Poland Rejects Hitler Demands

Committee Approves Anthracite Bill For Drafting Men Defer Capital During War New Strike

Find Body Of Pendergast's Business Man

Kansas City, May 5.—(AP)—The body of Edward L. Schneider, 46, missing business aide of Boss J. T. Pendergast, was pulled from the Missouri river today. Schneider's motor car. containing two suicide notes, was found. Monday on a Missouri river. found Monday on a Missouri river

dergast obtained money from busiinterests under Schneider's

Kansas City water department's intake, about two and a half miles tax. downstream from the Fairfax bridge,

seven Pendergast business enter-prises, disappeared Monday at about the same time Pendergast appeared in Federal court and pleaded in-nocent to federal charges of evad-ing taxes on \$443,500 income in 1935

In the automobile were found two notes, one addressed to his wife, and the other to a friend, Phil Abry. Both indicated suicide, but United States District Attorney M. Milligan at once expressed a doubt. He ordered an immediate investigation "to ascertain whether his disappearance is a hoax, a suicide, or that he met foul play."

tee recommended Senate passage of the increased appropriations decided on yesterday by a sub-committee after weeks of hearings.

More than \$900,000,000 of the fund

Missing Yacht Is **Hunted off Coast** North of Norfolk

Norfolk, Va., May 5.—(AP)—A coast guard cutter and patrol plane resumed search today for a missing yacht reported in distress off the Virginia coast Saturday. The yacht, believed to be the Caprice, owned by John F. Welch, of Buffalo, re-ported to a passing ship it had lost its rudder. Coast guard cutters, however, were unable to locate the ship in a wide search off the North Carolina and Virginia coasts, and officials asked the aid of a plane from Floyd Bennett field.

The hunt today was concentrated in the area 160 miles off Cape Honlopen, Delaware.

Gasoline Tax Nears Record Top In State

Daily Dispatch Bureau, In the Sir Walter Hotel. Raleigh, May 5.-North Carolina's collection of rallonage tax on gasoline, apparently well on its way to new record high, is quite likely to reach an average of two million a month for the fiscal year which will end June 30, according to estimates based on collections for the ten months ended April 30.

If collections average for the May and June what they averaged for these first ten months, then the final figures will be well above \$24,000,000 while if collections for May and June are no greater than for the same two months of 1938 the final feeble rally gave way before the same two months of 1938 the final feeble rally gave way before the returns will miss the \$24,000,000 lightest kind of selling. While here by something like half a million.

39 collections reached \$20,191,048.29, as compared with \$19,379,442.52 for the corresponding period in the pre-

If the average monthly collections are maintained, the year would show \$24,229,247 for the year; but collections for May and June are usually something short of the usual monthly average. In the final two months of 1937-38 gasoline tax collections amounted to \$3,367,590. If the same sum is taken in this year during the two months, then the twelve month total will reach \$23,-558,638. In view of he general increase throughout the entire year, it is logical to assume that this May and June will show a somewhat higher, total. The general rate of

(Continued on Page Four)

Under "Wealth Census", on Basis of Tax Returns, Citizens Would Be Forced To Buy Cheap Bonds: AAA Funds Hiked

Washington, May 5.—(AP)— The Senate Military Committee approved today a bill to permit the government to draft capital in event of war.

Sharply

On the preceding Friday he tes- Lee, Democrat, Oklahoma, would call tified before a Federal grand jury for a "wealth census" in the event of which the following day indicted any defense emergency in which the Pendergast on income tax evasion charges. The indictment alleged Pendergast on income tax evasion drafting of manpower was involved.

On the basis of this census notice of the page of On the basis of this census, citizens would be required to buy 50-year war loan bonds bearing one percent Workmen found the body near the would be fixed on a graduated scale interest. The amount to be bought similar to that used for the income

where the automobile was abandon- to \$10,000 for instance, would be re-A person with net wealth of \$1,000 ed. The body was identified by a signet ring bearing the initials, "E. wealth on the bonds. The percentage L.S." on a finger of the left hand.

Schneider, secretary-treasurer of wealth in excess of \$100,000,000. The committee action was taken

without dissent, Lee said. The Oklahoma senator declared: 'This measure does not call for a confiscation of wealth, but for a

forced loan.' Huge Farm Bill.

Sweeping aside economy pleas, the Senate Appropriations Committee approved a farm bill totaling more than \$1,215,000,000. The full committee recommended Senate passage of

would be used in efforts to improve

won increases of more than \$375,-000,000 over farm funds approved by the House when it passed the annual supply bill more than a month ago. The Senate has passed and sent to the House a bill to authorize the sec-

retary of war to transfer certain sec tions of the Morehead City, N. C target range to the Treasury, to be used as a target range for the United States Coast Guard. When the Treasury ceases to use the property it reverts to the War Department. The Senate has approved and sent to the House a bill to authorize the President to designate August 19 of each year as "national aviation day."

The day will commemorate the birthday of Orville Wright, who made his first flight in an airplane 36 years ago at Kitty Hawk, N. C.

Fayetteville Man Gets Prison Term

Fayetteville, May 5.—(AP)—Lenward Hair, young Fayetteville man who entered a plea of guilty yesterday to second degree murder in connection with the fatal shooting of Police Officer W. J. Genes was sentenced this morning by Superior Court Judge J. J. Burney to serve from ten to twelve years in State's

Stock Rally

New York, May 5.—(AP)—Stock market traders today were unable to and there resistance spots were in A total for the year of well above evidence, leaders generally were \$23,000,000 seems absolutely assured, as compared with last year's then record total of \$22,747,032.

