TWENTY-FIFTH YEAR

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ECOND BIG WAR IN ORIENT FEARED

Friends And Foes Of Roosevelt Divide Victories

Fights Russians



Marshal Prince Kanin (above) chief of the Japanese general staff, has hastened back to Tokyo from a vacation to plunge into a series of emergency conferences in the wake of the bloodiest battle yet waged in the present Jap-Soviet crisis. (Central Press)

Hope For Clipper

All But Abandoned

Manila, P. I., Aug. 3.-(AP)-

Chances of finding the Hawail Clip-

per and the 15 men she carried

when she vanished last Friday ap-

peared hopeless to most observers

today as a fleet of 13 naval ships

completed the fifth day of fruitless

The aerial and sea patrol has ex-

hausted practically every possible

search area where the plane might

have crashed or drifted in the

Pacific ocean east of the Philip-

pines or on the islands themselves.

The army transport Meigs, which discovered the only possible clue uncovered as to the Clipper's fate,

backtracked the distance from

Manila to Guam. The samples

taken from the oil slick found by

the transport were brought here

for anaysis.

Italy Bans Alien Jews

From Schools And Plans

Stronger Armed Forces

New War Scare Here



Map of border clashes . . . on Soviet-Manchukuoan frontier

World diplomatic centers were tense as new border clashes between Japanese and Russians occurred at disputed borderline between Manchukuo and Siberia. Map shows region. Russia asserts that Japanese militarists have violated the Soviet frontier.

President's In Virginia

Senator Bennett Champ Clark, of Missouri, foe of the court bill and other White House measures, won a landslide renomination. So did Senaator Magill, of Kansas, loyal follower of the President. Their victories were not unexpected, however, for both had the active backing of their State party organizations.

part in either race. The same division extended to nominations for House seats in two other states. Three West Virginia representatives who have supported the President defeated their opponents, but in Virginia two avowed New Dealers lost out. Representative Smith of Virginia, whose district includes the "home town" of George Washington and Thomas Jefferson, won a three-to-one victory over William Dodd, Jr., son of the former am bassador to Germany. The vote, with ten precincts missing, was: Smith,

Smith, a rules committee member fought the wage-hour bill, claimed the right to vote as he thought best on administration measures, while the No Details Revealed 32-year-old Dodd had said "a vote for me is a vote for Roosevelt."

Border Belt Markets Open On Tomorrow

Florence, S. C., August 3.—(AP) -Mounting piles of tobacco flowed today into warehouses of 16 South Carolina and North Carolina market towns as optimistic growers prepared expectantly for tomorrow's opening of the 1938 auction season.

reports of prices paid on the Georgia-Florida markets, which opened July 28, and when an average of around 25 cents a pound has been established. Last year's opening prices in the nine South Carolina markets and the seven North Carolina border mar-

> ports of organized opposition in this territory to the Federal quotas, against which some Georgia and Florida growers have taken legal action.

Legislature Jews who are Italian citizens. To Be Very of the Italian race. Perfunctory

Everything Will Be Cut and Dried for Rubber - Stamping by the Extra Session

Daiy Dispatch Bureau, In The Sir Walter Hotel.

Raleigh, August 3.—Those who want jobs for the special session next week, and those who are breathlessly expecting fireworks and thrills from the gathering of the lawmakers here N. C. State College. are doomed to sad disappointment cording to all signs and portents.

If the session isn't one of the most perfunctory, cut and dried affairs on mild surprise in informed circles. There will be very, very few plums

for attaches. Secretary of State Thad Eure says he isn't even going to set force with no trouble at all.

about none at all.

little trouble about lights in the on the farm was going downward. they'll be able to get all they need farm youth to find jobs or work in power interests which killed similar

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of Program for Increasing Nation's De me is a vote for Roosevelt. The only other Virginia House race was much closer. Representative Hamilton, calling himself pro-RooseGovern fenses. Decided on by Mussolini.

