In WPA Probe

Joe Sanoval, Democratic leader of Albuquerque, N. M., is one of the seventy-three persons indicted by the United States in connection

with WPA program irregularities in New Mexico. Numerous men and women prominent in State and Fed-eral politics are in the group against which a Grand Jury returned in-

Wage-Hour

Act Success,

Andrews Addresses

Is Told by Its Chief,

Act Should Prove

Stabilizing Influence

New York, Oct. 26.—(AP)—Elmer

"It is unfortunate," he added, "that

"The reports which we have from

Claudius Murchison, president of the

Speaking at the Institute's annual

(Continued on page six)

The board did not convene until

signed by Judge W. C. Harris was laid

The board ordered immediate print-

(Continued on Page Six.)

was at its height.

in Textile Industry

(Central Press)

TWENTY-FIFTH YEAR

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

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Lloyd George Says Munich Peace Will Bring Certain War

\$3,000,000 Ransom



According to a London report, Baron Louis de Rothschild (above) was held in the Hotel Metropole, Vienna, by Gestapo officers who demanded \$3,000,000 ransom or possible imprisonment in Dauchau, dreaded Nazi concentration camp.

Ship's Fire Put Out In Mid-Ocean

German Liner Deutschland Heading Toward New York After Sending SOS

aboardships in perilous gale-whipped seas of the North Atlantic remained Light Cars New York, Oct. 26.-(AP) - Fire odd passengers and 392 crew members of the Deutschland as the German liner headed toward New York with her insides charred by flames.

An electrifying "SOS" "lashed thro-

"Assistance necessary urgently" -"fire in room hold No. 2."

A "quiet period" was quielly or dered on the seas and observed by ships far and near. Ships' wirelesses closed transmitters and bent their southeast of Cape Race. Newfoundland, where the flame-periled Deuschland was rolling in mountainous seas.

"Danger, help necessary," said the frantic appeals from the German liner. Its location was broadcast time after time, and ships within range turned about, surging off course in a mad race to help. After a winning two-hour battle with the flames, Captain Karl Steincke, master of the veteran of four other mishaps at sea, etc). radioed to the New York office of The Associated Press at 8:20 p. m.:

"Fire under control." Hours later the home office of the Deutschland in Hamburg was advised the fire was completely controlled, that ship and passengers were no longer in danger.

Lawyers Will Hear Report **On New Bureau**

flaily Dispatch Bureau, In The Sir Walter Actel. Raleigh, Oct. 26.-North Carolina's lawyers will hear a report of Major L. P. McLendon, chairman, on the proposed State Department of Justice when some 500 of them gather here Friday for the annual session of the North Carolina State Bar.

Kenneth O. Burgwin, a member of the eighth district today.

Court action in the long-drawn, Winton, voted negatively. the committee, will also speak on the

Recently the committee submitted ed by a voluntary non-suit before the 12:05 p. m., when the non-suit order a report to the governor recommend-ing establishment of a State Depart
The formal certification of the commendation of the certification of the commendation of the certification of the certificat ment of Justice and expressing the opinion that no constitutional amendment is vitally necessary for creation of such a department. The question, however, will be voted on at the November election, and it is unanimously agreed that with the amendment there will be less question as to limitations of the Department of Justice's

The Bar's grievance committee, of which Joseph B. Cheshire, Jr., of Raleigh, is chairman, is likely to get a on the ballot November 8 in opposition canaday, who offered his resignation report from Charlotte on the result tion to John R. Jones, Republican when the Deane-Burgin controversy of investigations of justice of the peace activities in Mecklenburg, but

(Continued on Page Six.)

For Britain It Will Be a "War Without Friends," He Says In Speech; Honor Forfeited Along With Respect of World and Own Self-Respect

London, Oct. 26.—(AP) — David Lloyd George broke his silence on the peace of Munich today to warn Prime Minister Chamberlain that it would end in a "war without friends" for

The white-haired war-time pre-mier delivered his grim predictions while the present prime minister and his cabinet met for two and a half hours to review vital matters rang-ing from defense of home stores to the colonial cost of Britain satisfying Adolf Hitler. The cabinet announced

In his first speech since the Munich pact saved Europe's peace at the price of Czechoslovakia's dismemberment, Lloyd George declared the peace "was a bad peace and a bad peace is no peace at all."

