has already expired under the usual allowance for good behavior.

Attorney A. Teitelbaum, who filed the petition, served notice he would appear Monday before Federal Judge William Holly to press his action.

Capone was sentenced in 1931 to serve eleven years, including one year in the Cook county jail, on charges of income tax evasion.

HIGHWAY ENGINEER PASSES IN KINSTON

Raleigh, April 2.—(AP)—The State Highway and Public Works Commission reported today the death of their division engineer, S. M. Gibbs, 51, in Kinston, today.

Funeral services will be held in Kinston tomorrow, and burial will be here. Gibbs had been with the highway commission since 1921.

HIGH POINT MAN IS A SUICIDE AT HOME

Samuel T. Bryan, Former Circulation Manager for Daily Paper, Shoots Self in Head.

High Point, April 2.—(AP)—Samuel T. Bryan, formerly circulation manager for the High Point Enterprise, was found dead in the basement workshop of his home here this morning, Coroner J. M. Simpson, after investigating, said: "It was clearly a case of suicide and no inquest will be necessary."

Bryan was found slumped in a chair fully dressed, with a 32-calibre bullet wound above his right ear, by his wife this morning at about 7:30 o'clock. Friends and relatives said he had been dependent several months.

Funeral arrangements were incomplete.

WEATHER FOR NORTH CAROLINA.

Rain this afternoon and possibly in east and central portions early tonight; somewhat colder tonight; Sunday generally fair, colder on coast.

WEEKLY WEATHER. South Atlantic States: Generally fair, except some likelihood of showers toward end of week; rather cool first of week and near normal temperatures thereafter.

In the Wreckage of Their Home



A man, his wife and their dog sit in numb terror on a bed in what was once their home at South Pekin, Ill. It was demolished when a tornado struck the town in its death-dealing path through five states. The town was literally blown off the map, with only two out of 300 buildings left standing. (Central Press)

Spanish Rebels Are Within 24 Miles Of Eastern Coast

Zaragoza, Spain, April 2.—(AP)—Insurgent Navarrese forces under General Valino today occupied Gandesa, only 24 miles from the Spanish government's eastern coast—the last important stronghold in Tarragona province bearing the insurgent march to the Mediterranean.

The insurgents reported capture of 2,000 prisoners in seizure of the city. Gandesa is at the apex of a triangle of which Tortosa and the city of Tarragona, both on the coast southwest of Barcelona, form the other points. A drive between the two coastal cities would dismember govern-

ment Spain. Gandesa is the easternmost point to which insurgent forces have advanced in their northeastern Spanish offensive.

The city is on the southern flank of the line General Francisco Franco has been extending eastward.

The insurgent offensive pressed the government at the equally vital spot of Lerida, ancient fortress barring the way to Barcelona.

FRANCE PREPARING FOR BARCELONA EVACUATIONS

Paris, April 2.—(AP)—The French

foreign office announced today that preparations were being made for protection and quiet evacuation of French citizens in Barcelona if an emergency develops there.

The United States cruiser Raleigh, at Villefranche, could reach Barcelona in 12 hours if the United States should deem it advisable to send a warship there.

The perplexing problem of what to do with thousands of Spanish government militiamen interned at Bagneres de Luchon will be submitted to the French cabinet Monday, sources here said today.

MAXWELL MISCUED INTANGIBLES LEVY

All Other Estimates of State's Revenue Uncannily Correct So Far

Daily Dispatch Bureau. In the Sir Walter Hotel.

Raleigh, April 2.—Reports revenue collections for March left just one fly in the ointment for Commissioner of Revenue A. J. Maxwell, that is the failure of returns that the new levy on intangibles to reach even the million dollar mark.

Elsewhere along the line Mr. Maxwell had good reason to break out in a rash of optimism. For instance, the combined items making up the "revenue division" finally attained a total higher than the same items of the corresponding nine months of the preceding fiscal year.

Up to March this total had been running behind because of the huge deficit in inheritance tax collections.

LONDON MAN HELD ON THREAT TO U. S.

George Buchanan Had Said in Letter He Would "Shoot an American Ambassador."

London, April 2.—(AP)—George Buchanan was "banned" to jail today after a police "hurry hearing" on a charge of writing a letter in which he threatened to "shoot an American ambassador."

A detective testified the letter was written to "The Mayor, Town Hall, Long Beach, N. J." and the writer demanded an "apology" for some grievance of undisclosed nature.

"I will shoot an American ambassador for it, and I mean it," the writer continued.

