

NEW DEAL SPLITS RESULTS IN PRIMARIES

House Completes Action On State's PWA Bond Bills

Power Plant Provision In Hot Debate

Certificate of Convenience Must Be Obtained Before Building Is Allowed To Proceed In Construction With PWA Money

Raleigh, Aug. 10.—(AP)—The House passed and sent to the Senate today the two Hoey-sponsored bills to permit State and local unit participation in Federal PWA grants and loans.

The State bond issue bill to authorize \$4,620,000 for a permanent improvement program estimated to cost about \$8,210,510, including expected PWA funds, passed 95 to 0.

Before passing the measure to permit counties and municipalities to issue revenue bonds for PWA-aided projects, the House put in a compromise amendment to require certificate of convenience and necessity from the State Utilities Commission for electric and gas projects not authorized by previous legislation.

The final vote was 72 to 15, after the amendment was adopted 51 to 40. Both measures now must pass three readings on three separate days in the Senate.

Governor Hoey called the legislature into extraordinary session to enact them and a bill, which was made law yesterday to appropriate \$75,000 for State participation in the 1939 New York World's Fair.

The convenience certificate amendment brought forth heated opposition from Brooks, of Johnston, and Lumpkin, of Franklin. It was favored by Fickens, of Guilford, who led the fight Monday against a general requirement that certificates be secured.

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Road Board Asks Surplus Work Funds

Raleigh, Aug. 10.—(AP)—The State Highway and Public Works Commission drew up a request to Governor Hoey today to allocate money from its surplus to correct "hazardous conditions" on North Carolina roads.

Meeting in special session, the commission decided to send the request later in the day. Dunlap explained any release of its contents would come from Hoey's office.

The commission's unencumbered surplus as of July 1 totalled about \$3,500,000.

Japanese Claim Repulse Of Russian Charge After Heavy Artillery Firing

Blank Check To Governor Now Feared

Some Think Bond Bill Gives Him Power To Use Money As He Thinks Best

Daily Dispatch Bureau, In The Sir Walter Hotel. Raleigh, Aug. 10.—Some of the legislators who whooped the special session bond act bill through the House are now beginning to wonder if they handed Governor Clyde R. Hoey and his Council of State something in the nature of a blank check.

Suspensions of this sort were at first allayed and quieted by the fact that each and every purpose was set out by name and specification and it appeared to all that there was no earthly chance of using the money for anything not so diagrammed and specified in the act.

Careful reading and re-reading of Section 8 of the bill, however, has put at least some to thinking somewhat differently. They are beginning to believe that under certain circumstances Governor Clyde R. Hoey, by and with the consent of his council, will be able to spend the money for almost anything he sees fit.

It is true that the section is full of "provided" and "provided, further" clauses; but this fact is an additional source of worry, rather than a pacifier for those who are uneasy in their minds.

Here's what Sec. 8 says: "That the governor, with the advice of the Council of State, is hereby authorized and empowered to re-allocate the sums appropriated in the foregoing section of this act, and to provide that the same may be used and

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Young Slayer Escapes Farm

Rocky Mount, Aug. 10.—(AP)—Nash County Sheriff C. V. Faulkner said today he had notified that Alfred Denton, the Nash county farm boy who at the age of 14 was convicted of killing a man at a whisky still, escaped this morning from the Caledonia prison farm.

The sheriff said he had mobilized county officers, and they had been joined by highway patrolmen in a search of this territory.

Young Denton was serving a sentence imposed after being convicted of engaging in a gun battle with Nash officers in 1935. He previously had been released in the custody of welfare officers following his conviction for murder.

Sheriff Faulkner said he had been informed that Denton slipped away from a corn field at Caledonia, where he had been working.

Infant Might Yet Lose Eye

New York, Aug. 10.—(AP)—A young Chicago matron, mother of the four-month-old baby whose brain was spared by a "mercy" eye removal operation last May, awaited today still another surgeon's opinion of her daughter's chances for life and sight.