Then he pronounced this judgment:

"I will tell you what we shall find, and I am thinking now as one who has taken a great part in the affairs of this country at the most critical moment in the whole of its history. We shall have forfeited honor, we shall have lost the respect of the world, and, what is still worse, we shall have lost our own self-respect. shall have lost our own self-respect. And in the end there will be no peace. There will be war and war without

Lloyd George declared, that, in making the Munich accord, "we handed over a little democratic state in central Europe, wrapped in the Union Jack and the trio-color, to a ruthless dictator, who will deny freedom to both Czech and Germans alike."

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Oct. 26.—Whether four out of every five North Carolinians have ugh the air early last night when fire a widely advertised dental ailment is broke out in the ship's No. 2 hole a matter of conjecture, but it is a a matter of conjecture, but it is a tically four out of every five Tar These, he asserted, should disappear Heels who own passenger cars own soon

"light" ones. and Planning of the State Highway of this law, but, as every surgeon ears toward the position 200 miles and Public Works Commission, ana-knows, there are few operations in (31,396 to be exact) questionnaires re- blood. ceived from North Carolina passenger car owners in use in 1936 and all over the country encourage us to

tin, Chevrolet, Erskine, Ford, Plymouth, Terrapiane, Willys, etc).

18.1 per cent are "medium weight"

cars (Auburn, Buick, Hudson, Olds, SHOULD BE STABILIZING DeSoto, Dodge, Pontiac, Studebaker,

(Cadillac, Chrysler, Lasalle, Lincoln, Cotton Textile Institute, said today Packard, etc.)

(Continued on Page Five)

hard-fought controversy was terminat-

The formal certification papers

ingham, withdrew. It was set forth,

however, that Deane received a ma-

eturns, and that his certification had

Burgin was the unanimous choice

of three referees agreed to in an un-

precedented move to end the dispute

The vote for Burgin's certification

was three to one, with W. V. Hall, of Charlotte, a Republican, not vot-

jority of the votes under amended ing an appeal.

Burgin Is Certified

As Eighth District

Congress Candidate

Raleigh, Oct. 26.—(AP)—The State ing. The Democrats, Chairman W. A.

Chief Says

Auto Owners In State Like

day that reports from all over the country regarding inauguration of the fair labor standards act "encourhas been a success." of two and a half days," the adminisafter an explosion of an unexplained matter of fact, proved by an "official trator reported that "unpleasant reper record which any one may see" (as cussions" had occurred only in scatremarked in another well-known bit tored instances, and that a minimum crackled over the radio waves. Then of advertising propaganda) that prac- of industrial dislocation resulted.

> Recently the Division of Statistics any one should lose his job because lyzed more than thirty thousand which the patient does not lose some

found that:

3.3 per cent are "heavy" cars

In rural areas, the light cars are even more numerous proportionately, in the cotton industry, according to James S. Burch, en-

Caldwell Advocates 12th Grade in Schools as State Convention Opens in Oxford: Urges Repeal of Absentee Ballot in North Carolina

Oxford, Oct. 26.—(AP)—Harry Caldwell, of Greensboro, master of the State Grange, urged today that tax reforms be enacted to help farmers and that teacher tenure and a twelfth grade be included in the legislative

Repeal of the absentee ballot law and abolition of professional markers at the polls was proposed in the in-terest of "clean, honest elections." Caldwell made his annual report to the Grange at an afternoon session. listing a 25 Creent increase in paid memberships and organization of 17 new Granges.

new Granges.

There appears to be merit, Caldwell said, in the proposal of Henry Wallace, secretary of agriculture, that a two-price system be developed for farm products to expand consumption and reduce surpluses. "Some method". Coldwell said, "should be devised for making surplus farm commodities available to low-income groups and to stimulate their use in industry." to stimulate their use in industry."

