

JAPANESE CAPTURE CANTON IN FAST DRIVE

More Indictments In New Mexico WPA Scandals Promised



Offers Arab Peace

An independent Arab state in Palestine is one of the terms of peace in the Holy Land offered by Haj Amin Effendi el Hussein, grand mufti of Jerusalem. He is pictured in exile at Karmayel, Syria. (Central Press)

Prominent State Official Involved In Grand Jury Action 'Making Political Capital' of WPA; Washington Says Cooperation Was Given There

Albuquerque, N. M., Oct. 21.—(AP)—New and further reaching actions were hinted today to be impending in the wake of wholesale federal grand jury indictments returned here late yesterday against 73 persons charged with making political capital of the New Mexico WPA. Dozens prominent in State politics and government were indicted on charges of conspiracy to defraud the government for political purposes, among them Assistant U. S. District Attorney Stanley Miller, son-in-law of Senator Dennis Chavez; two Democratic county chairmen; Mrs. Annita Tafuya, Senator Chavez' sister; Mrs. J. A. Werner, wife of the Albuquerque postmaster, and former State WPA Administrator Fred Healy. Some in responsible quarters intimated the end was not yet. It was known that agents of the WPA division of investigation, under Special Agent C. E. Goranson, who have worked a month with the grand jury, were still on the investigation. The grand jury action, which concluded a month of carefully veiled inquiry, fell like a bombshell in New Mexico's heated political campaign.

Question And Answer Group On Wage-Hour

Editor's Note. The wage-hour administration has been swamped with inquiries about operation of the labor standards act, which becomes effective Monday. The following article presents in question and answer form some of the pertinent facts both employers and employees are seeking. The information given, while in no sense official, is based on opinions and rulings of wage-hour authorities. Final determination of many of the questions here raised will rest with the courts.)

Who Decides Whether an Individual Employer Should Comply with the Act and Which of His Employees are Covered by It?

The employer himself must decide, (Continued on Page Eight)

GOLDSBORO YOUTH DECLARED SUICIDE

Goldsboro, Oct. 21.—(AP)—Marving Turnage, 22, died at a hospital here early today of pistol wounds which Police Chief E. J. Tew said were self-inflicted.

226 Dead In Great Typhoon Over Japan

Tokyo, Oct. 21.—(AP)—A typhoon roared in from the sea today, taking at least 226 lives and injuring more than 590 persons. About 230 persons were missing. The unseasonable storm, which lashed waters overlaid along the coastal reaches of Japan in the Tokyo-Yokohama district and elsewhere, reentered an estimated 35,000 persons homeless. More than 24,460 houses in Tokyo were flooded and some collapsed. Thousands of trees were uprooted, and Tokyo's communications and transportation were partly paralyzed. Tens of thousands of workers were unable to reach places of employment in the capital, and most schools were closed. The typhoon also caused much damage at Yokohama. All sailings from that port were cancelled. Seven passenger ships scheduled to arrive at Yokohama this morning failed to dock.

2 White Men Are Killed In Bunn Tragedy

Raleigh, Oct. 21.—(AP)—State headquarters of the Highway patrol received a report this afternoon that two unidentified white men were killed in a train-truck crash near Bunn. The truck was registered in the name of J. W. Lewis, of Pine Hall, it was learned by checking the license plate number. The Lewis home is a mile from a telephone, the Patrol was told, and a messenger was sent to check up on who was in the truck. The Patrol office was told that steam escaping from the locomotive made it impossible to extricate the bodies of the dead men for some time. Patrolman A. E. Leavitt was sent to investigate the accident.

