

Joseph, Jr., who is in besieged Madrid. The 23-year-old adventurer reached the palatial but shell-scarred United States Em-bassy in the Spanish capital iast night from Valencia just as insurgent gunners ended a bombardment of the city. News about him was delayed

today because of communications difficulties imposed by war con-ditions on Madrid, whose only contact with the outside world is censored radio. Ambassador Kennedy last night

disclosed that Joseph, Jr., left London Saturday and said his son "is just looking around". The am-bassador returned here from the United States on Wednesday.

Vote Reform Threatened By Delaying

Committees Unable To Agree on Exact Measure To Eliminate House Debate Absentee Abuses

sion

Washington, Feb. 17.—(AP)—The House Rules Committee cleared the way today for the House to begin consideration Monday of legislation to extend the life of the Reconstruc-tion Finance Corporation and its affiliated agencies

As approved by the House Bank-ing Committee, the legislation would continue the RFC, the Commodity Credit Corporation, the Export-Import Bank and the Electric Farm and Home Authority to January 15, 1941. Existing law provides for their ex-piration June 30.

The legislation also would increase the capitalization of the Disaster Loan Corporation from \$20,000,000 to \$40,000,000 and make it available to aid victims of disasters occurring after December 31, 1938, the present limit.

Republicans on the banking com-mittee served notice they would offer amendments to charge the pro-posed expiration date of the RFC and its affiliate from January 15, 1941, to June 15, of that year. The Senate approved yesterday a bill to extend the RFC until June 30,

1941. Other developments: Envoy Talks to Committee. Hugh Wilson, ambassador to Ger many, testified at a profoundly secret meeting of the Senate Military Com-

Raleigh, Feb. 17.-(AP)-Repre-

(Continued on Page Six.)

Brussels, Belgium, Feb. 17.-(AP)—Belgian police and firemen today stormed the Spanish gov-ernment consulate building and

"I'd rather be a mill worker here than King of Italy," said Frank Rusoti, mill worker, of Kalamazoo, Mich., as he clasped flag to his breast. He renounced an Italian fortune rather than forfeit citizenship. To inherit father's estate he would have to live in Castel Mona, Italy.

the



Tokyo, Feb. 17.—(AP)—United States Ambassador Joseph Grew today asked the Japanese government for an explanation of the Japanese navy occupation of Hainan, Chinese Philippine islands.

'I'ne request was made orally in an Arita and followed by a few days similar requests by the French and British ambassadors to Tokyo.

It was understood that Arita's reply was similar to these he gave Monday and Tuesday to Charles A. Henry and Sir Robert L. Craigie, French and British envoys, respectively, that the occupation was for military purposes and also to tighten the Japanese navy's blockade of the Chinese coast.

At the same time, a Domei (Japanese) News Agency dispatch said the Japanese Foreign Office was opening a consulate general on Hainan, one of its representatives planning to leave Canton tomorrow for that purpose.

This move was interpreted here as an indication that the Japanese in-tended to make their occupation of the island a long one, with possible establishment of business and other interests, not military alone. (Japanese last Friday began their occupation of Hainan, an island of 13,166 square miles, and separateo from the Chinese meinland by Hei

cient Capital of Ma- 13,166 square miles, and separated from the Chinese mainland by Hai-

drid Under Heavy In-surgent Shellfire; nan strait, 15 miles wide at its nar-rowest point. (The United States destroyer John D. Edwards returned from the island Government President Azana Winning Bat-



Count Paul Teleki

Following resignation of Bela Im-redy as premier of Hungary because he discovered his grandmother was Jewish, Count Paul Teleki was requested to form a new cabinet. He is former minister of agriculture. (Central Press)



Meeting Rome, Feb. 17.—(AP)—Rumors that a demented man had shot a guard at Premier Mussolini's home,

the Villa Torlonia, in an apparent attempt on Il Duce's life last Wednesday spread in Rome tonight. Officials first denied there was any truth to the rumors, then said they could neither confirm nor deny them.

The most persistent version of the several rumors was that a man loit-ering outside Il Duce's estate was asked by a guard to identify himself. Thereupon, the report said, the man drew a pistol from his trousers pocket, said, "Take this to your master," and shot the guard in the groin.