Any farm legislation, he said "should be under farmer-control," and should encourage good practices Governmental reorganization, State and Federal, should be accomplished "to the end that essential service may be provided at a minimum of cost," Caldwell said, and "sufficient taxes should be levied to meet present government expenditures," and eliminate deficits.

Resolutions which opposed the 1933 farm law, supported it or sought amendment to it were presented at the opening of the Grange's annual convention. The resolutions were sent to a committee for action before L. J. Taber, of Columbus, Ohio, national master of the Grange, appeared for an address. Resolutions which opposed the 1938 Textile Group, Which Claudius Murchison,

Nazi Paper Andrews, wage-hour administrator, told the Cotton Textile Institute to-On Churches age us to believe that the operation

Speaking from the "vantage point Berlin, Oct. 26.—(AF)—The weekly Guard today attacked the Roman Germany and Italy were "hostages."
The paper said "Jews living in Ger-

man and Italy are hostages given into our hands by fate so that we may defend ourselves in the most effective manner against attacks by world

"This assertion may seem rather 78.6 per cent are "light" cars (Australia and the patient will those who in their soft sentimentality from now on show permanent in believe that the operation has been a always are at hand with a slogan about the 'innocent Jew.'

"Whoever envisages in all its ramifications the incitement to war which FORCE, MURCHISON SAYS world Jewry has unloosed upon us York, Oct. 26.—(AP)—Dr. along a broad front, and whoever recognizes the true intentions of these world criminals would be a fool inthe new wage-hour law should prove the new wage-hour law should prove deed, if in the face of such a threat 'a stabilizing force" upon competition he permitted anything like compasion to surge within him."

> Brown University's famous "iron men" football players of a decade ago reported to the National Academy of Science today on the mystifying waves in which unconsciousness

He is Albert Cornsweet, Brown's the New Deal looks askance. Upon fullback, now a doctor of psychology an average I always have considered at the University of North Carolina Democrats as somewhat more liberal Board of Elections formally certified Lucas, of Wilson; George McNeill, of here. He is the youngest scientist to than Republicans. Nevertheless, quite Forsyth .55; Gaston .63; Cabarrus, W. O. Burgin, of Lexington, as the Fayetteville; and W. O. Bell, of Hene address the present meeting of the a few Democrats are at least as con-Rowan and Durham .64; Scotland .73; W. O. Burgin, of Lexington, as the Fayetteville; and W. O. Bell, of Hen- address the present meeting of the a few Democrats are at least as con-Democratic nominee to Congress from dersonville, voted for Burgin, and the academy.

other Republican, Adrian Mitchell, of has held that unconsciousness begins whom the White House would have in the brain of human beings. But, liked to purge. But even they profess he said, in white rats it develops just to be mainly pro-New Deal. They're before the chairman. Possibility that creeps toward the head.

said the board would not certify a candidate by mandamus without taksoundly asleep and unresponsive even all New Deal methods. to pinching. Dr. Cornswap reported Neither does he classify with such Before adjourning, the board re- that the unconsciousness comes in the mavericks as Senators George W. been withheld so that Burgin could fused the request of Davidson county tail region with three kinds of LaFollettes. Originally a so-called Dowell and Rockingham \$1.16; Alamance \$1.18; Mcson elections board be appointed. J. up, their heads begin to move and M. Daniels, Jr., of Lexington, however, was named a board member for fore the hindquarters.

Generally fair tonight and Thursday; warmer tonight and in east portion Thursday.

Grange Head Dies Committee Is Advised Asks Tax To That California Democratic Aid Farmers Chairman Is Real Communist

Snite Gets New-Type "Lung"



Fred B. Snite, Jr., famous Chicago paralysis victim, who has lived in an "iron lung" for more than two years, is shown in a newly-invented respirator. The new machine fits the patient's torso, leaving the arms, legs, neck and head completely free, and weighs only nine and one half pounds.

