LEASED WIRE SERVICE OF THE ASSOCIATED PRESS. TWENTY-FIFTH YEAR

HENDERSON, N. C., WEDNESDAY AFTERNO ON, JULY 6, 1938

PUBLISHED EVERY AFTERNOOM EXCEPT SUNDAY.

FIVE CENTS COPY

LUXURY LINE' TO SOUTH AMERICA



As a gesture of a new era of intimate commercial relations between the republics of the western hemisphere, a junket of U.S. congressmen and federal officials will officially open the government's new "luxury" line to the east coast of South America, Sept. 1. The officials will be headed by Emory S. Land, chairman of the U.S. maritime commission, which purchased the three New York-San Francisco luxury liners Pennsylvania, Virginia and California for the new route. The party will make stops at Santos and Rio De Janeiro in Brazil, at Montevideo in Uruguay and at Buenos Aires in Argentina. The names of the vessels may be changed to Brazil, Argentina and Uruguay as a further gesture of good will. Map shows ports of call, photos are of Chairman Land of the U. S. maritime commission and the steamer Pennsylvania.

## Anglo-Italy Accord Will Not Be Forced. Chamberlain States

London, June 6 (AP)-Prime Min- | Davison, Laborite, the Prime Ministister Chamberlain today refused to er said: hasten the Anglo-Italian agreement into effect, or even name a definite date for its coming into force. He told the House of Commons he felt conditions for making the accord, signed at Rome April 16, operative had not been fulfilled. These included "set lement" of the Spanish civil war. Some progress in that direction was

made today when Britain sent special messengers to capitals of both Spanish factions seeking approval of the European non-intervention committee's \$750,000 plan for withdrawing alien troops for Spain.

ALL RUN-OFFS IN

"His Majesty's government have repeatedly said they were not in position to give full force to the agreement until certain conditions have been fulfilled. At the same time, as I stated in this House June 22, His Majesty's government are anxious to see the agreement brought into force at the earliest date possible consistent with the fulfillment of the abovementioned conditions."

Italy is known to have been urging Britain for quick fulfillment of the agreement, but Chamberlain is understood to have been holding out for a substantial" withdrawal of Italians Replying to a question from J. J. fighting for the Spanish insurgents.

#### BURGIN INCREASES STATE VERY CLOSE HIS LEAD IN HOKE TO IL."

Correspondent Guessed All Lexington Man Now Has 75 of Them Right; Governor Is Surprised

Raleigh, July 6-This column takes what it hopes is pardonable pride in pointing out that in its "limb-climb- from Saturday's run-off primary ing venture in advance of the run- made today increases in the lead of offs last Saturday it picked four win- W. O. Burgin, Lexington attorney, ners in four efforts—that is, unless recounts, recanvasses or recriminations er, for the eighth district Democratic result in reversing results shown on congressional nomination to 75 votes. the face of the returns.

races were! Yet that is something to feel even greater pride about, because anyone can pick the pushovers. Talking with Governor Clyde R. Deane, 19,267. Hoey today, this correspondent learning his long political career, has never known so many tight tussles in originally announced. one day as there were Saturday.

Teague and Barker were close en-Pointer winning by around 800; but cipal judge, 16,509 votes, and Oscar have soared so high in recent years but when Burgin and Deane finish- Barker, Durham attorney, 15,787. ed only 26 apart in the Eight that was something to write home about. Put beside the Mecklenburg recorder's impounding of ballot boxes in Union race, where one man had, on the face and Davidson counties, and filed a of unofficial returns 5,975 votes to his protest in Montgomery, which resultopponent's 5,974.

Everywhere else, it seemed, the voting was extremely close.

Nominated for the State House of Representatives in runoffs Saturday were Forest A. Pollard of Durham, Dallas Mallison of Pamlico, R. T. Fulghum of ohnston, Carroll P. Rogers of Polk, W. C. Pittman, Republican, of Avery, C. T. Nicholson (Continued on Page Eight.

Majority in Eighth District Contest

Charlotte, July 6.—(AP)—A revision in Hoke county official returns over C. B. Deane, Rockingham lawy-But how close three of those four aces were! Yet that is competition.

On previous figures his margin was only 39 votes.

