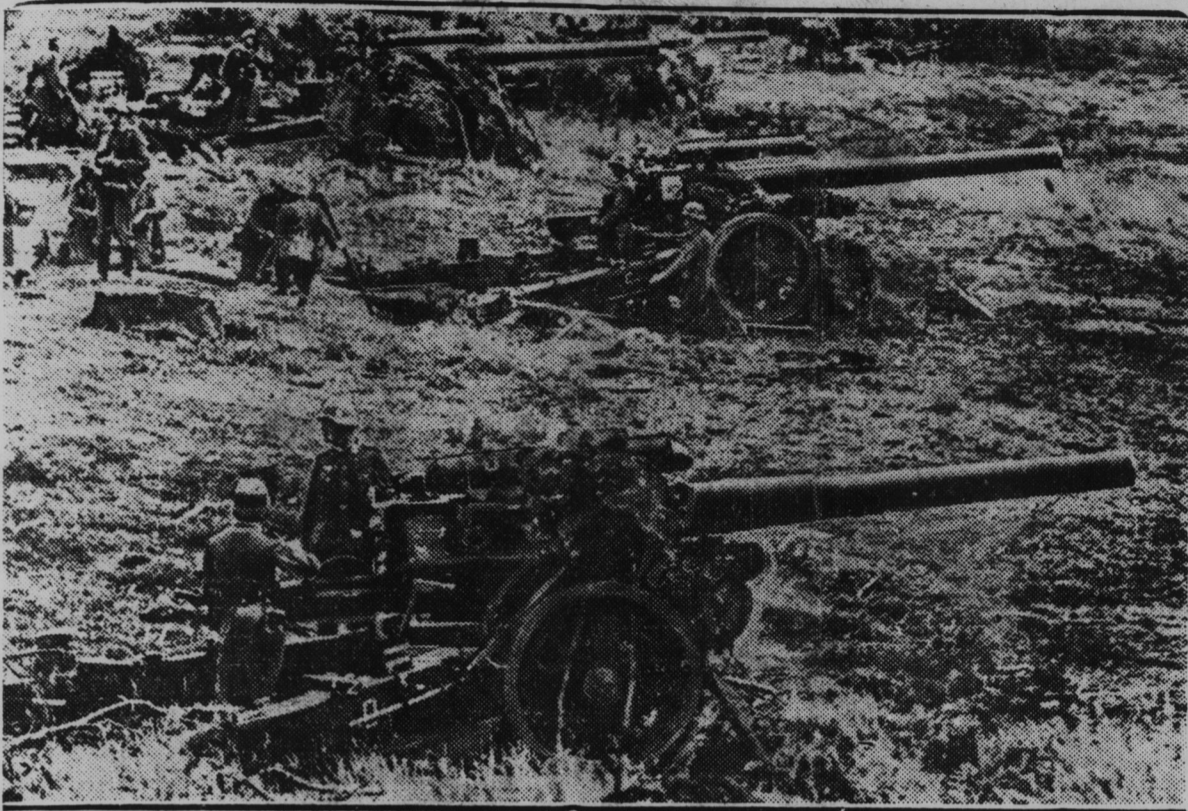


SMITH WINS; M'ADOO IS BEHIND IN WEST

British Envoy Takes Solemn Warning To Hitler

Big Guns Again Point from Germany



For the first time since the World War, guns of this size were used in the Nazi war games, held at Cross-Born. The giant howitzers were used in the current maneuvers, for which Hitler called more than a million men to the colors. (Central Press)

London Acts Desperately To Halt War

Note to Berlin Says France Cannot Evade Aid to Czechs and Britain Will Not Let France Be Beaten; Secret British Observers in Bohemia

London, Aug. 31.—(AP)—Britain's ambassador to Germany left by plane for Berlin today, armed with what informed persons said was authority to warn Germany anew in vigorous terms that Britain might not be able to remain neutral if war came in central Europe.

The envoy, Sir Neville Henderson looked grave as he boarded his plane at 1:15 p. m. Henderson was expected to arrive in Berlin shortly after 6 p. m., and to see Foreign Minister Joachim von Ribbentrop soon thereafter.

Diplomatic quarters there believed he was bringing a personal message for Reichfuhrer Hitler from Prime Minister Chamberlain. Persons close to the British government said Henderson was authorized to reiterate privately to Hitler, if necessary, the warning voiced at Lanark Saturday by Sir John Simon, chancellor of the exchequer—in substance, that Britain might not be able to remain aloof if the German-Czechoslovak crisis over the Sudeten Germans led to open conflict.