All Of Hankow Area Is Now Occupied By Japs; Infantry Is In Control

Shanghai, Oct. 26.—(AP)—Japanese chang, separated from Hankow by and foreign dispatches tonight reported that the Japanese army and navy had completed occupation of Hankow and its sister Wuhan cities, Wutana in the daming of the large of chang and Hanyang.

steamed up the broad Yangtze river visional capital from the northeast. Shortly thereafter a Japanese in- today. Shortly thereafter a Japanese infantry force of about 2,000 moved into the international area along the Vangize water front and took over huge mid-China metropolitan area organ of the Nazi blackshirted SS fantry force of about 2,000 moved in-Catholic and Protestant confessional Yangtze water front and took over huge mid-China metropolitan area synod churches for their alleged un- control from the foreign authorities with almost no fighting at the end expatriotic attitude in the German- who had organized an emergency cept the street battles in Wuchang. Czech crisis and declared the Jews in regime following the Chinese aban- The occupation was culmination of

donment of the city. Details of the occupation of Wu- ed early in the summer.

warships engaged in mopping up operations.

to a position off Hankow's Japanese the occupation of Hanyang, once busy concession, the dispatches said, and industrial center, across the Han army units totaling several thousand river from Hankow, but foreign admen marched into the former pro- vices said the invaders entered the

tance in the flaming city, and were Japanese dispatches did not report

third of the Wuhan communities late projected revision of national defende

In the Sir Walter Hotel, Dally Dispatch Bureau. Raleigh, Oct. 26.—The tremendous spread in tax rates of North Caroton K. Wheeler of Montana is a dif- lina's hundred counties is emphaticalferent kind of anti-New Dealer from ly shown by the fact that a resident all the rest. Old-line of Cleveland county, whose 43-cent Republicanism na- rate is lowest in the State, pays less turally is anti-New than one-sixth the ad valorem levy Deal. There are up- laid upon the citizen of Clay, where to-date Republicans taxables are assessed \$2.50 on every

who say it is too \$100 of valuation Residents of 32 counties enjoy rates party, in fact, never of \$1 or less, those in six are forced can effect a come- to pay \$2 or more, while the inter-back until it mod- mediate 62 counties vary in rate from ernizes itself. Still, \$1.03 to \$1.90.

The attractive look of many of the anti - New Dealers. low tax brackets, however, is some However, Wheeler what spoiled by the fact in many of can't flock with the larger counties most of the citthem, He isn't a Re- | izens are also subject to heavy city publican of any im- taxes, and so residents of Forsyth, aginable type. There also are many Democrats upon whom escape quite as easily as appears on

County tax rates for 1938, reading from low to high are: Cleveland .43; hospital sweepstakes prizes. servative as the more liberal type of Medical theory, he told the academy Republicans. Such are the Democrats as held that unconsciousness begins whom the White House would have son .83; Davie, Halifax, Pitt, Surry starters, failed to place. and Watauga .85; Vance and Moore .89; Alleghany, Burke, Catawba and the opposite way, near the tail, and the "yes, but" crowd. Wheeler is no currituck .90; Buncombe, Hertford, creeps toward the head. "yes butter." He's a flat-footed Orange and Richmond 95; Caldwell, reeps toward the head.

"yes butter." He's a flat-footed Orange and Richmond 95; Caldwell, The head is the last part to lose its "no-er." True, he approves New Deal Franklin; Pasquotank and Sampson

Henderson \$1.03; Camden, Edge-combe and Wilson \$1.05; Wilkes \$1.06; Nash \$1.09; Hoke \$1.10; Randolph \$1.12; Wayne, Lee and Gates \$1.15; Graham \$1.16; Alamance \$1.18; Mc-Democrat, he never was much of an orthodox Democrat, and now he ton and Watauga \$1.25; Beaufort orthodox Democrat, and now ne speaks of himself as an independent; \$1.27; Alexander, Chowan and Macon yet he's an independent in a category all by himself.