The latest returns, all official except those from Wilkes and Montgomery counties, gave Burgin 19,342;

Hoke officials said the correct vote ed that even the chief executive, dur- in that county was: Deane, 571; Burgin, 334, instead of 589 and 316, as

In the other congressional race, in the sixth district, official returns gave ough in the Eight, with the High Lewis E. Teague, High Point muni-

Dissatisfaction over the way the voting was conducted was voiced by Even that was a runaway when Burgin and Deane. Deane asked the ed in postponement of the official canvass until Friday.

Davidson board late yesterday dis-(Continued on Page Eight.

Fair tonight and Thursday; moderate temperatures,

# WAR AGAINST JAPS OF RACIAL EXILES

Yangtze River to Harry Japanese Offensive On Hankow

**ENEMY FORCED INTO** RETREAT ELSEWHERE

Along Yellow River Scene of Disastrous Floods Last Month, Advance Is Halted and Japanese Seek Stronger Grip on Newly-Gained Province

Shanghai, July 6 (AP)—Chinese forces, at the end of the first year of war with Japan, gained momentary advantage on three fronts today.

Along the Yangtze river about Hukow, they succeeded in laying new mines to harry Japanese in a newlyplanned offensive toward Hankow, the provisional capital of China.

Along the Yellow river were disastrous floods halted the Japanese push toward Hankow in June, Chinese said they had inflicted 700 casualties and forced Japanese to retreat into southern Shansi province points aft-

er three days of fighting. Along the coast, northeast of Nanking, in Kiangsu province, Chinese said they captured two towns, one 90 miles south of Haichow, and the other 130 miles south.

Japanese were reported to have re-

The Japanese, meanwhile, continued to lay the groundwork for the new effort to reach Hankow. Chinese asserted their bombing plans sunk or damaged several Japanese gunboats during recent Yangtze operations.

#### Countess May Marry Third Time

Barbara Haugwitz-Reventlow's maritial dispute with her Danish husband desiring to leave Germany, as well as of duels and huge money settlements to society speculation whether the American-born heiress was planning another marriage.

The case against Count Court Haugwitz - Reventlow for alleged threats against his blonde wife stood adjourned in Bow street court until a week from today, but hints of a new romance at his hearing yesterday, when her lawyers alleged he de manded \$5,000,000 from her for a divorce and threatened her with "three years of hell with headlines", caused many "I-told-you-so" among gossipers in London's fashionable West End. They had linked her name with that of another titled personage, mentioned guardedly at the hearing as a "London society gentleman," whom the count allegedly talked of shooting from the hip or challenging for a duel.

The countess' lawyers also testified the count had called her obscene names, threatened to seize their young son, Lance, engaged in talk of black mail, and threatened to "shoot himseif and others" to put the Weolworth heiress on the spot "so every one would know Barbara had driven him

#### CAREY'S BAPTIST CHURCH IN REVIVAL

held each day at 8 a. m. and 8 p. m. died unexpectedly in his hotel room London newspaper printed a "report" Rev. J. T. Biddle, pastor of the church, is being assisted by Rev. C. Pittsburgh health commissioner, said E. Crawford, of Hobgood.

close Sunday night at 8 o'clock.

New Mines Are Laid In Myron Taylor, Head of U. S. Delegation, Plainly Names Germany as Offender

> **GREAT SUFFERINGS ENVISIONED BY HIM**

> Meeting Is Opened in France To Discuss Refugee Problems: Permanent Committee To Work Out Long-Range Problems With Existing Groups Pro-

> Evian-Les Bains, France, July 6— Myron C. Taylor, head of the United States delegation, gave a blunt warning to the 32-state conference on refugees today that forced migration of political and racial groups can bring "catastrophic suffering" upon the

Addressing the opening session of the meeting, result of President Roose veit's invitation to other nations to discuss the refugee problem, Taylor said: "General unrest and international strain" were unavoidable results of this migration.

He named only one country-Ger-

"I need not emphasize that discri-mination and pressure against minority groups and disregard of elemen tary human life are contrary to the principles of that we have come to treated to Tungtai, reversing their of-fensive to establish a stronger grip lization," the former head of the United States Steel Corporation declared. He outlined the scope of the conference as to take in all problems dealing with the "great bodies of reluctant migrants who must be ab sorbed in abnormal circumstances with a disregard of economic conditions and at a time of stress."

Taylor's address was the main bus-iness of the opening session. The conference was inaugurated by Henry Berenger, chairman of the French Senate committee on foreign affairs, who formally welcomed the delegates. The conference program listed four

important items:
1. Steps to facilitate settlement in other countries of German political London, July 6.—(AP)—Countess refugees who, for the purpose of the court talk those who have left already." Immediate assistance for the

most urgent cases within existing emigration laws. 3. A system of registering refugees who lack official papers and are un-

able to obtain any.