Babson Says Hitler Has Key To World Prosperity

If Fuehrer Does Not Push His Political Expansion too Fast and Only Turns His Magic Abilities to Economics, World Boom Era Is Likely

BY ROGER W. BABSON, Copyright 1938, Publishers Financial Bureau, Inc. Babson Park, Mass., Oct. 21.—Hitler is the key man of Europe. The future of the Old World now revolves around him. He can plunge civilization into chaos if he pushes his drive to the east too far and too fast; or he can produce a new era of prosperity if he directs his amazing abilities toward rebuilding Germany economically. My guess is that he may turn his magical energies along economic lines and thus aid world prosperity. War Scare Halts Business. This is the most impressive thought that I brought away with me from the continent of Europe. At the time I was there—just at the peak of the

Explodes a Scandal



Police Commissioner Lewis Valentine is pictured in Brooklyn, N. Y., Police Headquarters scanning records following a surprise visit. Disappearance of valuable records has launched the most intensive police investigation in years in the police scandal which followed superseding of District Attorney Geoghan of Brooklyn.

LaGuardia May Not Aid Gov. Lehman

New York Mayor Demands Democratic Candidate Pay Allegiance to New Deal

Hyde Park, N. Y., Oct. 21.—(AP)—Mayor LaGuardia, of New York City, indicated after a conference with President Roosevelt today he would withhold his support of Governor Herbert Lehman for re-election unless the governor stated in a campaign he was firmly behind the New Deal.

Talking with reporters after the conference, the mayor criticized Lehman for avoiding a direct reply to reporters' questions whether he would stress and support the national administration during the State campaign.

Lehman should have answered the question you boys put to him here the other day after he visited the President," he said. Lehman, Democratic candidate for a fourth term at Albany, has received the endorsement of the American Labor Party, in which LaGuardia is a prominent figure and active member. Labor Peace Predicted.

At Washington, meanwhile, Secretary Perkins said she had "great hopes" for peace between the American Federation of Labor and the CIO. Explaining that she did not want to say flatly the factions would reunite within a given period, the labor secretary told newspapermen: "I have had very definite signs that the desire for peace among the (Continued on Page Eight)

Deane Now Appears Probable Nominee In Eighth District

He and Burgin Confer With Governor Hoey, and Latter Says Settlement In Prospect Is Their Own Proposition; Nominee Expected To Win

Raleigh, Oct. 21.—(AP)—The fight for the eighth district Democratic congressional nomination took another turn to indications that C. E. Deane, of Rockingham, or W. O. Burgin, of Lexington, would get the designation instead of both withdrawing in favor of a compromise candidate. "Either Mr. Burgin or I will be the Democratic nominee in the eighth," Deane said after a conference in which Burgin participated. "And, whichever one gets the nomination will be elected November 8." Burgin said he was not positive who would get the nomination but felt sure the Democrat would win. Yesterday party leaders here expected Burgin to withdraw after Governor Hoey had taken steps to get a compromise, which would prevent the election of a Republican by default. Hoey plans to leave tonight for the week-end, and said he expected a course of action which would end the controversy which has raged since July 2 would be agreed upon by the candidates before nightfall. "Both sides are cooperating fine in an effort to work out the matter and the plan under consideration is their plan, not anything I proposed," said Hoey. "I asked them yesterday to try to work out something."

TWO CANDIDATES CONFER FOR TIME WITH GOVERNOR Raleigh, Oct. 21.—(AP)—Practical certainty that either W. O. Burgin, of Davidson, or C. E. Deane, of Rockingham, will be the Democratic congressional candidate in the eighth district emerged from a conference of the two contenders with Governor Clyde R. Hoey and other party leaders here this morning. Another conference convened at two o'clock this afternoon and announcement of some peaceful plan for settlement of the long standing dispute was expected late this afternoon. No announcement of the candidate is expected.

Death Sentence Is Given Kinston Man On Murder Charge

Kinston, Oct. 21.—(AP)—Superior Court Judge Henry A. Grady today set January 6 as the date for the execution of Grover Wilkins, 20, for the murder of Mrs. Janie Moody Davis, 24, of near Deep Run. Wilkins showed no emotion when the jury set the date, but his wife and mother wept loudly. Mrs. Davis was the stepmother of Wilkins' wife. Neighbors said a quarrel led to the slaying.