According to this version, the shooting occurred shortly after the fascist grand council meeting Wed-nesday night, at the Palazza Vene-zia, where Mussolini has his down-

town offices. The rumor said that the man was arrested immediately by other guards on duty outside the grounds in the villa, and that he was found to be a recently released inmate of an asylum.

Very Urgent an asylum Uniformed guards and detectives in plain clothes are constantly on duty a short distance from the park around Mussolini's villa, which oc-cupies an entire block, surrounded by a high stone wall. Closely spac-ed lamps along the wall fload the ed lamps along the wall flood the

(Continued on page six)

And King

Pay Homage

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

Raleigh, Feb. 17.-Leisurely progress to date of the House Commitice on Elections and Election Laws is beginning to be a serious menace

to final enactment of any worthwhile legislation on election reform at this session.

ously assailed a bill to provide pay-ments to W. S. Williams, of Nash Not that Chairman George W. Phillips hasn't done his best to keep county, of \$347.25 for damages suffered from a school bus accident. things moving; not that the committee members haven't been faithful The bill passed. attending called sessions; and not that the sub-committee appointnot that the sub-committee appoint-ed some time ago hasn't functioned damages," contended Pickens. "We as rapidly and smoothly as circum- should authorize the School Com-

mission to pay this if justified. stances permit. The reason little has been done is two-fold. There are so many con-flicting opinions to reconcile, and there is such a powerful bloc that He said that if the bill passed, the doesn't want to see anything done State should have a general statute that it has been almost humanly impossible to get along any faster timate claims in tort actions." than the committee has moved.

an the committee has moved. Abernathy, of Nash, read letters Conceding all this, however, it is from the State School Commission clearly realized by Chairman Phil- and Nash county superintendent of lips and by such sincere advocates of effective action as Odus Mull, J. B. Volger and Frank Taylor. education saying the claim was justified. He was supported by Fenner, of Nash, and Moore, of Wil-

At yesterday's session, for ex- son. ample, all members of this quartet

There was no major action during



Rift Developing Among Money Committee Groups

Finance and Appropriations Members Accusing Each Other of Balking Quick Agreement, While Some of Both Are Sore at the Governor Bailey Asks Huge

Hoey.

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

Raleigh, Feb. 17.-Legislative tem-Of course, none of this has yet passed the bounds of legislative courpers are getting just a bit frayed at the edges as time passes and the goal of a balanced budget seems to get tesy and it isn't possible for its corfarther and farther away instead of respondence to quote Senator Joe Doakes, of the appropriations comnearer and nearer.

As a result, it is not at all difficult to detect a widening rift between the two money committees, finance and of finance, is a fathead, a tool of the interest a barried tool of the two money committees, finance and appropriations, which rift is just as much emotional as financial. In plain English of few syllables, members of each committee are beginning to blame members of the other for all the ills, ailments and difficulties of the blame the budget is a fathead, a tool of the interests, a horned toad or almost anybody who'll listen, "off the rec-ord," that it's entirely appropriations fault that the budget isn't balanced; while on the other hand almost any the ills, ailments and difficulties of the budget isn't balanced; appropriations man will whisper into appropriations man will whisper into the General Assembly, the budget almost any confidential ear that if the finance committee would just do and mankind in general. Likewise and as a to-be-expected its duty and raise enough money

corollary to this feeling, there are also evident signs that some men-

(Continued on Fage Four)

bers of both committees are getting

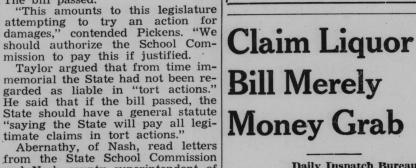
decidedly sore at Governor Clyde R.

Passing the Buck.

On Damages In ejected insurgent sympathizers who had seized it in an early School Crash

morning coup. Police climbed fire ladders to get into the building after the in-vaders had defied attempts of authorities to oust them. Eight men surrendered to police sentatives Taylor, of Wayne, and Pickens, of Guilford, today vigor-

and were taken to the Palace of Justice. They had seized the build ing from its care-takers, and, shouting "Vivi Franco", had raised the colors of Insurgent General Franco to its flagstaff.



