

ALLEGED GERMAN SPIES GOT U. S. SECRETS

Hungary Will Wait New Move Of Czechs About Her Demands

Such an Offer To Renew Komarom Conferences Expected Shortly by Budapest Officials; Hungary Still Moving Men and War Supplies to Border



Jew-Baiter Held

Budapest, Hungary, Oct. 17.—(AP)—Baron Bothmer, of the foreign office, declared today that Czechoslovakia must make a new proposal before Hungary takes further action in her demands for Hungarian-populated regions of Czechoslovakia.

Such an offer to lay a basis for renewing the interrupted Komarom conversations is expected shortly, the baron said. But, he added, any new plans would be made more difficult to accept because of "increased Czechoslovak atrocities" in Hungarian minority regions.

Great Drive Planned To Crush Arabs

Jerusalem, Oct. 17.—(AP)—British troops deployed to positions throughout Palestine today as a preliminary to a huge drive to crush Arab resistance to Britain's rule in the Holy Land.

Some quarters feared the Arab rebellion was a threat to the peace of the whole Near East. The new campaign against the Arabs was ordered yesterday immediately after the return from London of Sir Harold Alfred MacMichael, British high commissioner, and commander-in-chief in Palestine. Tension persisted as Jews, Holy Land Arabs and Arabs in Trans-Jordan and Syria awaited publication of a British commission report to know whether Britain still intended to establish separate Arab states.

Rifles cracked throughout the Holy Land last night. The city of Jerusalem was virtually beleaguered. All the gates except the Jaffa gate were closed after a 24-hour curfew was clamped down at 7 p. m. yesterday.

Except for heavily armed guards, the streets were almost deserted. More than 12 cities with Arab populations now have been placed under restrictions.

Says Crop Control Worth \$100 Million This Year

Daily Dispatch Bureau, In The Sir Walter Hotel. Raleigh, Oct. 17.—Crop control has been worth one hundred million dollars this year to North Carolina's farmers and, consequently, to its business men and industries, it is estimated by E. F. Arnold, secretary of the North Carolina Farm Bureau Federation.

Mr. Arnold made the estimates in preparing literature for an intensive drive by the bureau to insure approval of a control program by farmers when control voting time comes in December.

In making his \$100,000,000 estimate, he took into consideration direct payments to the farmers through the soil conservation program of the Department of Agriculture as well as the increased price he believes farmers received for their cotton and tobacco as the result of the marketing control and tobacco as the result of the marketing control program for the

flue-cured weed and the acreage quota plan for cotton growers.

The table with this article shows in detail just what items he included in his estimates.

Of the principal items, increased value of tobacco, Mr. Arnold says in literature being distributed over the State to farmers:

"I think it is not too much to estimate that if it were not for this law (control and marketing quotas), tobacco would today be selling for ten to twelve cents per pound. If this be true, tobacco is selling ten cents per pound higher because of a law sponsored by the Farm Bureau.

"If the estimates made by the Department of Agriculture that North Carolina will make this year 539,800,000 pounds of tobacco then the law has brought to North Carolina \$33,980,000.

"Can the business interests of the

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Great Speed Of Jap Drive Is Amazing

Railway to Canton Cut at Two Points as City Is Put Under Martial Law by Chinese; Jap War Planes Engage in Heavy Bombardments

Hong Kong, Oct. 17.—(AP)—Japan's invasion of South China swept on today with what military observers considered amazing rapidity. The vital Canton-Kowloon railway was cut at least at two points. One column landed on the Pearl river delta and raced overland to sever the line 15 miles north of Hong Kong. Another drove westward and cut it midway between Canton and Hong Kong.

Other forces crossed the east river after the capture of Waichow, and fought their way up the Waichow-Canton highway to within 50 miles of Canton.

Indications that the Japanese intended to drive straight on to the South China metropolis were seen in the fact that Japanese war planes heavily bombarded Tsengsing, Chinese troop concentration points 45 miles east of Canton. Canton was placed under martial law.

Nazis Oust Archbishop Of Catholics

Vienna, Oct. 17.—(AP)—Dr. Sigmund Waitz, Catholic archbishop of Salzburg, today was relieved by official order of supervision over religious education in the Salzburg district elementary schools. This was the latest Nazi move against the Catholic clergy and followed the breakdown of church-state peace negotiations announced in a Vienna speech last Thursday by Joseph Buerckel, Nazi commissioner for Austria.

Hitherto, Archbishop Waitz has enjoyed the special privilege of visiting obligatory religious classes in the lower schools and making suggestions as to instructions. Henceforth, such supervision, according to the order issued by the Salzburg district school council, will be carried out solely by State and school officials.

