

SOVIETS WARN JAPS AGAINST AN INVASION

New Dealers Reaching For Voting Gains

Concede Victory To Senator Clark, But Compensate With Magill's Winning

Washington, Aug. 2.—(AP)—The Roosevelt administration hoped today to balance the expected renomination of Senator Bennett Clark, of Missouri, with an overwhelming primary victory for Senator George Magill, of Kansas.

These were the only two Democratic senatorial contests in four statewide primary elections, which provided few out-and-out tests of the President's policies.

Clark opposed the court bill and various other White House measures, but administration advisors took for granted his defeat of two New Deal supporters because he had the backing of both Democratic factions in his State.

Neither the President nor any of his lieutenants took any part in the Missouri campaign. Mr. Roosevelt did not even pass through the State on his western trip.

One of the House contests in Virginia was fought principally on the Roosevelt issue. Representative Howard Smith, rules committee member who helped delay the wage-hour bill, was opposed by William E. Dodd, Jr., son of the former ambassador to Germany.

The PWA today rescinded a \$1,125,000 grant approved for Boston as it began "weeding out" inactive applications. At the same time, it approved 175 additional non-Federal projects and brought total authorized construction since June 22 to \$1,651,484,930.

Grants approved today included Dunn, N. C. hospital, \$54,000.

The growing controversy over cooperative medicine brought predictions from Federal officials that a broad national health program would be included next winter in a new government reorganization bill. The program, which would cost federal and State governments \$850,000,000 a year, was suggested recently by a presidential committee.

Hoey Lauded By Maxwell For Decision

Lexington, Aug. 2.—(AP)—Revenue Commissioner A. J. Maxwell praised Governor Hoey today for calling a special session of the General Assembly for Monday, August 8.

The governor, Maxwell told Lexington Rotarians, "is exercising the sound judgment with which he meets every situation as it arises."

The legislature will consider allocation of State funds for a proposed PWA improvement program at State institutions, involving possibly up to \$11,000,000.

Maxwell referred to the State constitutional amendment making it "impossible" for State or local governments to "engage in creating debts." He said the logic of the amendment was that "there should be a regular, consistent and moderate policy of capital expenditures to meet the increasing needs of a growing state."

Legislature Session To Last 6 Days

Daily Dispatch Bureau, In The Sir Walter Hotel.

Raleigh, Aug. 2.—It appears to be the Raleigh consensus that the special session of the General Assembly which will convene next week will last only the absolute minimum of six days; but with discussion of election law reform so rampant, it's dollars to doughnuts that some legislator is going to introduce a bill abolishing the absentee ballot, in primaries at least.

The gesture will be absolutely meaningless, in view of the fact that no action will be taken on it, but there are enough publicity-seeking lawmakers to insure some one's introducing an election law bill.

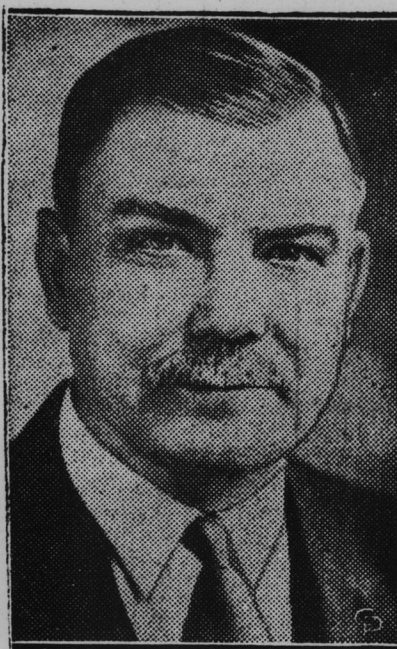
Even when the regular session of

(Continued on Page Four)

Missouri's Torrid Primary May Decide Whether Pendergast Is To Remain Boss



Senator Bennett Champ Clark



Willis H. Meredith



Boss Thomas J. Pendergast

Although nationally the race of Senator Bennett Champ Clark for renomination in Missouri in today's primary is of chief significance, interest in the state itself is in the fight of Gov. Lloyd Crow Stark to unseat Boss Thomas J. Pendergast by defeating his candidate for the State Supreme Court. Senator Clark is opposed by Joseph T. Davis, both of St. Louis, and Robert I. Young, of St. Joseph and Willis H. Meredith, Popular Bluff.



Joseph T. Davis



Gov. Lloyd Crow Stark

Government Fights Growers In Opposing Tobacco Levies

About Dozen Legislators Can't Serve

One Dead and Number of Others Named To Fat Jobs Since 1937 Session

Daily Dispatch Bureau, In The Sir Walter Hotel.

Raleigh, Aug. 2.—At least a dozen of the 170 legislators who comprised the 1937 regular session membership will be ineligible to serve in the special session which convenes next week. One member of the House is dead, while others will be disqualified by the "double-office holding" provisions of the State Constitution and the statutes for such cases made and provided.

Furthermore, those who are on the borderline in this respect are liable to be mulcted for \$200 or more if they take a chance, serve in the session and are thereafter judicially determined to have been ineligible.

