TWENTY-FIFTH YEAR

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., TUESDAY AFTERNOON, APRIL 5, 1938

PUBLISHED EVERY AFTERNOOM EXCEPT SUNDAY.

Joseph B. Eastman
... plans to aid rails

Former railroad co-ordinator Joseph B. Eastman, member of the

interstate commerce commission, shown as he appeared in Wash-

ington at a hearing of the senate

interstate commerce committee, is likely to play the most important part in the government's plan of rehabilitating the railroads.

Long Legal Fight Over

Industry

Starts Over Right To Un-

Mexico City, April 5 .-- (AP)-Re-

ewal of hostilities between the Con-

federation of Mexican Workers (C

r. M.) and the Regional Confedera

ries today as it prepared for a long

legal fight over the expropriated oil industry

or persons was arrested

Two workmen were killed and a

The battle between the two unions

cargo of building materials from a

German ship. Federal troops in-

Labor has been a chief support of

President Cardenas, who expropriated the oil properties of 17 British

and American oil companies March

Murders In

Desert Laid

On Robbery

outgrowth of a robbery plotted here,

Nancy, were found mutilated and club

El Paso officers entered the inves-

up to the death of Mrs. Frome and

Piecing together random bits of in-

(Continued on Page Four.)

formation, authorities advanced

women suspects.

of Cardenas

TWO WORKMEN DEAD

**Expropriation of Oil** 

**DURING GUN FIGHT** 

REPUBLICANS SHUN

PLACES UPON BOARD

FIVE CENTS COPY

# BLUM'S DEFEAT AND RESIGNATION LIKELY IN FRENCH TURMOIL

Premier Battles for Dictatorial Powers Over Economic, Financial Life of France

RIGHTISTS CHARGE REVOLUTION PLOT

Political Experts Predict Premier Will Win Bare Majority in Deputies and Overwhelming Defeat In Senate, Followed Then by His Resignation

Paris, April 5.—(AP)—Socialist Premier Leon Blum battled with Parliament today for dictatorial powers over the economic and financial life of France, predicting bankruptcy and civil strife unless radical measures were taken.

Blum demanded that the lukewarm Chamber of Deputies and the hostile Senate vote him full decree powers. Rightists reacted at once with the charge that his program was "a plan for a Marxist (Socialist) dictatorship and revolution."

The general political opinion before the struggle began in the chamber was that the bill would be passed by the chamber and voted down by the Sen-

Political experts accorded the premier only a slight chamber majority. however, and predicted a heavy adverse vote in the conservative senate bringing his automatic resignation.

The premier's bill, by which he hoped to attain sweeping authority. contained only 80 words. It gave him the right to decree all measures "judged indispensable to meet the necessities of the national defense, protect the holdings of the Bank of France, and rehabilitate the nation's finances and economies."

In a preamble of several thousand words. Blum set forth what he proposed to do. His plans ranged from virtual foreign exchange control to a levy on capital and a two-year moratorium on public debt payments.

#### DECLINES RECORDED IN COTTON TRADING

New York, April 5 .- (AP)-Cotton futures opened down six to eleve points, with weak cables and foreign selling partly offset by trade buying. By midday July had recovered from 8.51 to 8.54, and the list was nine to ten points net lower.

#### PILOT REPAIRS HIS PLANE IN MID-AIR

Salt Lake City, April 5 (AP)-An ambulance, fire truck and ground crew held a "death watch" at Municipal airport early today when a transport plane radioed it had a crippled landing gear and was in danger of crashing.
But Pilot Henry Hollenbeok repaired the wheel in mid-air and landed safely.

#### BRITISH BOMBER AT SINGAPORE MISSING

Singapore, April 5 AP)-Thirty-six planes searched today for a Royal Air Force bomber which disappeared with its crew of three in a squall over the China Sea.

# Find Cause Thrombosis

### Much Chemical Much Chemical Substance in Nerves CANDIDATES BESET Doctors Are Told

FND CUCAUSE .. cmfwy
New York, April 5.—(AP)—Discovery of the cause of coronary throm bosis, the heart trouble of high pressure workers, was reported to the American College of Physicians today It comes from too much acetyl cho line, a chemical which the nerves pro duce to make muscles move when the "motor center" of the brain transmits an impulse for movement.

