

SHANGHAI TREMBLES IN TERRORISM FEAR FROM BANDIT FORCE

War Tension Revived As Reports Spread That Guerrillas Have Sneaked into City

JAPANESE MAKING MANY NEW ARRESTS

One Report Is 5,000 Chinese Patriots Have Slipped into City To Harass Conquerors, Jap Drive on Suchow and Lunghai Railway Has Been Blocked

Shanghai, May 2.—(AP)—The danger of widespread terrorism revived war tension in Shanghai today as reports circulated that thousands of Chinese guerrillas had slipped into the city to harass the Japanese.

International settlement police doubled their patrols and searched for refugee camps for guerrillas equipped with firearms and explosives.

The arrest of two bomb throwers after an attempt to blast a truck loaded with Japanese soldiers, and information that more than 2,000 terrorists had entered the city, aroused police apprehension.

One report said 5,000 special agents of the National Salvation Association and other patriotic organizations were in Shanghai and the surrounding area under orders to conduct a terrorist campaign against the Japanese.

Meanwhile, fierce fighting continued on the Shantung front, where Japan had been struggling to gain control of central China.

Latest dispatches indicated the new Japanese offensive against Suchow, and the Lunghai railway has been blocked, but neither side claimed important successes.

War Front Quiet Over East Spain

Hendaye, France, May 2.—(AP)—The Spanish civil war armies marked time today awaiting a let-up in rains which for more than a week have interfered with operations on all fronts.

Except for insurgent troops sloshing through the muddy sector north-east of Algeza to consolidate their lines, no activity was reported in the eastern Spanish war zone.

The Algeza movement tightened the insurgent line running to Molinos, and cut off various government units scattered through the area southeast of Montaban.

Despite the persistent rains, insurgents have been plugging away at this sector, pushing slowly southward in an effort to straighten the rambling line between Teruel and the Mediterranean.

MOORE INTIMATES DAILIES BOYCOTT

ABC Czar, Peeved, May Vent Spleen on Certain Afternoon Newspapers

Daily Dispatch Bureau, Raleigh, May 2.—Mrs. Edna J. Almand, executive secretary of the State Alcoholic Control Board, indicated to this correspondent Saturday that Culler Moore, chairman of the board, intends to order distillers to boycott advertising in afternoon papers served by this correspondent, because the chairman does not like certain articles written by the correspondent with reference to the liquor board, its activities and its head.

The secretary's intimation of an impending boycott came when this correspondent called at the board's office Saturday to get a statement which Moore said Friday afternoon he would prepare for use in member papers. Moore was not in, but Mrs. Almand said he probably will have a statement later.

"And he is also writing all distillers who advertise in the afternoon papers you write for," she added. Asked whether this meant that Moore planned to forbid distillers to advertise in these papers, she made no direct reply, but reiterated that Moore is highly displeased because this correspondent has written articles about the board and its chairman which he contends are not in accordance with the facts.

On Friday afternoon, Moore called this bureau and asked the source of information recently carried in news articles from the bureau—specifically about one appearing last week in which dissonance in the board, a Hitler-like dictatorial attitude on the

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Czech Nazis Now Demand Election

Praha, Czechoslovakia, May 2.—(AP)—The Nazi leader Kordad Henlein has demanded a plebiscite so that the 3,500,000 German residents of Czechoslovakia may determine their wishes for Germany.

Using May Day as a springboard, Henlein and his colleagues renewed their demands for political concessions in a burst of oratory in towns through the German sector of the nation.

There was only one report of disorder, at Troptau, near the frontier with Germany, where three men were injured in fighting. At Podmolk, another town near the German border, Major Josef Kessler, a social democrat, asserted that German democrats in the border region will defend the state, together with the Czechs, with their blood.

METHODISM FACES MENACING SPLIT IF MERGER IS UPHeld

Rumblings of Secessionist Church Heard if General Conference Vote Is Sustained

AWAIT VERDICT OF JUDICIAL COUNCIL

Legality of Vote Last Week Challenged; Georgia Methodist Group Prepares To Set Up Own Church; Conference Turns to Election of Seven New Bishops

Birmingham, Ala., May 2.—(AP)—Rumblings of a "secessionist" church if south and north Methodism merge took more definite form today as the quadrennial conference of the Methodist Episcopal Church, South, awaited a verdict from the judicial council on legality of its unification vote.

Leaders of an anti-unificationist group at Stone Mountain, Ga., a small town near Atlanta, announced they were prepared to organize a new congregation if union went through, but awaited decision of the council before acting.