Among the State senators who will be unable to serve, or about whose status there is doubt, are Benton Stacy, now director of purchase and contract; E. V. Webb, member of the State Highway and Public Works Commission; Archie Gay, member of the State School Commission; A. Hall Johnston, now a superior court judge; and W. B. Rodman, Jr., of Washington, a member of the Unemployment Compensation Commission's advisory commission.

Stacy, Webb and Johnston are undoubtedly "out"; whether the others

(Continued on Page Eight.)

WEATHER

FOR NORTH CAROLINA Partly cloudy tonight and Wednesday, with scattered thundershowers this afternoon or tonight. Wednesday partly cloudy, possibly showers in extreme south portion.

Tobacco Men Still Hoping Some Relief

Washington, Aug. 2.—(AP)—The administration hopes to bring suits attacking the constitutionality of tobacco marketing quotas invoked under the new farm act, before the Supreme Court as early as possible.

Attorneys representing the Agriculture and Justice departments will confer tomorrow in Valdosta, Ga., with lawyers for plaintiffs who have filed actions in the State courts of Georgia and Florida, contesting the validity of the sales allotments.

Both asked Wallace to suspend marketing restrictions for the current year, and suggested that if such action were not forthcoming the

(Continued on Page Three.)

Former Officials Named In Bribery In New York City

New York, August 2.—(AP)—District Attorney Thomas Dewey today named former District Attorney William C. Dodge, an active city magistrate and a former city magistrate as having been involved in bribes or inducements in connection with the late Dutch Schultz, multi-million dollar policy racket.

In addition to Dodge, Dewey named Magistrate Hulon Capshaw and the late Magistrate Francis Irwin.

The naming of Dodge came as a sensation. Dodge, a former district attorney and magistrate, long has been a power in Tammany Hall. A special detail of police guarded the crowded court room as J. Richard "Dixie" Davis, former Schultz attorney, appeared to enter his plea.

Chemical Element Expert Finds 93rd

Paris, Aug. 2.—(AP)—The noted physicist, Jean Perrin, informed the French Academy of Science today his collaborators had discovered what was believed to be the 93rd chemical element, a substance heavier than uranium.

The 68-year-old scientist, president of the academy, said the element had been found in stable form in minerals containing uranium, notably pitch blende.

By using a powerful spectroscopic he said, the scientists had distinguished four new spectral lines which were believed to have been caused by the presence of trans-uranium, a nucleus whose atom would contain 93 positive charges.

Repeal Folk Worried Over Dry Uptrend

By CHARLES P. STEWART Central Press Columnist

Washington, Aug. 2.—Repeal Associates are worried by what they consider a revival of national prohibition sentiment.

Repeal Associates are (or is) an organization which, upon prohibition repeal's enactment, was formed to succeed the prohibition days' Association Against the Prohibition Amendment.

It's a kind of G. A. R. or American Legion of veterans of the fight against the dry regime, ended five years ago.

Capt. W. H. Stayton of Baltimore was head of the AAPA and is prominent as executive director, in the RA, although Pierre S. duPont of Delaware is the latter's chairman at present.

What Could Occur.

Repeal Associates apparently do not look for the re-enactment of constitutional prohibition, but their quarterly Repeal Review, recently issued, makes the point that, through state laws, complicated with Federal Supreme Court injunctions, "prohibition

(Continued on Page Three.)

Japan Is In Danger Of Losing Portions Of Conquered China

In Many Places Chinese Have Already Re-Occupied Captured Sections

Shanghai, August 2.—(AP)—The Japanese army is threatened with losing effective control of areas captured since the war began July, 1937, a survey indicated today.

Continued resistance by the Chinese ambush and surprise offensives by Chinese communists and irregular armies, the Soviet Russian-Japanese border tension and the need for a 1 available forces in pressing the of sensitive toward Hankow are the reasons.

Reports from widespread sources show the Chinese have already re-occupied many districts, sometimes without a fight after tactical withdrawals by the Japanese and frequently after the capture of small garrisons.

The reoccupations are scattered, however, and the Chinese appear not yet to have taken full advantage of the situation. There is some doubt whether the Chinese can press the advantage, or whether they must be content merely to continue to harass the Japanese and interrupt supply communication lines.

Starting with the initial Peiping clash, the Japanese during the last year drove Chinese armies out and nominal occupied Hopeh, Shansi, Shantung, Kiangsu, Anhwei, north Honan and north Chekiang provinces.

Actually, however, the Japanese occupied only major cities and towns controlling railways and highways.

Stocks Show Slight Gains

New York, Aug. 2.—(AP)—Motors and steels led the stock market on a rebound today that, while lacking real momentum, put leaders up fractions to three points or more at the best. While the volume was larger than that of yesterday, transfers approximating 800,000 shares, the comparative meagreness of the turn-over in relation to the wide distribution of advances was a little discouraging to recovery proponents.

Table of stock market movements including American Radiator, American Telephone, American Tobacco, etc.

