

ROOSEVELT DEMANDS CONTROL OVER FUNDS

HULL SENDS JAPAN SHARP PROTEST ON AMERICANS' RIGHTS

Views "With Increasing Concern" Japanese Refusal To Return Properties in China

NO WARRANT SEEN FOR JAP POLICIES

Invaders Declare Chinese Resistance Along Lunghai Railway Gradually Giving Way Under Air Bombardments; Fresh Captures Are Now Claimed

Washington, June 1.—(AP)—The United States sharply expressed its increasing concern today over Japan's refusal to permit American citizens in China to return to properties from which they were forced by the Sino-Jap conflict.

The American view was set out in a note presented by Ambassador Joseph Grew to Japanese Foreign Minister Ugaki on instructions from Secretary of State Hull.

Invaders declared Chinese resistance along Lunghai railway gradually giving way under air bombardments; fresh captures are now claimed.

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Spaniards Battle In Mountains

Hendaye, France, June 1 (AP)—In-surgents scaled precipitous mountains on the front east of Teruel today, fighting hand to hand with government militiamen in a general offensive aimed at the capture of Valencia.

On land and in the air the fighting in this new drive by General Francisco Franco's army assumed proportions equal in severity to any in the nearly-two-year-old civil war.

His war planes pounded cities and concentrations on the eastern coast, while the full power of his infantry, cavalry and artillery slowly dislodged government troops from their bristling positions north of the highway that reaches from Teruel to Sagunto and Valencia.

Reports reaching the frontier said the death toll from yesterday's insurgent bombing of Granollers, 16 miles north of Barcelona, would reach

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State's Revenue Still Holding Strong, Without Much Sign Of Recession

Daily Dispatch Bureau. Raleigh, June 1.—North Carolina's May tax revenues continued to hold up extremely well—in fact they showed a 1.29 per cent increase over May of 1937 when all items are considered—and there were only scattering indications here and there that the so-called recession is doing any dirty work at Tar Heel crossroads.

In the revenue division, sales tax receipts were off about \$75,000 from May, 1937, but any true comparison here is unreliable because in 1937 there were no basic food exemptions and no building material excise taxes.

South Told By Hopkins To Step Up

Must Lift Living Standard To Take Its Rightful Place, WPA Head Says

Columbia, S. C., June 1.—(AP)—Harry Hopkins, WPA administrator, said today "if the South is to achieve its rightful place in our economy," its plans of living must be raised to a level more nearly comparable with mass standards of health and comfort in other sections.

Hopkins' views were expressed in an address he prepared for delivery at commencement exercises for 254 graduates of the University of South Carolina. Because of illness, he was unable to come to Columbia and his address was read by Professor Josiah W. Morse, of the University faculty.

"What is ahead for the South?" was the subject of the WPA administrator's address, and he said: "This contention, as regards public health, will not be contested, even by the most conservative people. Not many of them will question the merits of general education. But on the question of equalizing income opportunities, you begin to get arguments from the sort of people who are always saying that what was good enough for their fathers is good enough for them."

"It may be useless to protest to them that the opportunities today, in spite of all our scientific advances, are not as widely distributed as the opportunities which were open to them and to their fathers. But I am sure the members of this graduating class understand all too clearly what I am talking about. I am sure that you know that to improve these living conditions will take more than mere preaching the gospel of hard work, frugality and rugged individualism."