Frantic Move To End Row In 8th District

Daily Dispatch Bureau, In The Sir Walter Hotel. BY HENRY AVERILL. Raleigh, Oct. 21.—The State Board of Elections has thrown up its hands in despair of getting a settlement of the eighth congressional dispute in time to have a Democratic candidate's name printed on the ballots, and frantic efforts are now under full steam in an attempt to compromise the long and bitter Burgin-Deane imbroglio. Most likely outcome of the negotiations is withdrawal of both contenders and nomination by the Democratic district executive committee of Walter Lambeth, present congressman. Next in line of probability is non-inclusion of H. P. Taylor, of Anson, as the Democratic nominee. Remote possibility is refusal of both Burgin and Deane, or either of them, to get out and let someone else make the race. Still more remote possibility is a mandamus order by Judge W. C. Har-

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WEATHER FOR NORTH CAROLINA. Generally fair, colder in east portion; scattered light frost in interior tonight; Saturday partly cloudy, slightly warmer in interior.

Accused Spies in Court



Unrevealing, are the faces of Johanna Hofmann, Erich Glaser and Otto H. Voss, shown at Federal Court, New York City, where they are on trial charged with selling military secrets to the German government. Testimony of Gustave Rummich, who pleaded guilty, directly implicated Miss Hofmann in the spy ring.

Film Woman Plunges To Tragic End

Dorothy Hale, Intimate Friend of WPA Harry Hopkins, Killed in New York City

New York, Oct. 21.—(AP)—Dressed in evening clothes and wearing a corsage of tea roses, attractive Dorothy Hale, film actress, and debaucher in the theatre, plunged to her death early today from her 16th floor apartment in the Hampshire house, exclusive hotel overlooking Central Park. She was the widow of Gardner Hale, Chicago artist who was killed in 1931 when his automobile went over a 500-foot cliff in California. She was a friend of Harry Hopkins, WPA administrator, whom she met through a member of the Roosevelt family. Seen several times with Hopkins, their engagement was rumored, but was denied last summer. Friends of Hopkins, who was secluded at the home of President Roosevelt, said he was "deeply shocked" by Mrs. Hale's death. They did not comment on the engagement report, but said Hopkins and the actress had been "close personal friends." The WPA administrator himself made no comment. Only a few years ago Mrs. Hale was described by a Hollywood producer as a "great movie find," but she appeared in only a few pictures, one of which was "Catherine the Great."

State Grows One-Third Of All Tobacco

Washington, Oct. 21.—(AP)—Producing about two-thirds of the nation's tobacco, North Carolina, Virginia and Kentucky contributed almost six-eighths of the United States income from tobacco manufacturers' taxes during the fiscal year 1938. Of the 1937 national tobacco production, estimated at 1,555,328,000 pounds of all types, North Carolina accounted for 595,530,000 pounds; Virginia for 1,072,700, and Kentucky for 366,100,000 pounds. In the aggregate, they contributed \$480,416,943 of the 1938 fiscal year's \$568,131,967 tobacco manufacturers' taxes. North Carolina's \$280,021,181 payment amounted to \$88.33 per capita. Kentucky's share represented a per capita of \$17.92 and Virginia's

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Seeks Restoration French Monarchy

Paris, Oct. 21.—(AP)—The Count of Paris, son of the Duke of Guise, pretender to the French throne, flew to the vicinity of Paris today in defiance of the law, and issued a manifesto calling upon France to restore the monarchy for "her salvation." Soon after handing the manifesto to newspaper men who met him at a farm house near Paris, the count took off for Belgium, where he lives in exile with his father.