Dogs at the department of medical research, University of Toronto, were given coronary thrombosis by the sim ple expedient of injecting into their dood daily small quantities of acetyl from now until the primary elections, choline. These experiments were performed by George Edward Hall, M. D., and witnessed by a group of physician world by the world sicians who gave insulin to the world. Dogs' nerves use actyl choline the same as humans, and the excess of the chemical made them nervous. leigh for the 1937 session. They apparently were under the same sort of strain as those executives,

(Continued on Page Four.)

High-Priced Debut



Arleen Whelan
... she cost \$900,000

Creating a movie star is costly ir we are to judge from the figures released by the company elevating newcomer Arleen Whelan to the brighter film lights. For this company asserts it cost \$900,000 to introduce Miss Whelan, once a Hollywood manicurist. Various items in this total include \$50,000 for screen tests; \$50,000 for seven months training; \$250,000 for extra days of shooting on a picture to build up a Whelan part; \$400,-000 for an advertising campaign, and \$150,000 for screen tests of players. (Unsuccessful tests are charged up against the successful ones.) -Central Press

Sending of Army Units and Officers to China Is Alleged in Protest to Moscow

#### SUPPLIED LEGALLY, LITV!NOFF ASSERTS

Planes and Munitions Furnished Under International Rules, Foreign Commissar Declares: Says Efforts Being Made To Strain Relationships

Moscow, April 5 (AP)-The Japanese foreign minister asked Soviet Russia's official denial of rumors that she is sending army units and

officers to China. Foreign Commissar Maxim Litvinoff also asserted that planes and munitions are supplied to China in accordance with international rules relating to such sales. Litvinoff declared yesterday as a rejection of a protest by Japanese Ambassador Shigemitsu, who warned that Russia must "assume responsibility for the the consequences if aid to China continued."

"Any declaration contradicting this fact, and incapable of verification did not have immediate information could have been laid only by circles as to the fliers' identity. In Workers which already are well known for their systematic fabrications of all kinds of false reports with the ob-Comes from Too ject of sharpening relations between Japan and the Soviet Union," Lit-

# ON ALL SIDES NOW

Legislative Aspirants Especially Are Put on Many Hot Seats

Daily Dispatch Bureau, In the Sir Walter Hotel. Raleigh, April 5.—Candidates for North Carolina's General Assembly will be called on to do a magnificent bit of tight-rope walking, fence strad-dling and middle-of-the-road driving despite the fact that they will not be quite as brazenly "on the spot" as in 1936 when the question of whether a man was for Hoey, Graham or Mc-Donald was likely to decide whether or not he should have a ticket to Ra-

Just the same present aspiring law makers will be called on by all sorts

(Continued on Page Four.)

### CHINESE TURN TO FIGHT BACK UPON JAPANESE ARMIES

Patchwork Defenses Dug **Along Grand Canal After** Fall of Strategic Taierchwang

#### HARD FIGHTING AT **CITY IN PROGRESS**

Japanese Claim Advance Into Tiangsu Province from Shantung for First Time; Claim Destruction of Ten Grounded Chinese Planes by Raids

Shanghai, April 5 (AP)-Turning stubbornly in their tracks, Chines retreating from the ruined city of Taierchwang again slowed up the Japanese drive today toward the Lunghai railway.

Taking advantage of night time relief from Japanese artillery and avja-tion, Chinese dug patchwork defense along the Grand Canal, and Japanese admitted severe fighting still was going on near Taierchwang, center of a 17-day battle.

Chinese still did not admit Japanese had occupied all of the city, and asserted that attacks on three points provided a constant rear guard threat to the Japanese. Japanese pressed an eastward flanking movement to-ward two points east where the Grand Canal bends southward and crosses the Lunghai line. Their objective appeared to be to cut the Lunghai at a point where the canal and railway intersects.