Daily Dispatch Bureau, In the Sir Walter Hotel. BY G. LYNN NISBET.

Raleigh, Feb. 17.-Although they very definitely were not pleased with nant Colonel Lister, were returning the bill, every speaker against the

Umstead liquor warehouse proposal was glad that Senator Umstead had presented figures and photostatic copies of original orders for liquor to be shipped into dry territory in North Carolina. Mr. Umstead thought when he offered this evidence that it showed a demand for the liquor, and further that it was a foolish waste of money to let this liquor come in and be sold and no-body but the bootleggers profit. Dut where Margare Simms

But when Messrs. Burgess, Simms

and Barton got through thanking him for bring these pretty pictures, he didn't know just what they prov-

(Continued on Page Six.)

Tar Heel Damages

Washington, Feb. 17.-(AP)-Senator Bailey, Democrat, North Carolina, introduced a bill today for payment of \$44,000 to Julian S. Mann, of Middletown, N. C., for damages from a forest fire in 1931 allegedly caused by the Bu-reau of Biological Survey in Hyde county, N. C. Bailey also introduced two

other private bills, including one for the payment of \$11,511 to W. B. Tucker, \$1475 to Helen W. Tucker, \$546 to Lonnie Meadows and \$1,192 to Susie Meadows, all of Louisburg, N. C., for injuries incurred when an automobile collided with a soil conservation truck in 1936.

tle for Peace

Perpignan, France, Feb. 17.—(AP) —The Spanish government started ne evacuation of children from occupied.) New York Man Is

at \$2,500.

Madrid today under a rain of shells from insurgent guns. Government re-ports said six persons were killed and 20 wounded yesterday in bombardments inflicted daily on the city since Premier Negrin installed his cabinet there February 12. One hundred children were sent

into Albacete province, southeast of Madrid, and many more were to fol-low as soon as their transfer could be arranged.

There have been several attempts to evacuate the capital during critical moments of the war, but its population remains about the peace-time level of 1,000,000, with troops of manslaughter. coming in to replace civilian resihis patrolmen, J. C. Haithcock, dents who have reluctantly left their swore out the warrant before a magistrate who fixed bond for Rubin

Large scale reorganization of both government and insurgent lines con-tinued on the Madrid-Valencia front. While insurgent forces were mov-

side of the highway when it crash ing down from the conquered proed with another machine resulting vince of Catalonia, the government's most celebrated leaders, like Lieutein fatal injuries to E. E. Ulser, of Lewistown, Pa. The case, Captain

Farmer said, will be heard in Frankfrom the north to resume their comlin county Superior Court. mands in the central zone. Efforts to reach the sheriff, jailor or court officials at Louisburg by Paris reported, meanwhile, Presi-

dent Manual Azana, of government telephone this morning met with no results.

surgent General Franco.



Near Fayetteville; One Badly Burned

Central Press Columnist Fayetteville, Feb. 17.—(AP)—W. G. Gordy, of Laurel. Del., was burn-ed to death and Charles Larimare, of Bethel, Del., was burned critical-ly today when their truck overturn-ed at a bridge on the Fayetteville-Pactor d birby condition in the dor Washington, Feb. 17.-Democratic managers are just getting fairly at the task of assessing the damage resulting from the recent controversy between President Roosevelt and

Raeford highway earlier in the day. Larimare was brought to a Fayette-ville hospital, where attaches de-scribed his condition as serious. The truck, headed south, over-

turned and caught fire at a bridge over a creek at the foot of a downhill curve near the Cumberland-Hoke county line.

WEATHER FOR NORTH CAROLINA.

Mostly cloudy, light showers Saturday and possibly on the coast late tonight or Saturday; warmer tonight and in east Saturday.

by the Japanese last week, were safe.

