

24 SOVIET PLANES RAID JAPANESE CITIES

Legislature May Authorize \$20,000,000 Spending

Japan Sues for a Face-Saving Peace With Soviet in Border Warfare



Unable to war on two mighty neighbors at once, Japan has sued for a face-saving peace with the Soviet Union. While Soviet artillery kept the Siberian frontier conflict alive by heavily shelling the badly-battered Korean town of Kojo, Japan rushed a compromise proposal.

To Moscow by which the Changkufeng battleground would become a neutral area. Japanese Ambassador Mamoru Shigemitsu at Moscow hastened to get the proposal before the foreign office and Dictator Josef Stalin.

New State Building Plan To Be Kept Secret Until Assembly Meets Monday

Governor Will Reveal Amount of Bonds Wanted in Address to Legislature

Raleigh, August 6.—(AP)—Legislative observers discussed today the possibility that the special session of the General Assembly called for next week might authorize a PWA-financed permanent improvement program in excess of \$20,000,000.

R. G. Deaton, assistant director of the budget, said the Advisory Budget Commission, had completed its cutting of the \$55,000,000 in requests and would later today for his perusal. The commission will meet again Monday morning to sign its recommendations.

Attorney General Harry McMullan was preparing two bills designed to permit both the State and its municipalities to participate in the building program.

Close observers stuck to the belief the budget men would hold their first recommendations within about a \$10,000,000 range, as the State may issue only some \$5,800,000 in bonds without an election to get its 55 per-

(Continued on Page Two.)

'Sees' Good Business



Sailing for a month's trip to Europe, Reconstruction Finance Corporation Chairman Jesse H. Jones of Texas told reporters in New York he could find no menacing clouds on the business horizon. Jones, chairman of the government's biggest lending agency, said that "the general outlook is pretty good. We are getting ready to go places."

Grave Turn In Far East Events Seen

No Jap Planes Sent Up To Combat Russian Invaders of Korean Territory; Two Russian Ships Reported Brought Down by Ground Fire

Kogi, Korea, (near the Siberian Border, by Courier to Yuki), Aug. 6.—(AP)—Reliable eye witnesses said today 24 Soviet planes raided Korean territory at 2:30 p. m. (12:30 a. m., eastern standard time), and bombed the Tumen-Rashin railway, 15 miles northwest to Yuki.

The Rashin railway is a vital line which parallels the Korean border and connects the seaport with Kirin and Hsinking, Manchoukuo.

It was the first time Soviet Russian planes made so intensive a raid upon Korean territory, across the disputed finger of territory from Siberia, which has been the source of repeated incidents since July 11. Communication on the railroad was reported partly interrupted.

The situation was believed to have taken a grave turn, as the Japanese northern Korean army communique declared Japanese retaliation was only a question of time as a result of this afternoon's bombings.

No Japanese planes rose to meet the Soviet attack on the railway an Associated Press correspondent saw 20 planes engaged in a dogfight in the direction of Changkufeng.

Intensive ground fire, however, downed one Soviet plane, and one pilot was seen bailing out over Korean territory.

At 5 p. m. a Japanese communique said 14 Soviet bombers crossed a river and bombed various Korean villages. Japanese claim to have shot down two of them but said they believed their own losses were slight.

Social Fund May Be Lost For Ohioans

Washington, Aug. 6.—(AP)—The social security board announced today it would investigate to determine whether Ohio should be cut off the old pension list because of the alleged political activities of Governor Martin Davey and H. J. Berrodon, chief of the State's division of aid for the aged.

The board said Davey and Berrodon had appealed to pension recipients to vote for the governor because of his assistance in obtaining the pension. The board warned the governor eight months ago, it was said, against sending campaign letters to pension beneficiaries.

(Continued on Page Five)

U. S. Policy To Latin-America Is Wise Move

By CHARLES F. STEWART  
Central Press Columnist  
Washington, Aug. 6.—Uncle Sam shows first class judgment in having decided upon a State Department "cultural division" in preference to a governmentally backed radio program of Yankee propaganda in Latin America.

The Latin Americans are very sensitive. They are flattered by foreign interest in their various countries, but they resent foreign attempts to influence them unduly.

The United States did, for years, try to exert undue influence. We did it mightily clumsily, too—often forcibly, in fact. And it got us thoroughly disliked, if not outrightly hated. The Pan American Union's system was all right. Its policy was one of inter-American acquaintanceship, study and neighborliness. Our stupid diplomacy, however, undid the Pan American Union's good work rather faster than the Union could accomplish anything.