Henderson, who attended a meeting of the British cabinet yesterday, was said to be empowered to say to Ger-

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French Labor Refuses Any Longer Work

Paris, Aug. 31.—(AP)—The chief labor organization of the Paris region declared today that Germany "is menacing the peace of the world," but called upon its members to refuse to accept the cabinet's decree to increase working hours in the interest of national defense.

This action came as the powerful French army commission was called to meet with Premier Daladier to weigh the possible effects of Germany's army mobilization program. The organization—the union of workers syndicates—declared the cabinet's decree adopted yesterday was "illegal" and called for a public protest meeting to be held in Paris Friday.

"The union calls on the workers of the Paris region to refuse to accept this illegality and defend with all their strength the 40-hour work week which they (the cabinet) wish to torpedo," the announcement said.

Wins His Fight



U. S. SENATOR E. D. SMITH, of South Carolina

FDR GuesSED Smith's Win Near 40,000

Roper Says It's Not New Deal Rebuke; Tobacco Wage Schedules Talked

Washington, Aug. 31.—(AP)—White House aides said today President Roosevelt predicted yesterday Senator E. D. Smith, of South Carolina, would win the Democratic senatorial nomination by 40,000 votes.

Mr. Roosevelt had this comment to make on Smith's success: "It is often true that it takes a long, long time to bring the past up to the present."

The brief quotation was relayed to reporters through Stephen Early, presidential secretary. Early said that when he and Marvin McIntyre, another secretary, had consulted the President this morning, the executive, with a smile, had reached into a drawer of a side table and pulled out an envelope with his prediction of the outcome of the South Carolina race.

Secretary of Commerce Roper, himself a South Carolinian, asserted that the renomination of Senator Smith was not a rebuke to the New Deal. Senator Logan, Democrat, Kentucky, said he believed that if Senator McAdoo, Democrat, California, administration supporter, is defeated for the Democratic nomination in California by Sheridan Downey, pension plan advocate, that there will be

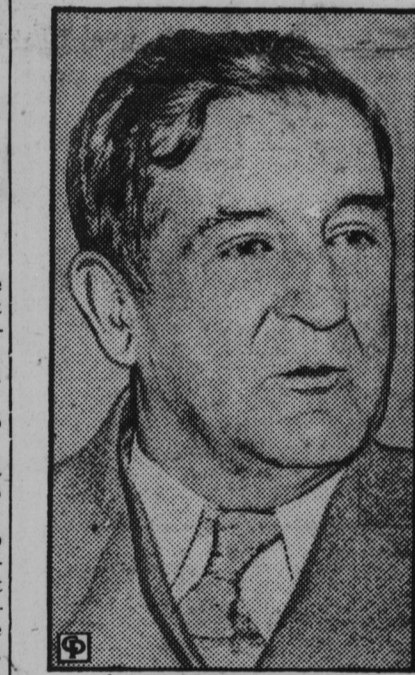
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Roosevelt Rebuffed In Primary Results Given In Two States

McAdoo Far Behind



Senator Wm. Gibbs McAdoo



Sheridan Downey

U. S. Senator W. G. McAdoo, with the thrice-spoken approval of President Roosevelt, was trailing far behind Sheridan Downey, \$30-a-week pension advocate in the California Democratic primary, for the Senate when half the State's precincts had reported.

Smith's Majority in South Carolina is 30,000; \$30 - Weekly Pension Champion Is Leading California Senate Race; Half of Precincts Reported

Columbia, S. C., Aug. 31.—(AP)—Senator E. D. Smith and Mayor Burnette Maybank, of Charleston continued today to pull ahead of their opponents on the face of returns in the Democratic senatorial and gubernatorial primary.

For the U. S. Senate, 1,437 out of 1,507 precincts: Smith, 174,098. Johnston, 138,467. Gubernatorial, 1,433 precincts: Maybank, 106,873. Manning, 68,742.

CALIFORNIA VOTE. San Francisco, Cal., Aug. 31.—(AP)—Returns from 6,938 complete and incomplete precincts, out of 12,438 in the State in the Democratic primary race for United States Senator gave: Downey, 181,943. McAdoo, 150,061.

(By The Associated Press.) South Carolina's voters, renominating Senator E. D. Smith for a sixth term by a 30,000-majority, rebuffed President Roosevelt today in his first attempt to unseat a Democratic member of Congress.

