

Record Spending Program Requested By Roosevelt

HENDERSON'S POPULATION 13,873

Henderson Daily Dispatch 8 PAGES TODAY

TWENTY-SIXTH YEAR

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HOEY GIVES LEGISLATURE 19 PROPOSALS

Frankfurter Is Named To U. S. Supreme Court Opposes Ban On Diverting Road Funds

Pope Given TVA Post In FDR's List

Hanes in Treasury Job and Hancock on Home Bank Board, Both Tar Heels, Included in Batch of Nominations With Hopkins and Murphy

Washington, Jan. 5.—(AP)—President Roosevelt nominated to the Supreme Court today Felix Frankfurter, the Vienna-born son of Jewish parents, who is nationally known as a "liberal."

The 56-year-old Harvard law professor, who has exerted an indirect influence on the New Deal through students sent into government service from his class rooms, was named to the vacancy created by the death of Justice Benjamin Cardozo.

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Authoritarian Government For Japanese

Tokyo, Jan. 5.—(AP)—The fascist 73-year-old bachelor Baron K. Hiranuma formed a highly authoritarian government today, with completion of a cabinet that included the resigning premier, Prince Fumimaro Konoye.

Prince Konoye became minister without portfolio, a new post, and most of his cabinet officers remained in the new government, which is expected to impose increasingly strict control of economic life, seek to consolidate Japanese conquests in China and bring all political parties into a single nationalist group.

The new cabinet was installed by Emperor Hirohito at the palace early tonight. Konoye also was installed as president of the privy council.

Legislature Votes For A Session In Charlotte

Raleigh, Jan. 5.—(AP)—Governor Hoey laid down a broad legislative program in 19 specific recommendations to the 1939 General Assembly today shortly after the legislators had voted to hold a one-day session later in Charlotte.

In brief meetings before Governor Hoey spoke to the entire General Assembly, the House and Senate adopted a resolution introduced by Representative Vogler, of Mecklenburg, to meet in his county in commemoration of the signing of the Mecklenburg Declaration of Independence.

New Deficit Means Unprecedented Debt Above \$44 Billions

Vast Sums for National Defense Asked by President, Who Advises Against "Violent Contraction" of Spending or "Drastic New Taxes"

Washington, Jan. 5.—(AP)—President Roosevelt asked vast sums for national defense today in a multi-billion dollar budget that projected another deficit and an unprecedented public debt of \$44,458,000,000 in 1940.

New Jap Premier?



Baron Kiichiro Hiranuma, ardent militarist and President of the Privy Council, is said to have led the successful fight that ended in resignation of Japan's cabinet. Hiranuma's party is considered one of the most radical nationalist groups.

Insurgents Push Nearer To Barcelona

Hendaye, France, Jan. 5.—(AP)—The Spanish insurgents announced officially today that General Franco's legionnaires had fought their way into the outskirts of Borjas Blancas, southern key to the government defense line in eastern Spain. Unofficial reports reaching the French frontier said Franco's forces had already captured the little city in some table land of southern Lerida province.

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GOVERNOR HOEY

FDR Speech Scorned By Dictators

Message to Congress Preached Hatred, Germans Say; Democracies Generous In Praise; Europe Thinks It Momentous Utterance Here

London, Jan. 5.—(AP)—The German press scorned President Roosevelt's defense address today, charging it preached "hatred," while the democracies gave praise, and one of the important British newspapers lamented that the "challenging denunciation of dictatorships" was not made by its own head of government.

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Non-Maturing U. S. Bonds Is Eccles' Plan

By CHARLES P. STEWART, Central Press Columnist

Washington, Jan. 5.—Chairman Marriner S. Eccles of the Federal Reserve System's governing board, answering Senator Harry F. Byrd's expressions of alarm over continued federal spending of borrowed money, says in effect that our national debt need not necessarily ever be paid off.

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WEATHER FOR NORTH CAROLINA

Partly cloudy tonight and Friday, with some rain in east portion this afternoon and tonight.

Hoey Recommendations

Raleigh, Jan. 5.—(AP)—Governor Hoey told the legislature today that he had "no mandatory measures" and did not expect to point out any particular bill as "forbidden."

(Continued on Page Eight.)

Money Committee Heads Are Picked

Raleigh, Jan. 5.—(AP)—There were indications this afternoon that Speaker Ward of the House of Representatives, had decided that Representative Fenner, of Nash, and Caffey, of Guilford, would be chairman of the important House money committee.

Ward said he would not reveal any of his assignments before Monday.

Kannapolis Ex-Teacher Admits Theft

Kannapolis, Jan. 5.—(AP)—Police Chief Ira Chapman said today Herman B. Wisby, 37-year-old former city school superintendent, admitted he reported a robbery at the McKinley-Walden tire store here recently to cover up an inventory shortage.

Wisby, member of a prominent family of Abbeville, S. C., was manager of the store. He was arrested on a warrant charging embezzlement and bond was set at \$1,000. The warrant was signed by E. W. McKinley and W. W. Walden, owners of the store, Chapman said.