4. Establishment of a permanent inter-governmental committee to work out long range refugee problems in cooperation with existing agencies.

#### Insurgent Attack Is Being Pressed On 12-Mile Front

Hendaya, France, July 6 (AP)-Insurgent troops fanned out into the foothills of the Sierra de Espadan mountains, natural defenses of Vaencia, and attacked government positions along a 12-mile front today.

As General Franco's drive down the coast gathered momentum, heavy reinforcements were reported rushed to the front to take advantage of a series of defeats which forced government militiamen to fall back at

#### SOAP MANUFACTURER PASSES IN MANTEO

Manteo, July 6 (AP)-I. J. Flack, A revival is in progress at Carey's Pittsburgh, Pa., soap manufacturer, Stalin had launched a new sensation-Baptist church, with services being who came here with a fishing party al purge of high Soviet officials. One early today. Dr. R. H. Alexander, that Litivnov had been arrested and death was caused by a heart attack. The services will continue this Dr. Alexander was sleeping in an adweek, except for Saturday and Sun- joining room when Flack became ill, day morning, and they will come to a and was called by Mrs. Flack, but the manufacturer died almost instantly.

## Greater Responsibility In Big Income Of State Some of It Legitimate, Much

does not mean that the State's cit-"The tremendous increase has come the State.

about as the result of the State's asschool funds of all kinds whatsoever. fiscal year ended last week.

The same is true of the highway Daily Dispatch Bureau, The same is true of the highway in the Sir Walter Hotel. department, Mr. Johnson observed Raleigh, July 6.—The fact that Even down to the lowest and least North Carolina's revenue collections important road employe, the State does the paying, he said.

It follows, as a natural result, that the collections of the State have inizens have been carrying a corres- creased not because the citizens are pondingly heavier burden of taxation, being more heavily taxed, but be-State Treasurer Charles M. Johnson cause the duty of collecting the taxes 23 years that I have been in Washhas been shifted from local units to

The tremendous increase in State sumption of functions once reserved collections began only when the Sta to the counties and cities," he said. took over financing schools and roads. For example, he cited the fact that In 1928, for example, it was some-North Carolina is the only State in the Union in which every warrant for had made the largest collections in every teacher is paid through the its history-having taken in some-State Treasury. With the exception of thing more than \$13,000,000 in total local supplements for a nine-months revenues—a sum less than one-fifth term in some localities, the State pays of the almost seventy million dollars out-and accordingly collects - all which clinked into the till during the

## AMERICAN SPEAKER Government Insurance. Will GAIN ADVANTAGE IN WARNS OF DANGERS Be Given On New Buildings Over \$1 Billions This Year

12-Year-Old Mountain Bride



Blonde, blue-eyed Evabelle Patterson, the Carolina hill country's latest child bride, is pictured with her lanky 27-year-old husband. The girl, barely twelve, is shown seated on the porch of her cabin home nine miles from Sylva. N. C. (Central Press)

### Americans Are In Great Peril From Kobe, Japan, Flood

In Soviet Purge?



**Maxim Litvinov** ... arrested by Stalin?

Fears for the safety of Maxim Litivnov, Soviet foreign commissar and his British-born wife were expressed London newspapers following widespread rumors in the British capital that Russian Dictator Josef that a score of other well-known Russians had been "trapped" with him.

## TODAY THAN EVER

Have Rights

By CHARLES P. STEWART Central Press Columnist

Washington, July 6 .- A reader asks: Why isn't a determined effort made It has been going on ever since I can remember, and, off and on, it is ington. All that time, too, a success sion of congressional anti-lobbying committees have been fighting it. Today, if anything, there is more of it

Before my generation I have no doubt that it dated back to Congress' les Brickhouse. first session.

Always!

Twenty-three years! Why, in the early 1890's (it was mediately. 1893, if I remember correctly), as a very cutbish reporter I "covered" a southeastern district agent with head (Continued on Page Eight.

Dead Estimated at 400 to 480 at Principal Seaport of Western Part of Empire

ALL OF AMERICANS ARE THOUGHT SAFE

American Consul Cables State Department Further Checks Being Made; Final Death Toll May forts to defeat anti-Roosevelt Demo-Reach 1,000, One Message From Stricken Metropolis | Senator Smith, of South Carolina.