California's Democratic primary held the possibility of a second administration defeat. Senator William G. McAdoo, thrice-praised by the chief executive, was trailing Sheridan Downey, \$30-a-week pension champion, in returns from nearly half the State.

Senator Smith, who long ago won the nickname "Cotton Ed," won over Governor Olin Johnston, self-styled "100 percent New Dealer," although Mr. Roosevelt did not mention names during their furious primary campaign. He referred to Smith as "one who thinks in terms of the past."

The vote, with only 144 precincts missing: Smith, 158,896. Johnston, 128,055.

Senator Smith, chairman of the important agriculture committee of the Senate, donned a red shirt in honor of his victory last night, and told well-wishers in his home town of

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DIES OF HURTS IN WAYNE JAIL FIGHT

Goldboro, Aug. 31.—(AP)—A man docketed as Ed Wiggs, 40-year-old farmer, died in a local hospital today of head injuries which Coroner T. E. Robinson said were inflicted during a fight in the Goldboro lock-up Sunday afternoon.

Robinson said Louis Ezzell was being held in the county jail in connection with the affair pending an inquest. The coroner said both men had been arrested on a charge of drunkenness before being placed in the city jail.

Tydings And George Happy About Smith

Baltimore, Md., Aug. 31.—(AP)—Senator Millard E. Tydings, Democrat, Maryland, said today he was "greatly pleased" that his colleague, Senator Smith, of South Carolina, also opposed by President Roosevelt, had won renomination in the Democratic primary.

"I am greatly pleased to know that Senator Smith has won in South Carolina," said Tydings in a formal statement. "He is a real Democrat. South Carolina is the rock-ribbed

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WEATHER

FOR NORTH CAROLINA. Partly cloudy, scattered thundershowers Thursday and in north central portion tonight; slightly warmer in southeast portion tonight.

TVA Inquiry Nearing End In Knoxville

Committee's Huge Probe Fund About Gone; To Resume In Washington Later

Knoxville, Tenn., Aug. 31.—(AP)—Harassed by "grave doubts" as to whether its funds would hold out to permit completion of its probe, the congressional TVA probing committee prepared today to close its sessions in the Tennessee Valley with two more days of hearings.

After recessing next Friday, the committee will be subject to a call by its chairman, Senator Dohoney, Democrat, Ohio, probably in Washington, in October or November, when factual results of its study by special engineers and auditors will be disclosed, and some of TVA's sharpest critics the heads of two principal utility holding companies operating in the valley area, are expected to be heard.

In view of the fact that Congress appropriated only \$30,000 for its study—an additional \$50,000 having failed in the rush of the closing days of the last congressional session—the investigators are doubtful that they can complete their entire schedule, but are hopeful of covering the major aspects.

About half of the seven weeks of hearings now being concluded on the scene of the vast economic and sociological experiment, which has already cost \$200,000,000 and is expected to cost at least twice that, has been devoted to the feud between the Authority's ousted chairman, Dr. Arthur Morgan, and the two remaining directors, David Lillenthal and Dr. Harcourt Morgan.

Burgin Might Quit Race If Deane Agrees

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Aug. 31.—Based on the knowledge that W. O. Burgin, contesting candidate for Congress in the eighth district, once offered to withdraw if his opponent, C. B. Deane, would do likewise, political guessers are indulging the prophecy that if Burgin wins a reversal of the State Board of Elections ruling against him, he will decline to run.

The whole speculation rests on the widespread feeling in the district. Burgin and Deane polled nearly 40,000 votes and the difference between them never got beyond 150 votes. Eventually the reputed Burgin majority of about 150 shrank and Deane got the State Board of Election's certificate by 23 votes which Burgin now protests. But before there was any court procedure, Burgin offered to withdraw. His belief is that the party ticket would be jeopardized with so

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Tokyo Rejects All Of U. S. Protest On Air Liner Attack

State Tax Income Higher In August

Raleigh, Aug. 31.—(AP)—State tax collections during August totaled \$6,010,243.10, an increase of 14.95 percent over August, 1937, Revenue Commissioner A. J. Maxwell reported today.

General fund receipts were about \$5,536,500, compared with about \$2,950,000 in the month of last year. Highway collections were about \$2,480,000, as against about \$2,290,000.

For the first two months of the 1938-39 fiscal year, however, tax collections were slightly below the same period in 1937-38.