Rome, Aug. 3.—(AP)—The government announced today all foreign Jews would be barred from Italian schools, beginning with the fall term. A communique issued by the government said:

"Beginning with the scholastic year 1938-39, the admission of foreign Hebrew students, including those residing in Italy, to all Italian schools of all grades is prohibited."

At the same time, it announced a new program to increase the efficiency of the nation's armed forces. A communique said:

"At recent meetings held by Il Duce with the minister of finance and the chief of the general staff of war and air, a further program to increase the efficiency of our armed forces was

It gave no further details The ban on Jewish students presumably does not apply to the 47,000

The fascist race doctrine issued July 14 by a group of fascist professors proclaimed Italians were an Aryan race and denied Jews were members

Bethel Hill Professor Is Given Award

Raleigh, Aug. 3.—(AP)—A. G. Bullard, vocational agricultural teacher at the Bethel Hill high school in Person county, received today the certificate awarded the man adjudged annually to have been the outstanding such teacher in the State.

Roy Thomas, director of the work made the presentation at the joint session of Farm and Home Week at

Dr. O. E. Baker, of the United and complete disillusionment, ac- States Department of Agriculture, discussed the problem he said had been created by the "drain of \$34,000,000,-000 in wealth from farms to urban record, there is going to be more than communities during the decade be fore the depression.

The agricultural economist offered no solutions to the problem, but pointed out that farm youth and farm up an enrollment staff, because there wealth had been drifting steadily to will be so few bills pessed he can take the cities for 100 years until the de- General Assembly to enact laws percare of them with his regular office pression. The depression, he said, mitting local governmental units to forced young people to stay on the issue revenue bonds in order to par-As for excitement, there'll be just farm and the result was that production per person dropped after increas-Workmen are busy repairing wiring ingly steadily for years, and naturalin the Capitol and there may be some ly, therefore, the standard of living

House and Senate chambers, but The speaker warned that failure of

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Foes On Top

Clark and Magill Senate Victories Expected; West Virginia for Roosevelt

(By The Associated Press.) Roosevelt backers and anti-administration candidates divided the Democratic honors today in four primary elections.

19,601; Dodd, 6,530.

The farmers found cheer in the kets approached 30 cents.

So far there have been no re-

Muni League To Advocate **Big Spending**

Special Session To Be Asked To Allow Cities, Towns To **Grab PWA Funds**

Daily Dispatch Bureau, In The Sir Walter Hotel. Raleigh, Aug. 3.—The North Carolina League of Municipalities will ask next week's special session of the ticipate in PWA grants for many and varied purposes, Pat Healy, Jr., said

He is hopeful the proposed legislation can be put in such form that it will escape the bitter opposition of

WINNERS IN PR IMARY ELECTION S ON TUESDAY



Senator Bennett Champ Clark



Senator Magill, Kansas



Rep. Smith. Virginia

Senator Clark, of Missouri, New Deal opponent; Senator Magill, of Kansas, supporter of Roosevelt, and Representative Howard W. Smith, of Virginia, who has frequently voted against Roosevelt measures, were winners in Democratic primaries in their states Tuesday. Clark and Magill were slated to win, but there was uncertainty about Smith, who was opposed by William E. Dodd, Jr., son of the former ambassador to Germany. Dodd ran as President Roosevelt had taken no a 100 percent New Dealer.

Legislature Next Week May Be Asked For Money Ex-Sheriff For Broad Road Program As Murderer

Governor Hoey said he had asked the funds. buildings, would have to come from year or so.