The patrol officer said Rubin had

admitted his car was on the wrong

Split Among

By CHARLES P. STEWART

(Fifteen other Americans were in Crop Kachek and Nodoa which a Shanghai dispatch said the Japanese still had

Charlotte, Feb. 17.—(AP)—Oscar Johnston, of Scott, Miss., asserted in an address here today that the cotton industry must make a unit-Held In Franklin cotton products. For Fatal Crash

"We can accomplish our objec-tives," he said, "only if we have com-plete cooperation between the groups man listed as A. O. Rubin, of Mount Vernon, N. Y., so far as he knew, still is being held in the Franklin county jail at Louisburg on a charge

(Continued on Page Eight.)

DATA ASSEMBLED ON STATE'S AIR ROUTE

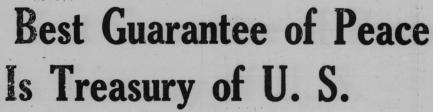
Raleigh, Feb. 17.—(AP)—L. H. He wore a gray uniform and over-Duncan, secretary of an association coat of the fascist militia. Tenn., said today the brief setting as did few others because of the cold. forth the need of the service had The king and queen were flanked nautics Authority.

Rome, Feb. 17.— (AP) —Premier Mussolini and his ministers, and King Victor Emmanuele and Queen Elena attended a special funeral mass for Pope Pius XI today, the first such tribute by the Italian

The day was one of official mourning for all Italy. The mass, attended by less than 2,000 persons, was celebrated in a 340-year-old church. The king, clad in gray green army uniform, and carrying a sword, and the queen in black, with a long lace veil, sat on a dais draped with goldtrimmed crimson tapestries. At the front of the dais was a prayer bench, where they knelt from time to time. Premier Mussolini sat alone opposite and below the sovereign. His ministers were arrayed behind him.

of cities seeking an air mail line from Norfolk, Va., to Knoxville, Duce's chair, but he did not use it,

been completed and would be sent by their diplomatic corps and that to air lines probably next week, and accredited to the holy see. United then would be laid before the Post Office Department and Civil Aero-was in the front row next to the was in the front row next to the British ambassador.



Dollar Soundest Investment in World if Wild Spending Is Stopped Now, Babson Says; Total Debt in U. S. No Greater Than in 1929

BY ROGER W. BABSON, Copyright 1939, Publishers Financial Bureau, Inc.

United States. Yet, after six years of strongest currency on earth.

latter is true. I am also positive that

only a spiritual revival can save us

from eventual trouble. Here, however, are eight reasons why our dollar is still good ,despite our mam-

St. Petersburg, Fla., Feb. 17.— Since 1933, nearly every economist, including myself, has predicted that we would have phoney dollars in the including the phoney dollars in the we would have phoney dollars in the including the phoney dollars in the phoney dollars in the including the phoney dollars in the phoney dollars in the including the phoney dollars in the phoney doll been a \$30,000,000,000 gain in Fedthe wildest spending spree on record, eral debt, but private debt has been the American dollar is today the cut an almost equal amount. Private debt, however, is a lesser eveil. Pri-

Furthermore, few economists are vate debt is a lien on definite comnow worrying about it. Can it be panies, a mortgage on definite homes that they were all mistaken? Will a load on the backs of definite in-our dollar continue sound? Or have dividuals. Private debt is paid off or certain factors intervened to save us settled because it is an individual's temporarily? I strongly feel that the responsibility; public debt is seldom

(Continued on page six)

incidental distruction. That there would be considerable was all they could be sure of. The other day, however, the dust having settled a little, the basses

called a party caucus to consider the situation. A major party caucus is quite an event. When one is called it means that that party has something on its mind to think about super-seriously. A caucus is more or less confiden-

(Continued on Page Six.)

Senators Glass and Byrd over the Virginia federal court appointment. While it was raging the excitement was such that bystanders could not accurately estimate the extent of the

Now Alarming

ed drive to increase the world consumption of American cotton and Scott, president of the National Cotton Council, spoke to an audience here in the Chamber of Commerce Raleigh, Feb. 17. —(AP)—Cap-tain Charles Farmer, of the State Highway Patrol, said today that a auditorium. state.

within the industry, and if we are adequately financed. We must fight for our foreign markets. We must make every conceivable effort to Captain Farmer said that one of