I went to the Argentine Republic in 1915 for a six-year stay, and I

(Continued on Page Five)

53 Jap Planes Raid Hankow

State Board Ruling Seen For Sunday

Probe Today in Rockingham, Meet in Charlotte Tomorrow on Congress Row

Rockingham, Aug. 6.—(AP)—Chairman W. A. Lucas, of the State Board of Elections, said here today that the board probably would meet in Charlotte tomorrow after its investigations into charges and denials of fraud in the voting in two Richmond county precincts in the eighth congressional district run-off primary of July 2.

The Wilson member, who made the announcement as the board began its probe, with the Richmond county board assisting, said at the Charlotte meeting the board probably would report its findings with recommendations to the five county boards in whose counties charges and counter charges of fraud have arisen.

Then, he said, the State board would await the recommendations of the county board, expected soon after the findings were received.

Those counties, besides Richmond, in which investigations have been conducted are Davidson, Montgomery

(Continued on Page Five)

Two Are Dead About Woman

Mason, Mich., Aug. 6.—(AP)—A policeman and an estranged husband shot each other to death in the business morning. The victims were Officer James Ray Hinkley, 52, and Richard Sandway, 58, whose wife Hinkley was escorting to her home.

The wife, Mrs. Blanche Sandway, said she had asked the officer to take her to her apartment because she feared her husband would harm her.

Mrs. Sandway and N. Jones, who was standing across the street at the time of the shooting, told Sheriff Al McDonald that Sandway stepped from between two buildings a shotgun at his shoulder, and pointed the weapon at Hinkley.

Bitter Kentucky Election For Senator In Progress

Louisville, Ky., Aug. 6.—(AP)—With "X's" in small squares on ballots, Kentucky Democrats today wrote the answer to the torrid United States senatorial nomination primary campaign, already marked by bloodshed.

The eyes of the nation were centered on the blue grass state as the outcome of the battle between Senator Barkley and Governor Chandler that involves a severe test of New Deal leadership was awaited.

Barkley, supported by President Roosevelt in the Senate majority leader and has been mentioned as presidential timber in 1940.

British Agent In Spain Hurt By Rebel Bomb

Madrid, Aug. 6.—(AP)—The British consular agent at Alicante, Gabriel Callejon, was seriously injured today when a 500-pound bomb crashed two yards from the consular building during a raid by six insurgent tri-motor planes.

Most of the bombs fell in a quarter where they killed one person and injured eleven.

SPANISH LOYAL TROOPS STRIKE AT STRONGHOLD

Hendaye, France, Aug. 6.—(AP)—Spanish government troops today struck at the important road junction of Noguera, which dominates the insurgent network of communications northwest of Teruel.

Noguera is just west of the Teruel province headquarters of General Franco's insurgent troops.

Dispatches from Valencia said General Miaja, government commander, was moving forward cautiously, consolidating his gains as he advanced.

At the same time, dispatches reaching the frontier said, the government launched a strong offensive in the Ebro, bring pressure on the entire insurgent front in eastern Spain.

WEATHER FOR NORTH CAROLINA. Mostly cloudy, possibly scattered thundershowers Sunday and east and central portions tonight.

Because of vote counting regulations, the answer might not be determined until early next week. Tabulators begin their work immediately after the polls close at 4 p. m. (central standard time), and continue until midnight. Counting then is halted until Monday morning.

The long heated Barkley-Chandler campaign was heightened by a shooting Thursday night in Jackson in "bloody Breathitt" county.

Former Sheriff Lee Combs was killed and his brother, Lewis, county campaign chairman for Chandler, and Sheriff Walter Deaton were wounded.

Oland, Famed Film Star, Is Dead Abroad

Stockholm, Sweden, August 6.—(AP)—Warner Oland, 57, famous as an actor in Hollywood Oriental roles, died at 3 p. m. 9 a. m., eastern standard time today.

Death came at a Stockholm hospital where he had been ill of pneumonia. The veteran character actor died in his homeland. He was stricken while on a holiday visit here and had been seriously ill some time. Oland was born in Umea, Sweden, in 1880, and went to the United States when he was 13.

He made his film debut in "Jewels of Madona," and in 1925 played the

(Continued on Page Five)

ROCKY MOUNT MAN IS HELD FOR RAPE

Rocky Mount, Aug. 6.—(AP)—Pearlie Morris, 25-year-old textile worker, was held in jail here today accused of ravishing a local woman in a tourist cabin near here. Police Chief J. R. Thomas said a woman giving her name as Mrs. Eleanor Tew telephoned the police station late last night reporting she had been criminally assaulted. Chief Thomas said Mrs. Tew was carried to a hospital, and after a medical examination of officers arrested Morris and charged him with rape. The case was docketed for recorder's court here Monday morning.

Warships Go Up The River Toward City

London, Aug. 6.—(AP)—Fifty-three Japanese planes raided Hankow, Chinese provisional capital, at noon today, a Reuter's dispatch said, bombarded the airfield and shook the city with terrific explosions.