Raleigh, August 3,—(AP)—The special session of the legislature next \$6,366,227, Governor Hoey said, but week may be asked to authorize a that amount would represent only 55 highway improvement at State insti- percent of the possible building program if the PWA would match all

the Advisory Budget Commission to Hoey said he emphasized to the hear all requests for buildings for budget makers that they should recom institutions, and then hear Chairman | mend to the special session of the leg-Frank Dunlap, of the highway and islature only such buildings as it public works commission, on plans was found were necessary. He said to eliminate dangerous curves and no worthy cause should be denied widen narrow highways. The money because the need was not immediate, for the highways, as well as from the if there would be a real need in a

Capital, Labor A. C. L. Offers Find Interest Very Similar

By CHARLES P. STEWART Central Press Columnist

Washington, Aug. 3.-Government tive to reported price fixing by the country's steel companies is rather

From official sources the complaint has come repeatedly that the companies, when invited to submit bids on steel required for government purposes, pretty regularly submit idenprets as indicative of collusion among

bids its rivals and gets a big government contract.

Chairman Philip Murray, of the Steel Workers' Organizing Commit- lieved proposed star mail routes would tee, explains how, according to his give better service than the present account, the low-bidding companies make their bargains profitable to themselves. They do it he says, by underpaying their labor.

Confusing? The implication is that high steel prices, with a minimum of compet itive price-cutting, represents the ideal situation from the organized workers' standpoint.

Nevertheless, it can't but mean price collusion among the better wage-paying companies — in short monopoly. Which seems to place or ganized labor on the monopolists' side Philip Murray does not express it that way, but it sounds so. It is confusing to be told first that

by not competing and then to be told discussion. that some of them do compete successfully with others at labor's expense. Still, that is what it amounts to. At the same time, the companies which pay the better wages are blamed as monopolistic, whereas the ones

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WEATHER

FOR NORTH CAROLINA. Partly cloudy and somewhat unsettled tonight and Thursday; possibly scattered showers in central portion Thursday.

New Appeals About Trains

Raleigh, Aug. 3.—(AP)—The Atlantic Coast Line railroad continued to present testimony today that optestimony and labor's testimony rela- eration of passenger trains on three Eastern North Carolina branch lines was a losing proposition.

The railroad has petitioned the Utilities Commission to be allowed to stop service between Kinston and Weldon, Washington and Parmele and between Tarboro and Plymouth. C. M. Cobb, superintendent of the tical ones, which officialdom inter- Norfolk division, underwent a gruelling examination regarding sanitary facilities afforded on the involved However, this rule is not invari- trains. L. F. Ormond, assistant compable. Occasionally a company under- troller, was recalled for more financial testimony.

L. White, in charge of mail operations for the railroad, testified he be-

Auto Dealers Talk Safety

Raleigh, August 3.-Automobile held. dealers of North Carolina, at their annual convention in Greensboro next of senators will contain two who ran week, will be told that there is great for renomination and were defeated virtue in the slogan "More Safety, in the primary voting. In addition More Sales" and will make safety on the steel companies keep prices high the highways one of the main topics of

> form motor vehicle code consultant, nomination, and two who wanted to who will talk on the general subject go across the rotunda into the Sen-"Periodic Inspection of Motor Ve-ate but couldn't win their constituents hicles," a euphonious method of ad- approval. vocating compulsory inspection of It is from these casualties of the such vehicles.

> way Patrol. His address will be made governor and the budget authorities. at the Tuesday morning session of the Consensus of observers is that there dealers at Sedgefield Manor. On Monday, Commissioner of Reve- the possibility of it lies in these legis-

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Paul Dwyer, 18, Serving Life Term for Killing He Blames on Maine Official.

South Paris, Maine, Aug. 3.—(AP) Paul Dwyer, 18-year-old convicted slayer of a country doctor, today named former deputy sheriff Francis Carroll as the man who committed the murder for which Dwyer is now serving life sentence.