Judge James Davis, of the Stone Mountain Superior Court, chairman of the protest meeting, said the object of the Georgia dissenters was to organize a new religious unit "to perpetuate the Methodist Episcopal Church, South."

Meanwhile, the conference here turned to election of bishops, with the commission on episcopacy expected to recommend that seven new bishops be named.

House Passes Bill To Prevent Export Of Tobacco Seeds

Washington, May 2 (AP)—The House passed and sent to the Senate today a bill to prohibit exportation of tobacco seed and plants except for experimental purposes.

The House Agriculture Committee said foreign nations had been obtaining seeds and plants in this country to grow their own flue-cured tobacco, and that "one of the most important features" in America's international trade was threatened.

Italian Air Dead Of 19 Is Probed

Rome, May 2.—(AP)—The worst disaster in the history of Italian aviation, costing the lives of 14 Italian aviators, costing the lives of 14 Italian aviators, costing the lives of 14 Italian aviators, was investigated today by the Italian government.

General Algo Telegri, chief of Italy's commercial aviation, went to Fonia to conduct the inquiry.

The air liner, of the Alle Litoria, on its way from Tirana, Albania, to Rome, ran into dense clouds Saturday afternoon and hit a mountain-side near Fonia, 70 miles southeast

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IN BITTER FLORIDA CAMPAIGN



Dave Sholtz, upper left; J. Mark Wilcox, lower left; Senator Pepper

Florida's Democratic senatorial primary campaign has been enlivened by charges that WPA has loaded its relief rolls with paid political workers for New Deal Senator Claude Pepper, seeking re-election.

Former Gov. Dave Sholtz and Representative J. Mark Wilcox, two of Pepper's four opponents for the nomination, made the charges.

Senator Pepper is an ardent New Dealer, having supported President Roosevelt on all major issues. The election occurs May 3.

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Hitler Leaves For Rome For Stay With Mussolini In Great Pomp And Show

Berlin Press Calls It History-Making Trip and Rome Plans Greatest Demonstration in Her History; Thousands of Soldiers To Guard Against Incidents

Berlin, May 2.—(AP)—Reichfuhrer Adolf Hitler and his retinue of Germany's leaders left today to visit Premier Mussolini. His special train pulled out for Rome at 4:45 p. m. (10:45 a. m., eastern standard time).

The newspapers called it "a history-making trip," and Berlin's crowds turned out to cheer and wave Italian and Nazi flags along Hitler's route to the station.

Meanwhile, troop trains rolled into Rome hour upon hour, bringing 100,000 soldiers to be on hand for Hitler's visit.

There was everywhere the turmoil of last-minute preparation to make the welcome tomorrow night the greatest pageant in Rome's history.

Parks were closed to the public and converted into military camps. Merchants refused deliveries because their trucks could not move through downtown streets, choked by soldiers, detectives and tourists.

Persons of questionable record were jailed or ordered from Rome, Florence and Naples during Hitler's six-day visit, and unofficial estimates fixed the number involved at between 6,000 and 7,000.

Soldiers stopped automobiles entering or leaving Rome and checked identification papers. Police doubled their regular guard along the railway from Brenner Pass to Rome, the route of the Hitler train.

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WEEK AT RALEIGH LOCAL IN NATURE

But Court Justice Is Named and Rapists Get New Lease on Life

Daily Dispatch Bureau, Raleigh, May 2.—Purely local incidents, such as approval of a 17-cent levy for a nine-month school term and a threatened "strike" of State College students, took much of the front page space of Raleigh papers last week; though Governor Hoey's appointment of A. A. F. Seawell as Supreme Court justice, and the statewide safety motorcade, in which numerous State officials participated, claimed their share of attention.

Meanwhile, the governor pondered a State Liquor Board appointment; went into a huddle with the treasurer to consider Roosevelt proposals to tax State and local government bond issues; and prevented a quintuple execution at Central Prison.

School Folks Celebrate: Advocates of better schools celebrated and made plans for the future after piling up a favorable majority at the polls Monday on the proposal to levy a 17-cent ad valorem tax to give the capital city a nine-months school term. Only observed mourners were a few real estate owners and children who are constitutionally opposed to going to school at all—much less for nine months each year.