MILLION VISITORS LIKELY IN SMOKIES

Big Season Looked for In Western North Carolina During Summer

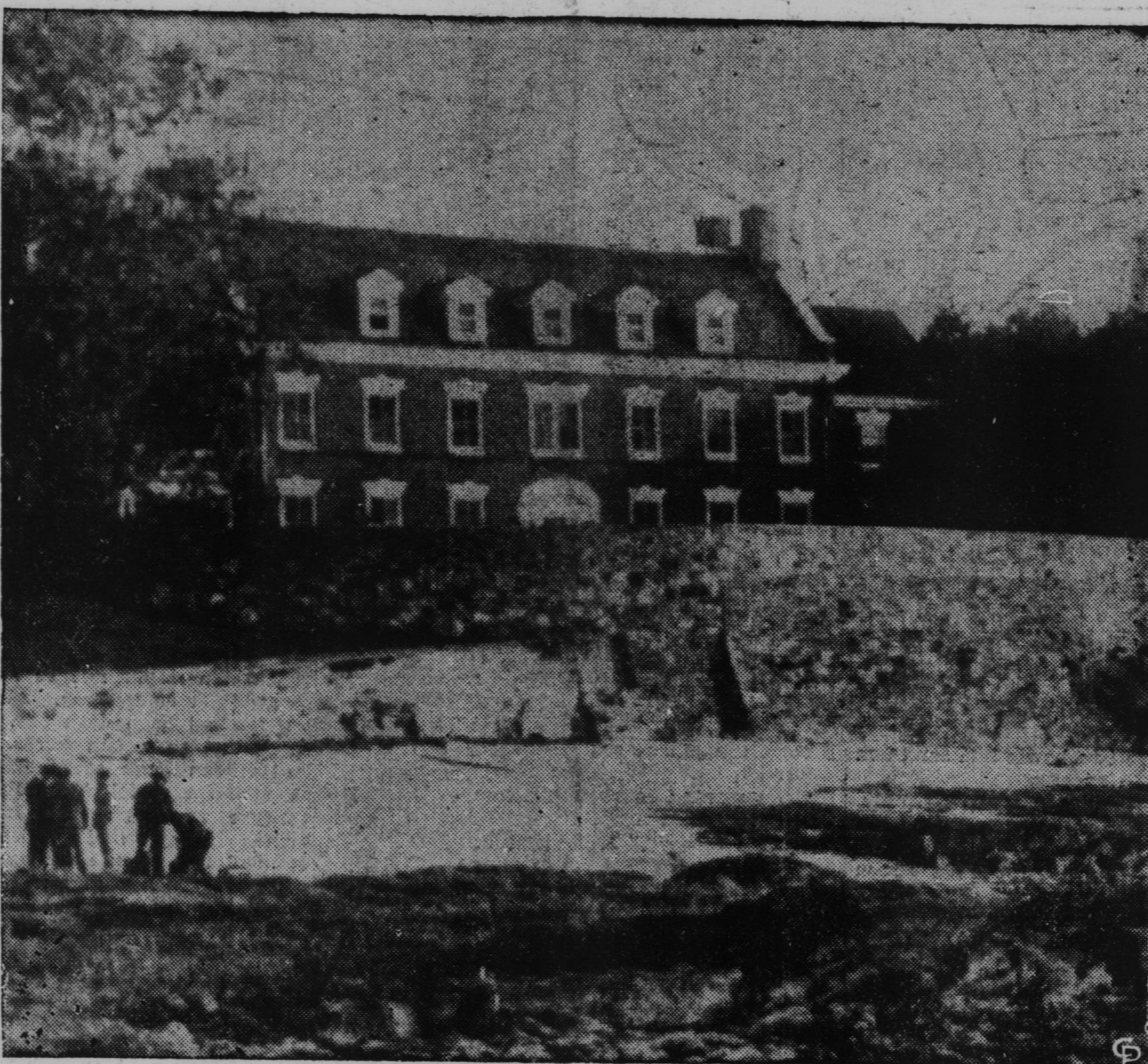
Daily Dispatch Bureau. Raleigh, June 1.—At least a million people are expected to visit the Great Smokies this summer, according to Department of Conservation and Development estimates, but these venerable peaks are probably not getting as the least excited about it.

Certainly they are old enough to maintain perfect sang froid about the whole affair, as geologists say they are among the oldest mountains in the world—much older in fact than the Alps or the Pyrenees. By comparison, the Rockies are mere babes-in-arms.

They are being made more and

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WHERE LEVINE BOY'S TORSO WAS FOUND



General view of seawall and estate of Mrs. Louis Iselin, on Davenport Neck, Long Island Sound, showing group at left inspecting spot where Peter Levine, long missing kidnap victim, was found. His decapitated body was found after it was washed ashore.

ONE MAN HELD IN KIDNAPING OF BOY AT PRINCETON, FLA.