In the vicinity of Pihsien, Japa-nese claimed their shaft-like penetration from Shantung province had advanced in Tiangsu province from the north for the first time. Japanese aviators claimed destruc-

tion of ten ground Chinese planes in attacks on airdomes 120 miles south of Chengchow.

#### LOVE TRIANGLE GIRL SHOWS IMROVEMENT

One of Her Suitors Killed Other and Then Drowned Himself at Clinton Saturday

Fayetteville, April 5—(AP)—Grace Carter, 17-year-old Clinton girl, gain-HELP TO CHINESE Carter, 17-year-old Clinton girl, gained strength today in a Fayetteville hospital, where she has been in a critical condition since she was shot critical condition since she was shot and her admirer fatally wounded Saturday night by another suitor whose body was later found in a

nearby stream. Physicians said the girl's condition remained serious, but added "the chances now are all in her favor." Meantime, the body of Rudolph Smolka, 22-year-old Elmira, N. Y., musician, who died several hours after he and Miss Carter had been shot in the midst of a small party at her home, was prepared by a Clinton undertaker for forwarding to his

Cameron Tew, 21-year-old commercial student named by a coroner"s jury as the slayer of Smolka, was found drowned in Six Run creek Sunday morning. In his pocket was a marriage license taken out the day before for himself and Miss Carter.

#### **NAVY FLIER KILLED** IN NORFOLK CRASH

Plane Falls from Height of 1,00 Feet; Victim, Unidentified, Found in Machine

Norfolk, Va., April 5 (AP)-An unidentified navy flier was killed today near here when the United States fleet air detachment plane he was flying crashed from a height of more than 1,000 feet.

Lieutenants Robert Butliff, icommunications officer ,carrier division two, U. S. S. Yorktown, said the navy

First persons to reach the plane found the dead aviator hanging head down, supported by a safety belt.

# MUNICIPAL BODY TO PLAN COURSE

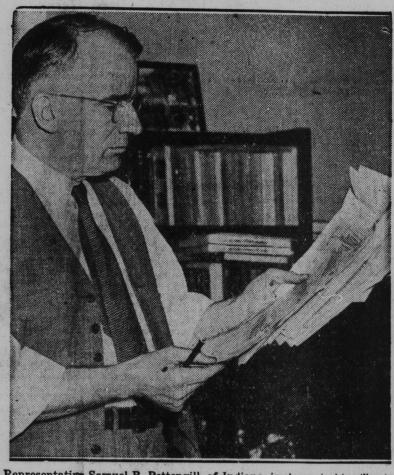
Discussed at Several Regional Meetings

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, April 5.—North Carolina League of Municipalities, one of the many "pressure" groups on legisla-tive matters, will plot the course it will follow in the 1939 General Assembly at five regional meetings to be held in the State from April 11 through April 16.

The five meetings will be held at Greenville, April 11; Fayetteville, April 12; Greensboro, April 13; Statesville, April 14; and Hendersonville, April 15, according to a letter sent out by Patrick Healy, Jr., executive secretary, to all municipalities which are ers of the organization. "These meetings are for the purpose

(Continued on Page Four.)

The Reorganization Blues



Representative Samuel B. Pettengill, of Indiana, is shown in his office in Washington, wading through papers on the administration's reorganiza-tion bill, subject of heated debate in the House. Several compromise proposals were approved by President Roosevelt before he left Warm Springs, Ga., for his White House office. (Central Press)

# Rebels Are Pressing On Toward Barcelona To Get Loyal Capital Of Spain LABOR CLASHES IN

Secondary Advance Moving Toward Valencia After Communications Between Two Government Cities Are Cut; Madrid May Shortly Be Cut Off

Hendaye, France, April 5.—(AP)— ing useless the last highway link be-Spanish insurgent armies, driving to win the civil war this spring, cut ernment Spain, which includes Mad-Catalonia from the rest of government Spain to accomplish their first great objektive, and swept on today to ward Barcelona, their enemy's provisional capital.

loward Valencia.