Want to "Big Apple": State College students, some 400 of them, burned effigies of faculty "meanies" who recently announced there would be no campus dance following commencement exercises June 6. They threatened a sitdown strike, but quieted down to await development when Colonel J. W. Harrelson promised to hear

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REVENUE REFLECTS DEPRESSION BLOWS

State's Incomes In April Bring First Real Signs of This Slump

Daily Dispatch Bureau, Raleigh, May 2.—First real signs that the recession has finally struck North Carolina business are contained in the April report of collections by the Revenue Department, which shows substantial decreases in sales tax and income tax returns.

On the other hand, the gasoline tax collections continue to show increases over the corresponding month of 1937, while franchise tax collections were so much higher this year than in April, 1937, that the total collections of the revenue division showed an increase over last year. On the contrary, despite the gas tax increase, total motor vehicle bureau collections were smaller (although by an almost infinitesimal percentage of .03, due to a marked falling off in license tax and title fee collections, indicating that the sale of cars, both new and old, was off from April, 1937.

Figures under the intangible tax collections were not imposing, with only \$39,624.07 to add to the sum already paid in—a sum which ran only about half the \$2,000,000 it was estimated this new form of State taxation would yield.

Getting back to the sales tax collections, last month brought \$668,182.54 into the State's coffers as compared with the \$1,025,178.35 yielded in April, 1937, a decrease of nearly 17 per cent. Total sales tax collections

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WEATHER FOR NORTH CAROLINA

Generally fair tonight and Tuesday.

Roosevelt Again Urges Vote On Wage-Hour Bill By House Before Congress Goes Home

Permanent Committee On Recovery In Congress Is Suggested By LaGuardia

Endorses Roosevelt Spending-Lending Program, But Wants All Sections To Benefit

MAJOR COMMITTEES WOULD MAKE GROUP

Senior Members Would Stay in Washington During Summer To Map Program for Recovery To Be Submitted to Extra Session in the Early Fall

Washington, May 2.—(AP)—Mayor Fiorello LaGuardia, of New York, proposed today that Congress set up a "permanent recovery committee" and instruct it to work out a program for submission to a special session in the fall.

LaGuardia appeared before a House appropriations sub-committee in his capacity as president of the United States Conference of Mayors. He said he had endorsed the President's spending-lending program, but urged that it be made sufficiently flexible so all parts of the country would benefit.

He said he had been asked for suggestions and had advanced the idea of a "permanent recovery committee, composed of senior members of major committees of the House."

"They could stay here this summer when Congress goes home and present the one bill, with all phases of recovery covered in it, in September or October at a special session," he explained.

William Green, president of the American Federation of Labor, endorsed the spending-lending plan as a means of meeting conditions caused by an unemployment increase he said had totaled 3,700,000 since September.

Green appeared at a closed session of the committee. When he left he told reporters he had "referred to the seriousness of the existing economic system," and had "recommended that Congress approve the recommendations of the President."

WASHINGTON WON'T LOSE ITS CCC CAMP

Congressman Warren Goes to Bat for Project in His Eastern Carolina Home Town

Washington, May 2.—(AP)—The municipality of Washington, N. C., will not lose the Civilian Conservation Corps camp named after its leading citizen.

Representative Warren, Democrat, North Carolina, was informed today that "Camp Warren" in his home town, would be retained after July 1, instead of closed, as previously planned.

Anglo-Italy Peace Pact Is Attacked

Chamberlain, However, Vigorously Defends Agreement, Embracing Palestine

London, May 2.—(AP)—An oral agreement between Britain and Italy over the delicate issue of Palestine was disclosed by Prime Minister Chamberlain in the House of Commons today, as he faced an opposition onslaught on the Anglo-Italian pact signed at Rome April 18.

The two powers had exchanged assurances that interests of the other in Palestine would be respected, Chamberlain announced.

Vigorously defending his policy of realistic dealing with Europe's dictators, the prime minister said the Rome agreement was the first great step toward a saner state in Europe.

Chamberlain cited President Roosevelt's approval of the Anglo-Italian accord. "The President of the United States signified his sympathetic interest because he considers this affords proof of the value of peaceful

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Colombia Chooses Santos President

Bogota, Colombia, May 2.—(AP)—The election of Eduardo Santos, former foreign minister, to be president of Colombia was believed assured today on the basis of incomplete returns from yesterday's voting.

Political observers predicted Santos' majority would be half a million votes. The election was orderly. Santos, foreign minister since 1934, has been Colombia's chief delegate to the League of Nations since 1933.

As president he will succeed Alfonso Lopez, whose term expires August 7.