Infantry and Tanks Unite in Attack That Is Reportedly Beaten off; 150 Shells Pumped Into Japs by Soviets

Yuki, Korea, Aug. 10.—(AP)—Japanese troops repelled a charge of Russian infantry and 40 Soviet tanks following yesterday's heavy artillery shelling of Japanese lines, army headquarters announced today.

The four-mile Siberian border front was calm at 10 a. m., after the Soviet cannonade which began shortly after midday yesterday and lasted until 8 a. m. today.

After the preparatory barrage, the Soviet infantry charged "hill 52," a half mile south of Chengkufeng, during the night, but was repulsed, the communique said. Soviet occupation of Chengkufeng hill, is disputed territory, and Japanese action to recapture it provoked the present border crisis.

The position of the Japanese right flank about "hill 52" could not be established definitely this morning, however. A battery of Japanese mountain guns on the hill had directed its fire to the east yesterday afternoon, apparently against Russian tanks.

The Russians followed with a blanket of fire, and after a half hour of bombardment the ridge was smoking and scarred by at least 150 shells.

Carroll Will Plead "Alibi"

South Paris Me., Aug. 10.—(AP)—Francis Carroll, former deputy sheriff took the stand today and sought through an alibi to prove his innocence of the murder of Dr. James Littlefield, of which he was accused by Paul Dwyer, 19, the State's star witness, who previously pleaded guilty and is serving a life sentence for the crime.

Counsel for Carroll, Clyde Chapman, read a list of 36 defense witnesses, but the name of the former deputy's daughter, 18, was not included. Dwyer, in his testimony, had asserted Dr. Littlefield's knowledge of letters in which Barbara accused her father of improper conduct, was a motive for the murder.

Carroll is on trial only for the physician's murder, but the bodies of both Dr. Littlefield and his wife were found in an automobile with Dwyer when he was arrested in North Arlington, N. J., last autumn.

Chapman said the defense would show Carroll attended an American Legion supper the night the doctor and his wife were slain, and that Carroll was today in the supper to the sheriff's office. Carroll was calm when he took the stand.

Government Sinks Wedge Into Rebels

Hendaye, France, Aug. 10.—(AP)—Spanish government troops drove a deep wedge into the insurgent stronghold between Balaguer and Lerida in Catalonia today in a sudden shift of the offensive to a new sector.

Barcelona dispatches said the Segre river had been crossed between the two centers and a new government line established on the west bank of the wide stream, which flows south. The offensive is the third trip-hammer blow government troops have dealt insurgent General Franco's forces in two weeks.

The first blow fell July 25, when the militiamen crossed the Ebro at Gandesa, just as Franco concentrated the main masses of his armies far to the south for an offensive against Valencia.

No sooner had Franco shifted his man-power to the Gandesa sector, 12 miles southwest of the Ebro, than the government jabbed at his extreme right flank west of Teruel and rolled him back for a nine-mile advance.

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LEADERS IN SENATORIAL CONTESTS TUESDAY



Representative D. Worth Clark



Senator Hattie W. Caraway



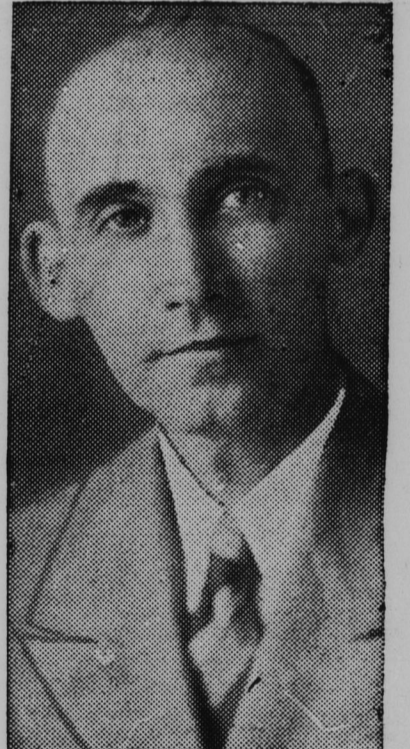
Senator Robert J. Bulkley

Representative Clark, who campaigned as a conservative, not a New Deal, Democrat, apparently has defeated Senator James P. Pope, ardent New Deal supporter, with the backing of the President, Postmaster-General Farley and other administrationists, in the Idaho Democratic primary of Tuesday.