Communications between these two :ront. major coastal cities remaining to the government were severed yesterday looking down on the Mediterrean. raked the road from Tortosa, mak- from Barcelona.

rid and Valencia. General Franco's troops were pre-

pared to occupy Tortosa itself. An insurgent communique anneunged their troops had pushed six miles A secondary advance was moving to the north, east and south of Lerida on the central sector of the Catala

With troops moving north and east from Tortosa and east from Lerida when insurgents reached Tortosa, their two columns could join for what might be decisive battles at these gov-Machine guns and field artillery ernment defenses, about ten miles

# DawsonPut WINSTON CONTEST Back In Old CAUSING SURPRISE

Raleigh, April 5.—(AP)—Judge N A. Sinclair said today he had vacated orders he issued last year discharging James G. Dawson, of Kinston, as receiver of the Farmers Bank & Trust Company of LaGrange, on petition of Commissioner of Banks Gurney Hood, who alleged Dawson is short more than \$45,000 in his accounts.

Judge Sinclair, residing over su perior court here, said the order was mailed to the Lenior clerk of court at Kinston yesterday.

The LaGrange bank closed in 1920 and Dawson became receiver in 1921. There were 23 findings in the order made by Judge Sinclair. The judge said that "the interests of every one concerned requires a full and impartial examination of the contentions raised by the exceptions herein, and the commissioner of banks, contending that the counsel fees and other allowances are excessive, and the receiver, contending that counsel conducted about 100 or more lawsuits for the receivership and also rendered much other valuable legal services, and in the judgment of the court, it is a proper case for a reference so that suf-

#### Legislative Program to Be FIVE MEN DEAD IN **BRITISH AIR CRASH**

to the examination."

ficient time and pains can be directed

London, April 5 (AP)—Five men were killed today in a Royal Air Corps bomber at Tibthorpe, Yorkshire, The bomber had been on a night flight.

It was the 32nd Royal Air Force

crash since January 1, with a total of 52 deaths. Intensive training under the rearmament speed-up was generally ascribed as the reason for the large number of accidents.

### WEATHER

FOR NORTH CAROLINA. Mostly cloudy, possibly rain in north central portion tonight and Wednesday; slightly cooler in northeast; warmer in extreme southwest portions tonight; cooler in central portion Wednesday.

tion of Mexican Workers (C. R. O. M.) added to the government's wor-

Bank Office Why Tobacco Heir Is Unopposed by Dr. McDonald Is Not Explained

> Daily Dispatch Bureau, In the Sir Walter Hotel. Raleigh, April 5.—Announcement of Gordon Gray, Winston-Salem publisher of the Twin City's two daily papers, for the State Senate caused more of a ripple in political circles here than many an announcement for a state-wide office. tervened and patroled the streets after the town had been terrorized by

I ntossing his high-priced head- the outbreaks, one of a number of piece into the arena, Mr. Gray said he such clashes in the last two years. decided to run only after Senator Hu bert McRae Ratliff, Forsyth's 1937 Senator, had said he would not be a candidate for re-election.

The Gray candidacy in itself was 19. The companies appealed yesterday of interest, as heis widely known by to the courts, challenging the con reason of his papers and because of stitutionality of the expropriation dehis tobacco-family prominence; but cree. Both sides were expected to the thing which has excited Raleigh pursue the case to the supreme court. observers and the thing they can hard. ly believe, is the statement (seeingly made by Gray backers with considerable assurance) that the young journalistic tycoon will have no serious

If this should prove true, then verily (Continued on Page Four.)

#### NORFOLK SOUTHERN **PUSHES ITS CLAIM** Elimination of Passenger Service

From Bridgeton to Oriental Is Not Opposed Raleigh, April 5.-(AP)-The Nor-

folk Southern railroad asked the Utilities Commission today for per mission to stop passenger operations between Bridgeton and Oriental on the grounds \$1,227 was lost on the run in 1937.

No opposition was presented and the commission indicated it would ap prove the petition, though it withheld sunday. action until a series of hearings of petitions to stop passenger service on tigation, Fox said, "since there is all except one of the company's lines some feeling certain events leading had been held.

J. C. Poe, of Norfolk, Va., assistant general superintendent of the railroad did not elaborate. testified the company received an average of only 41 cents revenue per schedule from Bridgeton to Oriental. theory that four persons were involved the United States was engaged in the The afternoon the petition on the Edenton to Suffolk run was heard.