Uncle of Infant Gives Up All Hope of Ever Recovering Him Alive from Abductors

\$10,000 RANSOM WAS PAID OVER TUESDAY

Man Seized by G-Men in Posses of 400 Persons Waiting in Front of Cash Home Ready To Start Search for Snatchers Near Small Florida Town

Princeton, Fla., June 1.—(AP)—Agents of the Federal Bureau of Investigation emerged from the home of James Cash, Jr., today, seized a spectator standing in a crowd 100 yards away and rushed him off in an automobile. The car headed toward Miami before the crowd, numbering about 400, realized what was taking place.

Five minutes later, Sheriff D. C. Coleman and several deputies who arrived here this morning to start an intensive search of the neighborhood for five-year-old James Cash, Jr., kidnaped Saturday night, sped off in the opposite direction toward Homesteads a village a few miles south.

The throng from which the man was taken had been waiting in a school yard for Sheriff Coleman to instruct them in carrying out the hunt by posses.

Hope apparently had been abandoned that the boy, held for \$10,000 ransom, would be returned alive.

"I talked with the family and nothing whatever happened last night," said W. P. Cash, the boy's uncle. "The case is exactly where it was yesterday, only it is one day worse. I've given up all hope the boy will be found alive. I didn't have much hope from the start, but I feel that last night was the last chance for him to return alive."

The overall Cash, who runs a filling station next door to James Cash Sr., indicated his brother now was willing for the posers to take to the field, since 24 hours had elapsed after he paid the ransom, with no word from the abductors.

ABORTION CHARGES AT MANTEO DROPPED

Manteo, June 1, (AP)—The Dare county grand jury returned a "not true bill" last night, clearing J. Lamar Rhyne, of Brevard, of charges of prescribing for an abortion.

WEATHER

FOR NORTH CAROLINA. Partly cloudy tonight and Thursday; slightly warmer tonight and in north central and northeast portions Thursday.

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Ehringhaus Endorsement Of Hancock Is Surprise To Political Observers

Former Governor Says He Has Right as Private Citizen To Support Candidate of His Choice; Message Read at Hancock Rally in Old Home Town

Raleigh, June 1.—(AP)—Political followers watched today for possible effects on Saturday's Democratic primary vote of the endorsement given Representative Frank Hancock, Jr., last night by former Governor J. C. B. Ehringhaus.

Hancock, opposing Senator Robert Reynolds, spoke in Elizabeth City, hometown of the former governor when he was elected.

A telegram was read the audience from Ehringhaus, which said:

"My best wishes are with you as you speak tonight in my home town. You will be speaking to some of the finest folks in the world, and they will

POPULAR ELECTION OF JUDGES "MYTH" More of Them Named Originally by Governors Than by the People

Daily Dispatch Bureau. Raleigh, June 1.—The keenness of judicial races in many districts this year has centered interest upon selection of Superior and Supreme Court judges, but an examination of the records of the twenty-eight jurists now occupying either supreme or superior court benches shows that "popular" selection is more a matter of theory than of practice in North Carolina.

Going over records of the judges, it is revealed that only one of the seven Supreme Court justices was originally put on that bench by vote of the people—and even that one was appointed to the chief justice's post he holds. The other six were appointed to the court—one by Governor Morrison two by Governor J. C. B. Ehringhaus and three by present Governor Clyde R. Hoey.

The percentage of superior court judges originally appointed isn't anything like as high but even so more than half of the twenty-one incumbents gained their present positions originally by the appointment route. The figures show twelve appointed and nine elected for their first terms.

With no less than four Hoey appointees facing the keenest sort of opposition in the present primary, there is at least an even chance that there will have to be a revision of these figures on and after January 1, in so

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President Claims He Needs Powers To Handle Crisis

REMINGTON UNIONS IDLE IN PROTEST TO DECISION OF COURT

Refuse To Stand by Supreme Court Ruling on Issue Involving Labor Board Status

IT'S NOT SITDOWN STRIKE, THEY SAY

Satisfied With Employer and Plan To Fight To Hold Jobs, Leader Says; Reinstatement of Strikers Is Issue Involved in Court's Decision

Syracuse, N. Y., June 1.—(AP)—Joseph Murray, chairman of the joint council of Remington Rand Employees Association, announced today 6,000 workers in the Remington Rand plant at Syracuse, Illion, Elmire and Middletown, Conn., had "stopped work" in protest of a Supreme Court decision refusing to review a National Labor Relations Board striker reinstatement order.