Mrs. Caraway, running for re-election as United States senator from Arkansas, had a slight lead, and Senator Bulkley in Ohio appeared overwhelmingly re-nominated as a pro-Roosevelt candidate. Mrs. Caraway was given the blessing of Mr. Roosevelt also.

Only Court Action Can Deny Deane Nomination

Declared Nominee



C. B. Deane, of Rockingham, was awarded the nomination for Congress over W. O. Burgin, of Lexington, by the State Board of Elections after a lengthy investigation of charges of fraud and irregularity, particularly in the use of the absentee ballot. The State board's count gave Deane a margin of 23 votes.

New Congress May Bar Some 1938 Winners

By CHARLES P. STEWART Central Press Columnist

Washington, Aug. 10.—Membership in Congress of several who win the November election may be contested.

An elected candidate can be barred even though there is no doubt that he outvoted all rivals, if it is proved that he got his majority by unethical methods, such as excessive expenditures or the exercise of improper influence in the primaries or in November.

In his time in Washington there have been three such exclusions by the Senate. There may have been more in the lower chamber but it is impossible to keep track of the House of Representatives.

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State Election Board Gives Congress Place to Him Over Burgin of Davidson

Daily Dispatch Bureau, In The Sir Walter Hotel.

Raleigh, Aug. 10.—Only the action of North Carolina's courts can keep C. B. Deane of Richmond county, from the Democratic nomination for Congress from the eighth district, and the unsolved question now is whether or not W. O. Burgin, of Davidson, will ask the judiciary to reverse action of the State Board of Elections, which yesterday declared Deane a 23-vote winner over Burgin, 19,182 to 19,159.

Former Governor J. C. B. Ehringhaus, leading counsel for Burgin, told this bureau late Tuesday after the board's decision that he could say nothing whatever about Burgin's future course. He did not know that himself, he said. Decision, he indicated, will be made in Davidson rather than in Raleigh.

Whatever is to be done will almost certainly be started before Friday morning at ten o'clock, as the election board ordered its secretary, Raymond Maxwell, to withhold certificate of nomination for all contested posts until that hour. This order was specifically made in order to allow contestants to go into court before the certificates are actually filed in the secretary of State's office.

Chairman W. A. Lucas said the board's authority had been challenged.

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Collusion Is Intimated In Probe Of TVA

Knoxville, Tenn., Aug. 10.—(AP)—A congressional committee investigating the TVA, dug deeper today into the background of the Berry marble case.

Committee members displayed interest in charges TVA Director David Lilienthal and H. A. Morgan agreed to conciliate possible claims for damages after TVA experts reported marble and mineral leases in the Norris reservoir area were valueless.

Dr. Arthur Morgan, ousted TVA chairman, has charged there was "intent to defraud the government" in the lease purchases and that he blocked the conciliation agreement.

E. Dunn, assistant general TVA counsel, testified yesterday two investigators began checking the lease purchases in 1937, seeking any evidence of "bad faith" on the part of Senator George Berry, Democrat, Tennessee, and associates.

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Nebraska Governor Wins Third Term

Lincolnton, Neb., Aug. 10.—(AP)—Governor R. L. Cochrane gave anti-third term tradition a licking in Nebraska's primary yesterday as additional returns today kept piling up his edge to one lead over his nearest opponent.

Returns from 1,453 precincts in the Democratic race gave Cochrane 75,564 votes, assuring him of re-nomination. His nearest competitor trailed with 10,603.