The Chinese expected the bombardment to be followed by massed air attacks as a prelude to an attempted landing for an attack on a point 25 miles north of Wusu.

Chinese advisers said the Yangtze floods, caused by broken dikes above Kiukiang, were growing worse, with dike breaches widening and the river inundating huge areas on both banks.

While the floods were halting the

(Continued on Page Five)

Coogan Ready For Big Suit

Los Angeles, Cal., Aug. 6.—(AP)—Jackie Coogan is ready to go to court seeking some of the fortune he earned as a kid movie star after admitting his father, the late John Coogan, once threatened he might not receive the money.

Jackie's admission was made yesterday in a deposition preliminary to trial of his \$4,000,000 accounting suit against his mother, Mrs. Lillian Coogan Bernstein, and his business manager-step-father, Arthur Bernstein. The trial is scheduled November 14.

Charles Katz, attorney for the Bernstein's, asked, "Didn't your father tell you during a conference at Santa Clara: 'You can't live on past performances, Jackie. If you continue to live this way, we can cut you off. We can give you just as much or just as little as we wish. If you go on this way, it will be the latter.'"

"Well, not in just that language," Jackie replied.

(Continued on Page Five)

Claim Dwyer Too Frail To Kill Doctor

South Paris, Me., Aug. 6.—(AP)—The State's effort to convict former Deputy Sheriff Francis Carroll of the strangling of Dr. James Littlefield today became an attempt to prove frail Paul Dwyer, 19, Carroll's accuser, was incapable of moving the 63-year-old physician's body unaided.

The first week of the 43-year-old war veteran's trial came near an end with the State intent upon proving its newest contention after three days of pitiless cross-examination of Dwyer who charged Carroll with the crime for which Dwyer began a life sentence eight months ago, after confessing he killed both the doctor and his 63-year-old wife.

Dwyer was returned to his State Prison cell 90 miles away last night unshaken in what he persisted was "now the true story" of the slaying.

One of his last tasks on the stand was to remove his shirt and tie and bare his weak torso at the direction of Special Prosecutor Ralph Ingalls, obviously to show his frail build.

(Continued on Page Five)

Farm Meeting Resolutions Are Ominous

College Station, Raleigh, Aug. 6.—Summarizing Farm and Home Week which closed at State College yesterday, Dean I. O. Schaub, director of the Extension Service, pointed out resolutions passed at the session as highly significant.

Among the resolutions adopted by the delegates were requests for sufficient State appropriations to match Federal funds for agricultural research, Federal aid to public schools, the early establishment of a 12th grade in the public schools of the State, a better farm marketing program for North Carolina, and the transfer of the State Prison farm near Meredith College to State College for carrying on livestock research.

Nearly 1,500 farm men and women attended the five-day meeting, which was the 35th annual Farm and Home Week has been held in North Carolina.

George Sockwell, prominent Guilford county farmer, was elected president of the 1938 Farm and Home Week, and Mrs. W. E. Neill, Mecklenburg county, will head the North Car-

(Continued on Page Five)

Catawba Vote Is Of Great Significance

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, August 5.—The election in Catawba today will do far more than decide whether or not that western county shall have liquor stores—it will develop a trend, perhaps destroy an up-to-now political axiom, and even determine whether the perennial booze issue is going to bob up in the 1939 General Assembly.

Chairman Cutler Moore, of the State ABC board, today forecast that if Catawba votes for stores, not less than ten other western counties will follow its example before the first of next year. He also said that should the county favor control by a decisive majority, not even the most arid of the Drys will bring up the liquor issue next January.

For several years it has been taken as true, almost without need of demonstration, that western counties are for legal prohibition and will vote solidly and overwhelmingly dry. The few efforts made to find the facts have, in general, confirmed the theory. Mecklenburg, for example, defeated a control proposal despite a control

(Continued on Page Five)

Police Slay Fugitive Of Florida Pen

Detroit, Mich., Aug. 6.—(AP)—Police of Suburban Dearborn today killed one man and captured another whom they quoted as confessing that they both were fugitives from a Florida chaingang they had escaped by killing a guard. Two Dearborn men with whom they were riding were held for investigation.

William Sherman, 26, of Los Angeles, Cal., was shot and killed at 2:30 a. m. by Policeman Ralph Dalman, who said the man broke away while being questioned as a suspicious character. Bruce Parrish, of Marianna, Fla., told police Sherman had killed W. L. Waters, a guard, July 22 in Citrus county, Florida.

William Vahari, 24, who was released in February, 1937, after serving time with them in Florida, was the third man in the car Dearborn police stopped. The fourth, the driver, George Bergia, 21, of Dearborn, told police he had picked up the other three when Vahari, with whom he was acquainted, asked for a ride.

(Continued on Page Five)