Stopping Of A. C. L. Trains Being Fought

Raleigh, August 2.—(AP)—Scores of Eastern North Carolina citizens attended a hearing here today to oppose petitions of the Atlantic Coast Line railroad company for permission to discontinue eight branch line passenger trains.

The morning testimony was given by L. F. Ormond, assistant controller of the railroad, on financial details involving the three branch lines involved. The company contends that after adjustments, its deficits for the year ending April 30, 1938, were: For the Washington to Parmele branch, with four trains daily, \$27,475; for the Tarboro-Plymouth branch, two trains, \$107,761; and for the Weldon to Kinston branch, two trains, \$196,556.

Murray Allen, of Raleigh, counsel for the railroad, examined Ormond for two hours, then Guy Elliott, of Kinston, representing the protesting communities, cross-examined him until the luncheon recess.

Representative John Kerr, of Warrenton, member of Congress from the second district, asked Ormond questions as the luncheon recess was ordered. Kerr asked about "big profits" the railroad made between 1900 and 1915; if the railroad had ever paid any "recapture taxes" to the Federal

(Continued on Page Three.)

Outlook For Peace Dims In Far East

Moscow Advises Tokyo of "Terrible Consequence" of Violating Red Border

Moscow, August 2.—(AP)—The Soviet government instructed its charge d'affaires to Tokyo today to warn Japan of "possible terribly consequences" of an invasion into Russian territory, a consequence of the most serious frontier fighting since the beginning in 1931 of a long series of boundary incidents.

Foreign military observers had viewed the current border trouble as likely to be only another of indecisive disputes when it started July 11, but the large-scale battle over the week-end inspired a far more serious outlook today.

A Soviet communique said that more than 400 Japanese were killed or wounded and 13 Russian soldiers were killed and 55 wounded. (Japanese versions estimated Russian casualties at 600.)

Tanks, airplanes and artillery were utilized (Tokyo dispatches said 59 Soviet planes bombed Japanese positions), and the fighting centered about Changkufeng hill, on the Sibirian-Manchoukuo-Korean border area, roughly defined and poorly mapped. Both Russia and Japan claim sovereignty over the disputed territory. The Russian accounts charged the Japanese forces invaded Soviet territory a distance of two and a half miles before being driven back, but that Soviet troops did not pursue them across the Manchoukuo border.

The Russians captured five artillery pieces and 14 machine guns and lost a tank and a field piece. One Soviet plane was brought down, the communique admitted, and the pilot was captured. (Japanese listed five planes shot down, four of them in Japanese Korea.)

Until the communique, there had been little public mention of the dispute with Japan.

Cotton Prices Change Little

New York, Aug. 2.—(AP)—Cotton futures opened one to three points down, with lower Liverpool cables partly offset by further rains in the eastern belt. December recovered from 8.54 to 8.57, but late in the first hour was 8.55, when the list was three to four points net higher.

Futures closed unchanged to two points lower; spot quiet; middling 8.59.

Table of cotton futures prices for October, December, January, March, May, July.

Say Clipper Might Have Reached Land

Manila, P. I., Aug. 2.—(AP)—In the faint hope that the Hawaii Clipper reached land with the 15 men she carried when she disappeared last week, all telegraph and radio stations on the Pacific ocean side of eight Philippine islands were brought into the hunt for clues today.

The Philippine post office department, which controls the island telegraph and radio service, instructed the stations to "exert the utmost efforts to secure from reliable persons the identity of any plane that may have flown over their locality July 29, and wire us immediately."

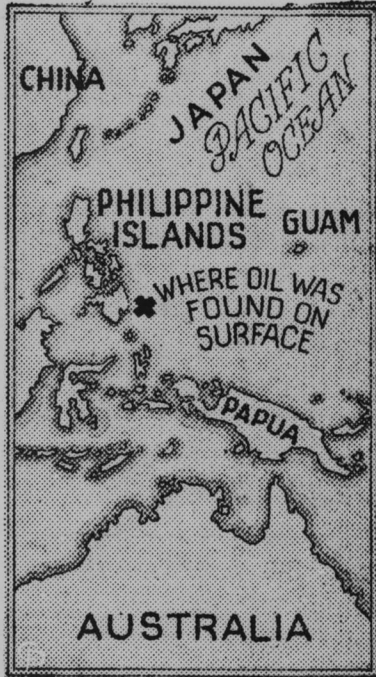
The stations also were instructed to contact persons in the wild and remote areas along the island. These areas have been carefully searched by army and navy planes.

Four days of continuous scouting forced four big army bombers out of the vast search for the Hawaii Clipper today and army officials called a conference to determine future moves after another 24 hours of hunting in vain.

The bombers returned to their base at Fort Stotsenburg to be serviced after long daily flights at sea.

Army authorities did not indicate what they expected to develop from the conference, or whether it would result in their complete withdrawal from the search.

End of Clipper?



Map of vicinity where oil was found

Discovery by the U. S. transport Meigs of a large patch of oil on the surface of the Pacific about 525 miles southeast of Manila in the direction of Guam in the area from which the missing Hawaii Clipper last radioed led to belief the flying boat had dived into the ocean there. Analysis showed traces of both oil and gasoline.

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