Asked if he had anything to say about the letter, Buchanan, a 42-year-old cook, muttered something about "all the trouble started in September, 1931."

LONG BEACH MAYOR HAS NOT HEARD OF THE MAN

Long Beach, N. J., April 2.—(AP)—Mayor Edward Shifler, of this small ocean county township on the Atlantic seaboard, said today he had never heard of a George Buchanan jailed in London on a charge of writing a threatening letter to "The Mayor, Town Hall, Long Beach, N. J."

HOUSE MAY BLOCK REORGANIZING BILL

Must Be Debated There As New Bill Because of Technical Move

By CHARLES P. STEWART Central Press Columnist

Washington, April 1.—Fought after the government reorganization bill's passage by the United States Senate, Senator James F. Byrnes of South Carolina had "his photograph taken (it was reproduced all over the country) with a smile on about half a foot wide.

The senator thought he had a good right to smile.

As the administration's recognized spokesman, he was sponsor for the particular kind of reorganization that President Roosevelt wants.

COTTON IS HIGHER AT SHORT SESSION

New York, April 2.—(AP)—Cotton futures opened two to six points higher. Lower cables were offset by trade and foreign buying. July advanced from 8.67 to 8.72, leaving the list six to nine points net higher shortly after the first half hour. Futures closed 9 to 11 points higher; spot steady, middling 8.72.

JAMES H. CARLTON HURT ON HIGHWAY

Alexandria, Va., April 2.—(AP)—James Howard Carlton, 31, Raleigh, N. C., was found unconscious last night on the Washington-Richmond highway near Gum Springs, Va.

Police said he had been struck by an automobile which failed to stop. Physicians at an Alexandria hospital said his skull was fractured.

ROOSEVELT AGREES TO MODIFICATION IN DEPARTMENTS PLAN

Lindsay Warren, in Charge of Measure in House, Announces Acceptance of Amendment

EXECUTIVE ORDERS COULD BE RECALLED

Bare Majority Would Be Sufficient to Prevent Transfers by President; Employment Loans to Railroads Discussed by Leaders as Rail Relief

Washington, April 2.—(AP)—Administration leaders agreed today to a compromise—reliably reported to have President Roosevelt's approval—on the government reorganization bill.

Representative Warren, Democrat, North Carolina, announced in the chamber that the special House reorganization committee would accept an amendment permitting Congress to overrule presidential reorganization orders by a simple majority.

As the bill now stands, a two-thirds majority of both houses would be required to block transfer of bureaus ordered by the chief executive.

Warren said the committee also would sponsor an amendment assuring the office of education would remain in the Interior Department and not be transferred to a proposed new department of welfare.

Loud applause in which both Democrats and Republicans joined, greeted Warren's announcement, which, it was learned, followed a telephone conversation between House leaders and the President, now vacationing in Warm Springs, Ga.

Earlier administration leaders abandoned efforts, for the day at least, to impose restrictions on House discussion of the bill.

Other developments: Administration leaders discussed a proposal to make "employment" loans to select railroads to spur industrial production and meet temporarily the rail finance problem.

Senator Schwellenbach, Democrat, (Continued on Page Eight.)

Auto Crash At Durham Kills Man

Durham, April 2.—(AP)—An automobile driven by Kenney Crank, about 50, Durham, and formerly of Elizabeth City, crashed into the rear of a parked transfer truck here early this morning, instantly killing Crank and injuring two companions; Herman V. Johnson and Thomas Massey, both of Durham.

The truck into which Crank's car smashed belongs to the Billings Transfer Company of Lexington. It was parked half on the pavement and half on the shoulder while a tire was being changed. William Webb, of Lexington, was the driver, and was accompanied by Clyde Musgrave, also of Lexington.

Flares had been set up on the highway to warn approaching motorists and Webb was trying to flag down the Crank car with a flashlight when the automobile approached at a high rate of speed.

It narrowly missed running over him, and he was forced to jump to save his life. Crank's head was badly crushed. Sheriff E. G. Belvin said no charges would be preferred against the truck driver.

9th Victim Of Cancer Serum Dies

Orlando, Fla., April 2.—(AP)—E. S. Bolt, 70, retired vice-president of the International Harvester Company, died early today, increasing to ten the number of deaths among a group of persons here given injections of a serum for treatment of cancer.

Bolt, who came here from North Dakota, succumbed while investigators of various agencies worked intensively to determine what caused the deaths. Eight of the previous victims were women.

Dr. W. G. Workman, of the United States Public Health Service, indicated the results of autopsies and analyses.

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