Warnings Of Hitler Given Cold Shoulder

By CHARLES P. STEWART, Central Press Columnist. Washington, Oct. 21.—Our State Department naturally is not saying so loudly, but it is not much of a secret that it is pretty thoroughly disgusted with Herr Hitler's recent speech warning "Britain and France (Britain in particular) to curb their respective 'war parties'—or else—To be sure, Uncle Sam's foreign office was none too confident, any of the time, that the Anglo-Franco-German-Italian dicker at Munich promised anything more than temporary peace. Still, it was hoped that it did promise at least that much. There also were hopes that, before conditions took another turn for the worse, international negotiations might put peace upon a more or less dependably permanent basis. That there would be plenty of American opposition to a Yankee initiative in such a direction was recognized. Nevertheless, it was a policy which had its supporters, too. President Roosevelt had momentary good luck in his appeal to the old world not to go immediately to the mat over Czechoslovakia, which encouraged the theory that his influence might prove effective in the yet longer run. But this last Hitlerian speech knocked that idea higher than a kite. Not Altogether Illogical. Adolf's reasoning is not altogether illogical, either. His argument was that he and Benito Mussolini prefer peace, which doubtless is true, if they can get all they want without fighting for it. And being dictators, what they dictate goes. But Britain and France, he pointed out, being democracies, have changeable governments. Right now they have governments which seem disposed to bow to his and Benito demands. However, they may have elections at

Ten Hurt In Explosion In Georgia Jail

Columbus, Ga., Oct. 21.—(AP)—Ten prisoners were injured and eight were unaccounted for early today after an explosion ripped out a corner of the Muscogee county jail. City Police Chief H. W. Cornett said the explosion was apparently caused by firing of a steam boiler in the basement. The blast tore a hole about 12 feet high and 15 feet back from the corner of either wall. It left a portion of a cell block hanging. The jail is three stories. The explosion tore out the wall of the one-story kitchen. The three-story portion extended partly over the kitchen. Police said there were 75 prisoners. Forty-one were transferred to the city jail; the ten injured were in city hospitals, and 16 were kept in the jail enclosure.

Big Chinese Supply Base Is Occupied

Utter Confusion Reported in Great South China City as Troops and Populace Flee; Chiang Reported Preparing To Leave His Hankow Capital

Hong Kong, Oct. 21.—(AP)—Japanese troops this afternoon entered Canton, south China metropolis and objective of a fast overland offensive that started more than 100 miles away on October 12. An official source reported that "utter confusion" reigned in Canton, vital supply center for Chinese troops in central China, as the invaders pierced the city's first defenses. Government officials fled to Yungum, 92 miles north of Canton. The Chinese dynamited a cement plant, a power plant and other major utilities before the Japanese entrance, carrying out the defenders' "scorched earth" policy of leaving nothing behind for the invaders' use. As the invaders approached, the Cantonese had tried furiously to dig trenches and make machine gun emplacements at strategic centers, while hundreds of thousands of inhabitants fled in all directions, leaving a small fraction of the population behind. Conflicting reports had obscured the real progress of the well equipped Japanese columns, but apparently Chinese resistance was weak. A Japanese spokesman said aerial observation showed the Chinese were retreating in a long line north of Canton. (Reuter's British news agency, reported from Shanghai that General Chiang Kai-Shek, according to reliable reports, was preparing to leave Hankow, the other main Japanese objective, and Chiang's provisional capital, about 500 miles north of Canton.)

Loyalists In Spain Plan Big New Push

Hendaye, France, Oct. 21.—(AP)—Reports from government sources indicated today that plans were virtually complete for an offensive designed to strengthen the government's position before the third winter of the Spanish civil war sets in. General Miaja, commander-in-chief of the government central front, and General Matalana, his chief of staff, returned to Madrid after a series of conferences with commanders at Barcelona and Valencia. A decrease in the number of reports of troop movements gave border observers the impression that concentrations going on for days had been completed. There was no indication of where the government offensive would start.

Eight Unaccounted for of 75 in Prison at Columbus; Corner Ripped Out

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