The police chief quoted Wisby as saying he reported the store had been robbed in an effort to hide a shortage at the store he feared would appear in an inventory planned this week.

State ABC Board Will Ask Changes In The State Law

Raleigh, Jan. 5.—(AP)—The State Alcoholic Control Board voted today to recommend to the legislature amendments in the liquor laws to reduce the bonds required for county boards and to give its investigators power to make arrests anywhere in the State.

River Committee Meets In Raleigh To Talk Drainage

Raleigh, Jan. 5.—(AP)—The drainage basin committee for the Roanoke-Chowan, Tar, Neuse, Cape Fear and Yadkin-Pee Dee river basins met here today to consider future needs in relation to stream pollution, water power, water supply and recreational uses of streams. The committee is under sponsorship of the National Resources Committee, and similar groups are studying drainage basin conditions throughout the country.

Urges Balanced Budget and Permanent Revenue Act, Election Reforms, 12th Grade in Schools, \$5,000,000 Road Bonds; State Retirement Act

- (1) Sixty increments for ten years for school teachers, instead of eight years as now.
- (2) Pay for teachers divided into 12 equal instalments, instead of monthly as they work.
- (3) Increased tuition in the colleges and universities operated by the State.
- (4) Provision of graduate and professional courses for Negroes at North Carolina College for Negroes and the A. and T. College.
- (5) A new statewide registration for primaries and elections.
- (6) Splitting of large voting precincts.
- (7) Return to electrocution for capital punishment, abandoning gas.
- (8) Giving juries and judges discretion in imposing the death penalty or life imprisonment for rape, arson.
- (9) A "permanent" state tax measure.

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Governor Is Seen Riding For A Fall

Adamant Stand Against Ban on Highway Fund Diversion May Lead Him To Defeat in Assembly; Road Bonds and Vote Reform Also "Thin Ice"

Daily Dispatch Bureau, In the Sir Walter Hotel, By HENRY AVERILL

Raleigh, Jan. 5.—Those who have ascribed to Governor Clyde R. Hoey a disinclination to take any stand inviting controversy were somewhat rudely jolted by His Excellency's address delivered today at noon to a joint session of the General Assembly.

This shock comes from the fact that several phases of the address landed the governor flatfootedly in the middle of enough controversy to keep debate going from now until Kingdom Come.

Without time for a very full and complete section by section analysis of the address, it is entirely obvious even to him who reads as he runs that the governor's stand is a matter of diversion of highway funds and a constitutional amendment banning that practice will start a legislative brawl of almost endless proportions.

His advocacy of a \$5,000,000 bond issue for improving primary roads of the State will also involve more than ordinary controversy; not so much because of opposition to such an issue, in principle, but because there will be those who want an issue of the same, or greater, size for secondary road improvement.

The gubernatorial stand against any modification of the sales tax, or any further exemptions under it, will likewise set some of the legislators raging.

Nor is the absentee ballot recommendation.

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Ward Might Offer Bryant Finance Post

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Jan. 5.—There may be rest for the weary on the other side of Jordan, as the old hymn goes, but there has been no rest for weary David Livingstone Ward, elected speaker of the House after one of the State's closest Democratic caucus fights on record.

Worn to a frazzle by the ding-dong campaign which resulted in his 54-52 victory over Victor Bryant, the Craven legislator had hardly more than time for a brief snooze and a shave before taking up the matter of committee assignments.

And therein will lie the real success or failure of Mr. Ward as presiding officer of the 1939 House. If his selections function with speed and ability, he will be hailed as a really outstanding North Carolinian. If they don't, it will be, in the vernacular,

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Geography Large Factor In Making Ward Speaker

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Jan. 5.—The official record shows that D. L. (Libby) Ward was selected as speaker of the 1939 House by two votes over Victor S. Bryant of Durham. But back of the record stands geography. Perhaps Bryant liked geography as a school boy, and maybe Ward didn't like it as a text book. If the opinion of many members, as expressed in post mortem conference, is correct, Libby Ward ought to love longitude and Victor Bryant ought to hate anything geographic.

Unquestionably the east-west rule was the chief of several minor factors which decided the very close contest.

Unlike other contests for the speakership in recent years, the "administration" was not an open issue. It was not one time mentioned in nominating and seconding speeches, even by inuendo, nor was it heard much dur-

ing the pre-caucus campaign. The governor had been emphatic in protestations of neutrality, if not of indifference. It was significant, however, that among Bryant's most active supporters before and during the caucus were numbered administration stalwarts; while most active in Ward's behalf were leaders of the Graham forces in the 1936 first primary.

The situation as analyzed by legislators yesterday and last night is that Ward's election cannot in any sense be termed an administration defeat, while Bryant's election might have been properly classed an administration victory. Consensus among members is that there will be little if any difference in the type of committees which would have been appointed by Bryant and those to be

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