Archbishop Waitz, one of the Catholic leaders who signed a declaration of fealty to Adolf Hitler soon after the annexation of Austria, had played a leading role in the recent church-state negotiations.

Buerckel, in his anti-clerical speech to a Vienna mass meeting October 13, revealed to some 100,000 Nazis that the church "saw a new chance" in the "speculation" that Germany "would come into foreign political difficulties" over Czechoslovakia.

Liquor Sales For September Are Up

Raleigh, Oct. 17.—(AP)—Liquor sales in county-operated stores in the 27 wet units during September totalled \$604,178.10, an increase of \$4,493.75 over September, 1937.

Chairman Cutlar Moore, of the State ABC Board, released the reports today noting that Durham county led in sales with \$89,285.50. Last month's sales also included: Beaufort county, \$19,015.20; Edgecombe county, \$33,820.10; Nash county, \$22,100.55; Pitt county, \$4,492.75; Vance, \$18,276.20; Wilson, \$32,033.05; Lenoir county, \$31,533; Warren, \$9,103.80; Franklin, \$11,021.45; Greene, \$5,311.40; Johnston, \$26,864.40.

J. P. JOYNER DIES AT LAGRANGE HOME

LaGrange, Oct. 17.—(AP)—J. P. Joyner, 79, former superintendent of LaGrange schools and recorder of LaGrange court, was found dead in bed at his home here today. Survivors include a brother, Dr. J. Y. Joyner.

Deane Is Not To Meet With Rival Burgin

In The Sir Walter Hotel, Daily Dispatch Bureau. Raleigh, Oct. 17.—C. E. Deane, Richmond county contender for the eighth congressional nomination, is exceedingly unlikely to accept the proffer of his rival, W. O. Burgin, that the two get together and work

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In Nazi Spy Trial Spotlight



One of the most important government witnesses in the current Nazi spy trial in New York is Kate Moog Bush (left), attractive nurse and friend of the vanished Dr. Ignatz Griebel. In the center is Johanna Hofmann, hairdresser of the German liner Europa, accused as messenger of the German spy ring operating in the United States, and at right Federal Judge John C. Knox, trying the case, the greatest spy trial in the country's history.

Four Germans Arrested For Photographing Panama Canal

Panama, Canal Zone, Oct. 17.—(AP)—The United States military today held four Germans, one a woman, for photographing key defenses of the Panama Canal.

A court of inquiry will determine whether they are to be charged with espionage on the waterway, vital link in the American defense, by which the fleet can be shifted from the Pacific to the Atlantic or back in emergency defenses.

The four were arrested Sunday while taking pictures of Galeta Point, first defense of the Atlantic approach to the canal. They entered Fort Randolph reservation in the morning by auto and denied, the sentry said, that they had a camera. The question is routine to all visitors. The sentry became suspicious and notified his sergeant two hours later. Search led to the arrests and confiscation of the camera and automobile.

Huge U. S. Deficit Is Far Greater Than Last Year

Washington, Oct. 17.—(AP)—The Treasury reported today a deficit of \$989,980,284 for the first three and one-half months of the fiscal year. This was more than twice the \$411,569,270 shortage for the similar period of the previous year.

Expenditures in the three and a half months amounted to \$2,564,735,321, and income totaled \$1,655,755,037. Corresponding figures last year were: Expenditures, \$2,231,566,562, and receipts, \$1,822,066,292.

WPA was the principal factor in increased expenditures. This agency, whose relief rolls now are at a record total, spent \$646,568,365 in the three and a half months, compared with \$378,198,856 in the same months last year.

The public debt has reached a new record of \$38,424,193,207, which is \$1,264,452,892 more than a year ago.

Turk President Now Gravely Ill

Ankara, Turkey, Oct. 17.—(AP)—An official communication said today President Kemal Ataturk was gravely ill. The communication said "the condition of the president, who has long been suffering from a liver complaint, suddenly grew worse Sunday, and, although a slight improvement occurred overnight, his illness is still maintaining a grave character."

The health of Ataturk, who built up a new nation on the ruins of the Ottoman Empire, had been the subject of disquieting rumor for months. Even in the early days of his revolution, he frequently was reported ill of kidney trouble, for which he received treatment at an Austrian health resort during the World War.

Allot Cotton Quota Before Dec. 10 Vote

College Station, Raleigh, Oct. 17.—H. A. Patten, acting AAA executive officer at State College, said today that cotton growers who vote in the December 10 referendum will know exactly how much lint acreage they will be allotted under the 1939 farm program before the balloting.

Committees are now at work in the counties setting up acreages in preparation for the coming vote. In the last referendum growers did not know their allotments before balloting.

Two-thirds or more of the growers voting must approve the control plan before it can go into effect. This means two-thirds of the planters in the entire cotton-producing area.