#### INVESTIGATING TVA To Play Rail Lead Borah and McNary Decline Appointments by Vice-President Garner on Commission

BORAH CRITICIZES COMMITTEE'S SIZE

Says He Is Opposed To "Town Hall Method" of Inquiry; McNary Pleads Lack of Time; Admiral Leahy Says Nation Needs Additional Air Bases

Washington, April 5.-(AP)- Two Republican senators appointed to a ten-man congressional committee to investigate the TVA today declined the appointment shortly after their names were announced. They were Senators Borah , Republican, Idaho, and McNary, Oregon, the Republican

The two were named by Vice-President Garner to serve with Senators Donahey, Democrat, Ohio; Brown, Democrat, New Hampshire, and Schwartz, Democrat, Wyoming. The other five members, selected by Senator Bankhead, included Mead.

Democrat, New York; Driver, Democrat, Arkansas; Thomason, Democrat Texas; Jenkins, Republican, Ohio, and Wolverton, Republican, New Jersey. Senator Borah criticized the size of the ten-man committee in declining to serve, and said he did not believe in

conducting investigations by the 'town meeting method". Senator McNary said his time was too limited to undertake the task.

**MEXICO INCREASING** Other developments: Admiral William Leahy told the Senate Naval Committee it would be mpossible to protect America's large cities from bombing unless ample ai-

bases were provided.

The navy's chief of operations testified that army and navy officials were giving joint consideration to establish ment of more such land bases on the Government Preparing for Pacific coast.

Representatives of southern railroads sharply protested before a House interstate and foreign com merce sub-committee a proposal to operate a Federal barge line on Cape Fear river in North Carolina. A bill Representative Clark, Democrat North Carolina, would authorize ex-tension of the inland waterway line if a survey showed the line feasible between Wilmington and Fayetteville, Battle Between Two Unions

E. K. Burlew won Senate confirma tion as first assistant secretary of load Cargo of Building the Interior Department. His appointment had been opposed three months by Senator Pittman, Democrat, Materials from German Ship; Labor Strong Backer

TVA DIRECTOR IN FAVOR
OF FULL INVESTIGATION
New York, April 5.—(AP)— David

Lilienthal, one of the directors of TVA, said today a congressional investigation of the TVA was "a fine

A joint resolution calling for an investigation by Congress was signed yesterday by President Roosevelt.

"I welcome the inquiry, and I think

it will be a good thing to clear the atmosphere completely," he said. half dozen soldiers injured in a gun battle yesterday at Acpulco. A score He declined to comment on the President's dismissal of Dr. Arthur Morgan, former chairman of the TVA. started over the right to unload a whose charges against his colleagues resulted in the projected investiga-

## FRANCE REEIES ON U. S.-BRITISH HELP

cree. Both sides were expected to Viewed As One Reason Paris Is Not Following in Naval Program

By CHARLES P. STEWART
Central Press Columnist
Washington, April 5.—State Depart-

ment folk sense a deal of significance in Paris' intimations that France will make no start on a superbattleship building program, even if the United States and Britain do, unless Germany and Italy enter the race.

The conclusion is obvious that the El Paso, Texas, April 5.—(AP)—A hint that the torture murders of a California society matron and her themselves. Let these two expand daughter on the Texas plains was the their respective navies to their hearts content; France will do no worrying. came today from Sheriff Crig Fox and Indeed, she counts somewhat upon officers searched for two men and two Britain as a fighting ally in the event of actual hostilities.

The victims, Mrs. Weston Frome, Of Germany 16, and her 23-year-old daughter, is suspicious. Of Germany and Italy, however, sho

This is not new information. Nevertheless, it decidedly is a newly plain way of expressing it.

How Big?

How big a battleship practicall; some feeling certain events leading can be built is problematic Not more than a couple of gerea-Nancy originated in this city." Fox tions ago a vessel of 10,000 tons was considered a monster. Today 35,000 in-tons is considered the first-class bat-a tleship standard. Just after the wa:

(Continued on Page Four.)