Maxwell's figures showed receipts of \$10,724,489.63 in July and August of this year, compared with \$10,939,031.15 in the months last year.

Sales Tax's Foes Find Courts Hard

Paul Leonard and His Supporters May Find E v e n Legislature Some Easier

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Aug. 31.—Monday's hearing before Revenue Commissioner Allen J. Maxwell, in which was the preliminary move to blast the sales tax from the books, turned out to be a legal sparring match which fails to give anti-sales taxers much hope.

J. Paul Leonard, executive secretary of the North Carolina Merchants Association, and likewise of the Fair Tax Association, despairing of ever getting action that would take off the tax, opened a store in Winston-Salem, and in making his sales declined to pay the sales tax or to exact it of his buyers. This was widely advertised, and the storekeeper's refusal to tax the tax was known everywhere, but the State would not indict him under the 1935 and 1937 acts. Finally the putative merchant paid \$3 under protest, and brought his appeal to the commissioner, who ruled against him. Mr. Leonard found several situations—in his one.

For one thing, it developed that a merchant may absorb the sales tax if he gets philanthropically inclined, but he may not advertise the fact that

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Appeal Turned Down Because Japanese Information Differs from U. S. Claims

Tokyo, Aug. 31.—(AP)—The Japanese government tonight rejected on all counts the protest of the United States against the destruction of a Chinese-American air liner near Canton, south China, by Japanese war planes on August 24.

The Japanese reply to the protest, delivered August 26 by Ambassador Joseph Grew, admitted, however, that the attack of Japanese planes continued after the air liner had alighted on a small river between Canton and Macao.

Fourteen persons aboard the plane, all Chinese, were killed, either by Japanese bullets or by drowning. The only American aboard, Pilot H. L. Woods, of Winfield, Kas., escaped injury and two Chinese survived, one wounded.

(The American note registered "emphatic protest" against "the jeopardizing in this way of the lives of Americans, as well as other non-combatant occupants of unarmed civilian planes," and also pointed out that the destroyed air liner was the property of the China National Aviation Corporation, in which "Pan-American Airways has a very substantial interest.")

The foreign office spokesman said Japan was compelled to reject the protest because Tokyo's information

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New Jobs For Compensation Agency Given

Raleigh, Aug. 31.—(AP)—Appointment of four field supervisors for the Unemployment Compensation Commission was announced today by Charles G. Powell, State Unemployment Compensation Commission chairman. All of the supervisors, Powell said, were promoted from the ranks of the U. C. C. They follow:

R. Justice, of Winston-Salem, formerly district deputy, who will be stationed at Asheville and have charge of the Asheville and Hickory districts. Judge W. H. Williams, of Charlotte, former district deputy, who will be stationed at Charlotte and have charge of the Charlotte and Winston-Salem districts.

R. A. Wadsworth, to Raleigh, former supervisor of field deputies, who will be stationed at Raleigh, and have charge of the Wilmington, Rocky Mount, Edenton and Raleigh districts. John W. Hester, of Oxford and Durham, former district deputy, will be

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Bailey And Reynolds To Work Together In Future

Both Likely To Oppose Hancock for Any Major Political Job, Since Oxford Congressman Raped Them Both; Enmities of Senators Seen Waning

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Aug. 31.—North Carolina senators will harmonize in the next congress in patronage dispensation, Washington writers think, and there is a story afloat that should Frank W. Hancock, retiring representative from the fifth district receive appointment to some important place under the administration both senators might object to him.

It so happens that Senators Bailey and Reynolds could have a community of interests in opposing Hancock. The Granville congressman was equally disdainful of his uppers in the Congress. In arraying the great men of the Senate, Hancock always scrupulously included Cameron Morrison and just as conscientiously avoided mentioning Senator Bailey. Moreover, Senator Simmons, whom Mr. Bailey succeeded, always got a cum laude when

Hancock mentioned him. The congressman, therefore is in the position of having run down one senator and trying to run over the other.

A position carrying the compensation fit for a congressman generally has to be filled by a man acceptable to United States senators from the State in which the appointee lives. In the Hancock campaign against Reynolds many accusations were made when Senator Reynolds will not forget easily. They touched almost all phases of the senator's life phases of the senator's life and some of them had stings to them. There was no reply, but it is evident there will be one if Hancock decides to go after one of the biggest available positions. And having offended Reynolds by direct and Bailey by indirect attack, Hancock is in no position to buck

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