FORD ASKS COURT TO PERMIT INQUIRY INTO NLRB RULING

Company Wants To Know Who Was Consulted in Prior To Order Against Company

CORCORAN, COHEN IN LIST OF PERSONNEL

List of 57 Questions Submitted and Copies Demanded of Recommendations or Communications Received by Board; Asks if Members Read Order

Covington, Ky., May 2.—(AP)—The Ford Motor Company asked the circuit court of appeals today for permission to determine whether the National Labor Relations Board, prior to its order against the company, consulted any one not connected with the board, including Thomas Corcoran, Benjamin Cohen, John L. Lewis or Homer Martin.

Corcoran and Cohen, New Deal legal advisors, headed those mentioned in the company in its demand for information.

The company submitted a list of 57 questions and demanded copies of any recommendations or communications received by the board from any of the persons mentioned, and also memoranda passed between board members and board employees who helped prepare the findings of facts and conclusions of law.

Others named were Lewis' Committee for Industrial Organization Chief Martin, president of the United Automobile Workers of America; and any other officer or employee "of any other department of the government," and "any officer, representative or attorney for the UAWA or of the CIO."

Other questions included: Whether the board or any member read all or any part of a stenographic

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AUTO IS GETTING WASHINGTON TREES

Capital City Being Hashed Up and Deprived of Its Natural Beauty

By CHARLES P. STEWART Central Press Columnist

Washington, May 2.—If the people of the United States realized how their capital city is being hashed up to make more room for automobiles to circulate there would be a revolution.

No. At a second thought the hashery probably would be only hastened, because so large a proportion of Americans are auto owners that an overwhelming majority presumably would be sympathetic toward any program to facilitate operation of their Washington brethren's flivvers.

The sacrifice of the city's beauty

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PRESIDENT THINKS HOUSE IS ENTITLED TO AN EXPRESSION

Writes Chairman Norton, of Labor Committee, from Charleston Before Sailing

ADMITS COMMITTEE WITHIN ITS RIGHTS

But Says It Ought Not To Prevent House Consideration of Measure So Important; Fairness of Legislative Process Is Foundation of Democracy

Washington, May 2.—(AP)—President Roosevelt expressed the hope today that the House could vote on wage-hour legislation at this session, despite refusal of the rules committee to give it priority.

Chairman Norton, Democrat, New Jersey, of the House Labor Committee, made public a letter which Mr. Roosevelt sent her Saturday from Charleston, S. C., suggesting the bill might reach the floor either by a petition or by reconsideration of the rules committee's action.

Emphasizing that the committee was within its rights, and that he had no right to criticize House rules, the President said he had a "profound respect for and devotion to the democratic legislative process."

"The continuing fairness of that legislative process is the foundation of enduring democracy," he said. "There are, however, certain types of measures in each session which are of undoubted national importance because they relate to major policies of government and affect the lives of millions of people. It has always seemed to me that in the case of these measures, few in any one session, the whole membership of the legislative body should be given full and free opportunity to discuss them. This discussion may end in drastic amendment or in recomittal, or even in complete rejection."

SHARP DECLINE IN PRICES OF COTTON

Futures Nine to Eleven Points Off At Close, With Spot Quiet and Middling 8.67

New York, May 2.—(AP)—Cotton futures opened four to nine points down on lower cables and under liquidation and foreign selling. July reacted from 8.72 to 8.70, and the market shortly after first half hour was seven to nine points net lower. July held off to 8.67, and by midday was 8.69, with the list seven to ten points net lower.

Futures closed nine to eleven points lower. Spot quiet, middling 8.67.

Open Close

May 8.67 8.59

July 8.71 8.67

October 8.77 8.75

December 8.80 8.77

January 8.83 8.78

March 8.90 8.84

Seawell And McMullan Given Oaths

Stacy Inducts New Justice, Who In Turns Swears in Attorney General

Raleigh, May 2.—(AP)—A. A. F. Seawell became an associate justice of the State Supreme Court today and Harry McMullan became attorney general in a simple five-minute ceremony.

Seawell, appointed by Governor Hoey to succeed the late Judge George W. Connor after serving as attorney general, was presented to the court by McMullan. Chief Justice W. F. Stacy administered the oath as the governor sat at the bench with the court members.

Immediately, Senator W. B. Rodman, of Washington, presented McMullan, advanced from the post of assistant attorney general, and Seawell gave the oath as his first official act in his new job.

The crowd overflowed the court room. Visitors from all parts of the State included Josephus Daniels, ambassador to Mexico.

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