Tokyo, July 7.—(Thursday)—(AP)-Scores of Americans were imperilled early today by a flood roaring out of its surrounding hills into Kobe, principal port of western Japan, where the dead were estimated at between 400 and 480.

ALL AMERICANS ESCAPE

FLOODS, CONSUL REPORTS Washington, July 6.—(AP)— The State Department received word today from Walter McConaughy, American consul at Kobe, Japan, that he believed all Americans in Kobe had escaped the torrential flood. He said, however, he was making further checks on American residents.

DEAD MAY REACH 1,000

ONE MESSAGE REPORTS Tokyo, July 6.—(AP)—A disastrous flood surged tonight through Kobe, principal port of western Japan, and reliable estimates placed the number of dead at between 400 and 480 A Kobe resident telephone to Tokyo

that destruction was heavy. He said the final death toll might reach 1,000. The Kobe inundation came on the heels of serious floods which swept widespread areas of Japan, including Tokyo, last week, the result of extremely heavy rains. The home ministry announced that 861 persons were killed, injured or missing in last week's floods and in western Japan up to yesterday.

#### SWICEGOOD NAMED AGENT IN LENOIR

Assistant Wake County Agriculture Chief Gets Big Promotion To Eastern County

agriculture teacher, has been named chell that it resume operations this Lenior county agent, succeeding Char-

Dean I. O. Schaub, State College extension director, said today Swice good's promotion was effective im-

Brickhouse was recently quarters at Raleigh.

## ROOSEVELT GIVEN **FULL INFORMATION** BY HOUSING CHIEF

Total Will Be More Than Double That Last Year. President Is Told at Conference STARTS PREPARING POLITICAL APPEALS

Leaves Tomorrow Night for Trip Across Country To Help His Supporters in Their Election Campaigns: To Approve Hospital for Eastern North Carolina

Washington, July 6 .- (AP)-President Roosevelt heard today from Stewart McDonald, Federal housing administrator, that the FHA would insure \$1,000,000,000 of new building this year. McDonald reported this total would be more than double that for last year.

Carrying numerous charts and tables to give Mr. Roosevelt a picture of the trend in home construction, McDonald said he reported the FHA did \$96,000,000 in home mortgages during June, an increase of 74 percent over the same month a year ago. The total excluded \$17,000,000 in modernization and repair loans and \$8,000,000

in large scale rental projects.

The President's heavy calling list was designed to leave him free to begin preparation tomorrow of the first of his addresses to be made on his trans-continental speaking tour.

Brigadier-General Frank Hines, administrator of veterans affairs, said the President might approve a site for a new veterans hospital in North Carolina before leaving Thursday dation for a site has been approved by the Budget Bureau and now is on the way to the White House, Hines

It would not be made public, he added, until it received presidential ap-The hospital, to contain 350 beds,

will cost \$1,250,000. Hines called on President Roosevelt today for a general discussion of veterans hospitals, but said he did not take up the one in North Car-

The naval hospital said Frank Mc-Ninch, chairman of the Federal Communications Commission, was undergoing treatment for colitis. Senator Burke, Democrat, Nebras-

ka, predicted that administration efcrats would be limited to three senatorial primaries, including that of

#### Considering Appeals To Stop Trains

Raleigh, July 6 (AP)—Utilities Commissioner Stanley Winborne took under advisement today requests of the Atlantic Coast Line railroad to stop Sunday passenger train operations between Wilmington and Sanford and the tri-weekly passenger service be-tween New Bern and Wilmington. Winborne asked the railroad to provide him with further information to support its contention the trains

should be stopped due to losses. Three other applications of the company, to stop passenger service between Kinston and Weldon, between Washington and Parmele, and between Plymouth and Tarboro, were set for hearing Friday, but may be postponed.

J. C. Pittman, of Sanford, appeared to protest against the Wilmington-Sanford disappearance, and Clifton Moore, of Burgaw, appeared to represent Atkinson citizens opposing the

#### Work Plea Is Ignored By Strikers

Newton, Iowa, July 6.—(AP) - A picket line was thrown around the Maytag Washington machine factory Raleigh, July 6.(AP)—G. M. Swice-good, assistant Wake county agent, and former Caswell county school

> Two office workers of the Maytag company attempted to enter the plant this morning, but were turned back by pickets. As they approached the pickets, witnesses reported, one of them was struck by a picket's fist, and the other had his shirt torn.

(Continued on Page Eight.