Wild Radical? What?

Burton says accurately that he for
Robeson \$1.37; Lincoln \$1.38; Ashe,

Caswell, Johnston and Montgomery

(Continued on Page Six.)

Three Party Candidates Are Accused

Declared To Have Communist Leanings, Legion Committee Chairman Declares: Dies Heatedly Replies to Roosevelt Rebuke; **Election Awaited**

Washington, Oct. 26.—(AP)—House received testimony today that the chairman of the Democratic campaign committee in California, John Clark, was a communist, and that three of the party's nominees for high office had communist connections.

H. Knowles, chairman of the radical tesearch committee of the California American Legion, appearing before the Dies committee, listed these candidates:

"Culbert Olson for governor, who fraternizes with and accepts the program of the strategy committee of the committee of the communist par-

"Sheridan Downey, for United States senator, a running-mate of Communist Upton Sinclair in 1934."

Knowles' testimony came shortly after the committee had been rebuked by President Roosevelt for allowing itself to be used in what he called an "unfair and un-American attempt to influence an election" in Michigan.

Chairman Dies, Democrat, Texas, took sharp exception to the presiden-tial assertion, and then proceeded to let Knowles testify about communist political operations on the coast.

In a formal reply to Mr. Roosevelt, the Texan charged that cabinet mem-

bers were a party to a campaign of "misrepresentation, ridicule and sarcasm" against the committee.

Other developments:
President Roosevelt's efforts to end a shortage of aircraft mechanics gave fresh emphasis to reports that the will include a substantial increase in number of aircraft mechanics. The election next month may be a

dose of poison for the unspoken hopes a great converging movement launch- of a few men who wouldn't mind be-

(Continued on Page Four.)

Greensboro Negro Woman Wins \$150,000

Greensboro, Oct. 26.—(AP)—The wife of Dr. C. C. Stewart, Greensboro Negro physician, was the holder of one of the seven tickets in the United States on Contrevent, winner of the race on which the Irish hospital sweep-takes is based, and was richer by \$150,000 today as the result of her good fortune.

The woman was offered \$5,000 for her ticket before the race, but declined to sell. She was in New York visiting her brother today

New Market, England, Oct. 26.-(AP)-Contrevent, French-bred threeyear-old, owned by Princess do Faucignoy-Lucinge, today won the 100th running of the classic Cesarewitch at two miles and a quarter, the race on whose running depended the distribution of about \$7,000,000 of Irish

J. P. Hornung's Dubonnet was second, and E. Benson's Fret third. Wil-

Contrevent started at a 100-to-seven shot, with Dubonnet also quoted at 107, and Fret at nine to one. The French horse finished a length and a half in front of Dubonnet.

MANY AMERICANS WIN BIG PRIZES IN DISTRIBUTION

New York, Oct. 26.—(AP)— Seven Americans won \$150,000 each today by holding Irish hospital sweepstakes tickets on Contrevent, winner of the Ceserwitch race at New Market, England. Seven tickets on Dubonnet, second place winner, were held in the United States and won \$75,000 each. Four tickets held by Americans on third place winner, placed \$50,000

Holders of tickets on Contrevent included "Lucky Dreamer," 427 Bennett street, Greensboro, N. C.

Relates How **Body Turns** Unconscious Chapel Hill, Oct. 26.—(AP)—One of

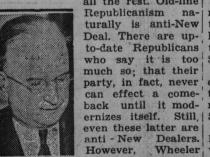
sweeps through a body.

said Burgin automatically became the a mandamus might be sought again The head is the last part to lose its "no-er." True, he approves New Dear a mandamus might be sought again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to lose its "no-er." True, he approves New Dear again the head is the last part to

FOR NORTH CAROLINA.

Vast Spread Unlike Other In Tax Rates New Deal Foes In This State

By CHARLES : STEWART Central Press Columnist Washington, Oct. 26.—Senator Bur-



Burton says accurately that he for-merly was spoken of as a wild (Continued on Page Six.)