Dwyer was called to the stand to accuse Carroll, father of five children, of the brutal murder of Dr. James Littlefield, for which Dwyer was sen tenced to life imprisonment eight months ago. Special Prosecutor R. M. Ingalls,

who painted Carroll, a World War veteran, as a "vicious" killer, who had lating defeat" in yesterday's Virginia threatened to shoot the boy if he told Democratic primary. the truth, had planned to place Dwyer on the stand yesterday, but as his sentative Smith, over William Dodd, name was called, the youth faltered- Jr., the Republican national chairman stricken with indigestion brought on said the issue presented was "New from heat and nervousness. Ingalls described to an all-male jury

vesterday the State's version of the beaten by a vote of better than three Littlefield murder. He carefully eschewed, however, mentioning Lydia Littlefield, the physician's elderly spouse, whom Dwyer had confessed garroting ,met her death.

old Barbara Carroll, the defendant's grass roots swing away from Roosedaughter, and Dwyer's one-time sweetheart, were in the court room during the grim recital.

"Lame Ducks" Will Be Back

Daily Dispatch Bureau, In The Sir Walter Hotel.

Raleigh, Aug. 3.—The session of the General Assembly next week will be many, many years-so many in fact that on short notice your correspon dent has been unable to find any one who knows when the last one wa

Next week, however, the eligible list there will be one senator who tried to get into the next House, but failed. On the House side there will be no The safety-sales tie-up will be given less than 23 members who met defeat the dealers by David Beecroft, a uni- in the primary or convention for re

election wars that trouble might come Mr. Beecroft will be introduced by next week in confining the session plied for licenses through to the agenda laid before it by the had been granted licenses. will be no trouble, but all agree that

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Soviets See **Opportunity** To Get Japs

Each Side Accuses Other and Sounds Warning; Both Claim **Peaceful Motives**

Tokyo, Aug. 3.—(AP)—The Japan-ese government directed its second protest in 24 hours to Soviet Russia today in an effort by diplomacy to end bitter fighting on the Russian-Siberia

Japanese-Manchoukuo frontier. The fighting was still in progress early today between large forces of well equipped troops with airplanes and tanks, and it was felt in authoritative circles that the exchange in gunfire marked the first round of the

Far East's second unofficial war. A later communique said the battle ended at 10 a. m., and that the Russian troops had retreated some 1,-500 yards from Japanese positions. A "general lull" prevailed along the

Youth Names border following the battle, the communique said. A foreign office spokesman said Japan hoped to localize the trouble and settle it by the diplomatic methods, but the presence of large forces in the frontier area indicated the battle, which began Sunday, might be merely a prelude to major

Those who held that a second undeclared war in the Orient had begun argued that Russia believed Japan was near financial exhaustion and a "now or never moment" had arrived to fight a preventive war to forestall attack by Japan in the future.

RUSSIA BLAMES JAPAN AS RESPONSIBLE FOR TROUBLE Moscow, Aug. 3.—(AP)—Soviet Russia threw on Japan's shoulders today

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Says Voting Serious Blow To New Deal

Washington, August 3.— (AP) — John Hamilton said today the New

Referring to the victory of Repre Deal vs. anti-New Deal." He declared: "Yet he (Dodd) was ignominously to one, not even carrying a single county in the district. This crushing defeat of the White House candidate. coming on the heels of the defeat of Representative Maury Maverick, Neither Dwyer nor pretty 18-year- Democrat, Texas, again indicates the welt and the New Deal that is tak-

ing place throughout the country." The Communications Commission granted permission to W. C. Ewing and Harry Layman (Cumberland Broadcasting Company) to establish a new radio station at Fayetteville, N. C., to operate on 1340 kilocycles, with power of 250 watts, daytime.

132 Granted General Assembly next week will be the first lame duck meeting of the legislature of North Carolina, in As Doctors

Warrenton and Smithfield Men Tie for Top Place in State Examinations.

Raleigh, Aug. 3 .- (AP)-The State Board of Medical Examiners announced today 85 persons who took examinations in June, and 47 who applied for licenses through reciprocity

Dr. B. J. Lawrence, of Raleigh, retiring secretary, said Dr. Thomas Holt, of Warrenton, and Dr. Will Hardee Lassiter, Jr., of Smithfield. nue A. J. Maxwell will give his views lators who have already lost out and on safety, laying particular emphasis who may have some pet or personal each. Both were graduated from the

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