All five incumbent congressmen, also seeking third terms, held commanding leads as the half way mark was passed. The lone Republican, Karl Stefan, of Norfolk, Neb., had no opposition in the third district. Former Congressman Edgar Howard, of Columbus, seemed safely ahead in the Democratic race in that district.

Roosevelt To Plead Purge By Georgians

Warm Springs, Ga., Aug. 10.—(AP)—President Roosevelt arrived at Warm Springs, his "second home," at 9 a. m., central standard time, today to discuss if he chooses the State Democratic senatorial primary campaign.

The President's special train pulled in after an overnight run from Pensacola, Fla., where Mr. Roosevelt disembarked yesterday after a three weeks fishing cruise.

He was greeted by officials of the Warm Springs Foundation institute

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State Officials Puzzled By James McCluer's Case

Raleigh, Aug. 10.—(AP)—Dr. J. W. Ashby, superintendent of the State Hospital for the Insane here, said today he had not decided what course he should follow in the case of James McCluer, of Washington, N. C., who was sent to the institution under a court order, but is now adjudged sane.

Judge Walter Bone ordered an inquiry into McCluer's mental condition after he had been acquitted of second degree murder charges in the slaying of Arch Doughty last May at Washington. He ordered McCluer, former fire chief at Washington, sent to the insane hospital as a man dangerous to himself and others.

Dr. Ashby said it was the "first case of its kind to come up here, so far as I can recall. Frankly, I am puzzled as to what to do. McCluer is not insane, yet it appears we must

(From News and Observer)

In the plight of James McCluer, 48-year-old Washington (N. C.) resident and confined under court order in the State Hospital for the Insane here, North Carolina apparently has a parallel to New York's famous Donald Carroll murder case.

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Pope, Friend Of President, Idaho Loser

Mrs. Caraway Has Slender Lead in Arkansas; Bulkley Easy Winner in Ohio Much to Delight of Administration Supporters

(By The Associated Press)

James Pope, of Idaho, became today the second administration senator to go down in defeat this year before a Democratic primary opponent. He conceded this afternoon Representative Worth Clark, an avowed conservative, had beaten him in yesterday's primary balloting, in which New Deal support was the main issue.

The only comparable case was that of Senator Herbert Hitchcock, of South Dakota, who lost his primary race to former Governor Tom Berry, a Roosevelt supporter with conservative leanings.

Pope's defeat tempered considerably the joy of administration lieutenants over Senator Robert Bulkley's smashing victory over former Governor George White in Ohio. Bulkley had President Roosevelt's personal support. Pope had been supported by Postmaster General Farley, who spoke for him and had been openly and recently defended by Secretary Hull for his reciprocal trade treaty stand.

In Ohio also, reform candidate Charles Sawyer captured the Democratic gubernatorial nomination over CIO-baiting Governor Martin Davey. When unofficial figures showed Sawyer's margin in excess of 16,000 Governor Davey wired Sawyer from

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Guerrillas Forming New Chinese Army

Shanghai, Aug. 10.—(AP)—The formation of a "regular army" flying the banner of "loyal and righteous national salvationists" was proclaimed today by Chinese guerrillas at suburban Footung.

Chinese reports said the touch-and-go fighters, who have claimed repeated victories over Japanese units throughout China are increasing rapidly in numbers in anticipation of an expanding guerrilla campaign. Rumors grew that guerrillas from Footung, across the river from Shanghai, had entered Shanghai's foreign areas, and planned a terroristic celebration Saturday, anniversary of the start of Japanese-Chinese fighting in Shanghai.

Police found a new hand grenade in downtown Shanghai and deduced it had been dropped hastily by a would be terrorist. Defense troops voluntary units and police, estimated to number 15,000, strengthened precautions against the feared terrorism. Apprehensions grew.

A box of hand grenades exploded in a French ammunition depot in the French concession in the heart of the residential section. Windows in nearby buildings were shattered. The military situation on the Yangtze river front, meanwhile, was subject to conflicting claims.

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WEATHER FOR NORTH CAROLINA. Generally fair tonight and Thursday.