"It is not a sitdown strike," Murray said, "but merely a cessation of work. We refuse to stand for the Supreme Court decision. They have never heard our side of it."

He declared that the cessation "might last ten minutes and might last ten weeks."

The Supreme Court yesterday refused to review a National Labor Relations Board order directing the company to reinstate 4,000 workers on strike for more than two years.

Murray said 700 employees were affected at the Syracuse plant, 3,000 at Illion, 1,500 at Elmire, and 800 at Middletown, Conn.

"They're all down," he declared. Joseph Straub, manager at the Syracuse plant, however, declared that he "hadn't heard of it yet."

"We are satisfied with our employer, Mr. Rand," Murray said, "and we plan to fight to hold our jobs."

POWER FOLKS SEE ROOSEVELT AS FOE

Many Public Men Long Have Felt Government Should Own Monopolies

By CHARLES P. STEWART Central Press Columnist

Washington, June 1.—A high-up representative of the private power interests drifted the other day into the National Press club, of which he is an associate member, and was introduced by a fellow member to a third member with whom the power representative did not happen to have been previously acquainted.

"This chap," remarked the mutual friend, in jocular identification of the power man, "is with the power trust. That is to say, he is against the government."

"You put it," rejoined the powerite, "the wrong way around. The government is against us."

They're Sincere.

My opinion is that the private power and utility folk sincerely believe this.

That they do (if they do) believe it, their belief proves nothing much as to the merits of the controversy. Public power-ites have long contended that private power has far overcharged its customers for years. Admitting (merely for the sake of argument) that they have been doing so, maybe the government is right in being against them.

Any stick-up man is justified in thinking that the government is against him.

Not On a Par?

Practically speaking, the big power interests and retail stick-up men are not on a par.

Few stick-up men can be suppressed with no damage to national business.

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Tells Senate Flexible Relief Program Essential As Unemployment Continues Rise

LEADERS CLAIMING ACTION AIDS THEM

Tends To Beat Down Demand In Senate for Ear-Marking Lending-Spending Billions; New St. Lawrence Waterway Treaty Is Now in The Making

Washington, June 1.—(AP)—President Roosevelt personally intervened today in the fight over ear-marking proposed new Federal public works funds with a warning that unemployment has grown more acute in recent weeks, and that a flexible relief program is essential to check it.

The chief executive expressed his views in a letter to Senator Adams, Democrat, Colorado, floor manager for the administration's \$3,247,000,000 spending-lending bill now being debated.

His action was quickly interpreted by administration senators as greatly strengthening their stand against demands of Republicans and conservative Democrats that the funds be earmarked by assigning them for use on specified projects.

Mr. Roosevelt wrote Adams that unemployment has "grown worse" since he sent his relief message to Congress six weeks ago.

"Emergency action, therefore, should come right away instead of being deferred," the President said.

The President nominated Carlisle W. Higgins for another term as United States attorney for the middle district of North Carolina.

Other developments: A new American proposal for developing the St. Lawrence waterway encountered opposition from many of the senators who blocked the \$500,000,000 project four years ago.

Secretary Hull submitted to Canada last night a revised treaty by which the two nations would construct a huge hydro-electric power project and a 27-foot channel to let seagoing vessels reach the Great Lakes basin.

Iowa Fight For Senate White Hot

Des Moines, Iowa, June 1.—(AP)—Iowa State Treasurer L. J. Wegman touched off a State House battle here today by releasing what he said was the "substance" of a telegram to Harry L. Hopkins, commending the WFA chief for endorsing O. D. Wearin, in the Iowa Democratic senatorial primary conflict.

"Stand by your guns and more power to you," the telegram said. It was dated last Thursday, May 26, the day after Governor N. G. Kraschel had expressed in a telegram his resentment at Hopkins' statement favoring Wearin.

The dispute in the State official

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FDR Signs Changes In Crop Total

Slightly Increased Acreage Provided To Meet Tobacco Men's Complaints

Washington, June 1.—(AP)—President Roosevelt signed amendments to the new crop control law today increasing this year's national tobacco marketing quotas two percent and providing for re-distribution of unused cotton acreage allotments.

The amendments have the effect, Agriculture Department officials said, of increasing the national marketing quota for flue-cured tobacco from 719,

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