Patten explained that tobacco growers will also get a chance to vote, if present plans mature. This referendum will probably be held concurrently with the cotton vote.

Machinery for the referendum is now being shaped up and will be practically the same as that used in the March 12 balloting. Precinct boxes will be set up in each of the counties affected and all eligible grow-

Trio Framed, Attorney At Trial Says

Some of Innermost Secrets of Nation's Defense Obtained, Federal Prosecutor Charges at Trial in New York; Fourth Prisoner Confesses Guilt

New York, Oct. 17.—(AP)—Attorneys for three alleged German spies described their clients as "framed" and "innocent" today after United States Attorney Lamar Hardy told a Federal court jury they had penetrated into some of the innermost secrets of this country's military defense.

The prosecutor occupied an hour and 20 minutes in outlining the government's case against Johanna Hofmann, 26, former beautician on the German liner Europa, and Otto Hermann Voss, and Erich Glaser, 23, both naturalized citizens born in Germany. Glaser is a former United States Army soldier.

Hardy said that German spies had transmitted to the Berlin government data on the American artillery forces in the Panama Canal Zone, the strength of the American navy on the east coast and the specifications of two American aircraft carriers.

Members of this spy ring, he asserted, were the three prisoners. Hardy told the jury that the spy ring had forged President Roosevelt's signature to a fictitious order to the navy for the aircraft carrier.

A fourth prisoner, Gunther Gustav Rummich, pleaded guilty at the opening of the trial Friday, and will testify as a government witness.

Hardy described the all-red conspiracy as directed from Germany, with contact men transferring messages back and forth to agents of German extraction in this country. He said two officials of the German steamship lines in the United States aided in establishing the contact between agents in this country and their directors abroad.

Hoey Confers On Southern Taking Road

Raleigh, Oct. 17.—(AP)—Governor Hoey held preliminary conferences with officials of the Southern Railway today on plans for the operation by the Southern of the State-controlled Atlantic & North Carolina railroad.

The governor said no specific suggestions were made as to what the Southern might be able to do, and that he now plans to confer with representatives of two different groups who have made proposals to lease the lines.

Vice-President John Hyde, of the Southern, along with R. H. DeButts, Jr., general traffic manager, and F. S. Collins, chairman of a committee which made a thorough survey of the A. & N. C., from Goldsboro to Morehead City, talked with the governor.

It was made clear, Hoey said, that operation costs must go up if the

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Farm-Labor Leaders Are Called Reds

Washington, Oct. 17.—(AP)—Steve Sadler, St. Paul consulting engineer, told the House Committee on Un-American Activities today that communists had "tried to take over the Farmer-Labor Party." He added, however, that he wanted it clearly understood he was making no accusations against a majority of the party, nor its rank and file. He described them as good American citizens.

"Governor Benson, Congressman Bernard, Congressman Teigan and Mr. Williams are spoken of and written up in all communistic publications as friends of their cause," he testified, referring to Minnesota's Farmer-Labor governor, and two of its representatives in the House. He said Howard Williams, executive secretary of the League of Independent Political Action, and candidate for Congress on the fourth Minnesota Farmer-Labor ticket, was called a communist in the report of a special commission to investigate communistic and other subversive organizations in Massachusetts.

GERMAN TENNIS ACE FREED FROM PRISON

Baron Gottfried von Cramm Convicted Last Spring for Relations With Jewess

Berlin, Oct. 17.—(AP)—Baron Gottfried von Cramm, German tennis ace, is free on parole after serving seven months of a one-year sentence on a morals charge. The remainder of his one-year sentence, which would have been served by March 7, was suspended for two years during which he "must prove worthy of this act of mercy."

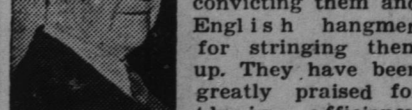
His brother met him at the prison gate and they left, probably for his mother's home at Bruegeen, near Hanover.

Baron von Cramm was arrested March 5 on his return from a tennis tour of the United States and Austria. He was convicted of improper relations with an 18-year-old Jewess.

Mooney Case Had Parallel For England

By CHARLES F. STEWART Central Press Columnist

Washington, Oct. 17.—Tom Mooney's case is reminiscent of one I was familiar with in London, when I was an American correspondent three years ago. The English police have a great reputation for catching murderers, English courts for convicting them and English hangmen for stringing them up. They have been greatly praised for their efficiency. They're proud of their record for never being muffed off by technicalities, as sometimes we are here. However, at the time I mention, there had been



Mooney

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WEATHER. FOR NORTH CAROLINA. Fair to partly cloudy tonight and Tuesday.