For the first ten months of 1938
The first ten months of 1938
The first ten months of 1938
For the first ten months of 1938
The first ten

| n I | Transfers were less than 350,000 | DI MOGRA W. DINDOM, | |
|-----|--|---|-----|
| | shares. | Copyright 1939, Publishers | 1 |
| | American Radiator 11 7-8 | Financial Bureau, Inc. | 1 |
| | American Telephone 158 1-2 | Babson Park, Mass., May 5.—There | 1 |
| r | American Tob B 82 1-4 | is no sign of peace this year between | |
| | Anaconda 23 3-4 | Mr. Green and Mr. Lewis. From 1935 |] |
| | Atlantic Coast Line 18 1-2 | through last fall the C. I. O. group | 1 5 |
| 0 | Atlantic Refining 19 1-4 | steadily gained ground on the A. F. | |
| 6 | Bendix Aviation 22 1-8 | of L. A year and a half ago Lewis | 1 |
| 1 | Bethlenem Steel 58 | was so strong that he threatened to | |
| 0 | Chrysler 67 7-8 | merge the less picturesque A. F. of | |
| 1 | Columbia Gas & Elec 6 1-4 | L. into his C. I. O. Cagey old Wil- | |
| 11 | Commercial Solvents 10 1-4 | | |
| | Continental Oil Co 7 5-8 | | п |
| | Curtiss Wright 5 7-8 | Meanwhile, the breaks began to go | |
| 11 | DuPont | against the C. I. O. and Lewis has | |
| r | Elec Pow & Light 5 7-8 | | |
| e | General Electric 34 7-8 | ever, he is not yet licked by any | |
| | General Motors 44 1-4 | means. Moreover, if a consolidation | Е |
| | Liggett & Myers B 103 1-2 | ever takes place, I do not think either | II. |
| r, | Liggett & Wyers B 46 1-2 | Green or Lewis will be in the saddle. | П |
| y | Montgomery Ward & Co 46 1-2 | The law of action and reaction | |
| it | Reynolds Tob B 36 1-4 Southern Railway 14 3-8 | works in human relations just as it | п |
|)Í | Standard Oil N J | does in physics and in economics | П |
| | U S Steel | The public is hadly fed up on the | I |
| | U S Steel 41 1-0 | The public is hadry led up on the | • |
| | | | |

But Soft Coal Industry Is Further Tied Up by Walkout of 95,000 More Miners

New York, May 5.-(AP)-Bituminous operators and representatives of miners (CIO) agreed today to appoint committees to confer with Dr. John Steelman, of the Federal Labor Department, in an effort to end their long deadlock over a new labor contract.

New York, May 5.—(AP)— The joint conference of anthracite miners and operators agreed today to extend until May 13 the present contract, thus averting a threatened work stop page in the industry, which was to have started this week-end.

The contract expired last April 30. Today's action was the second extension, pending further negotiations on a new contract, which has been in session since April 18. The conferences thus far have agreed on onone of the 28 demands made by the union, and 12 counter-demands proposed by the operators. The goal a two-year contract to expire April 30, 1941. Approximately 100,-000 workers are affected by terms of the contract.

paralyzed further by the walk-out of 453,000 the number of men who are last well into the following week. idle. In addition, 5,000 others were Dr. O. Grant Markham, of Ne. ready to join the walkout by mid-

night tonight. The walkout, bringing a coal short-1922, when 500,000 men were out from April 1 to September 16.

response to orders from John L. Lewis, head of the United Mine Workers of America and the CIO, after two months of negotiations with bituminous operators collapsed yesterday.

Buying Helps Cotton Higher If convention funds are insufficient to pay delegates \$4 a day, Dr.

New York, May 5.—(AP)—Cotton than due cables and opened one to two points lower. Offerings came from hedges, selling by the South and Bombay, while the trade and and Bombay, while the trade and Raleigh, May 5.—(AP)—Chairman Wall Street bought. Prices eased up Cutlar Moore, of the State ABC

BY ROGER W. BABSON, Copyright 1939, Publishers

Labor Peace Not Likely

When It Does Come, AFL Will Be Chief Win-

ner at CIO's Expense, With Both Green and

Lewis Eliminated; Consumers Against Coal

of L. A year and a half ago Lewis This public reaction is, therefore, hav

was so strong that he threatened to ing its effect on Lewis's power. What merge the less picturesque A. F. of
L. into his C. I. O. Cagey old William Green, however, called time out

The table the less picturesque A. F. of
the has happened the past week brings this out clearly.

Recession Slows Down C. I. O.

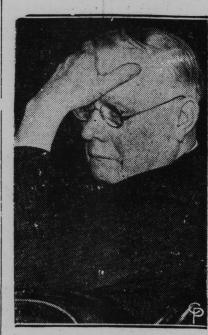
against the C. I. O. and Lewis has jolts. The widespread lay-offs in the

since been on the defensive. However, he is not yet licked by any means. Moreover, if a consolidation ever takes place, I do not think either the since been on the defensive. However, he is not yet licked by any means. Moreover, if a consolidation ever takes place, I do not think either the since been on the defensive. However, he is not yet licked by any means. Moreover, if a consolidation ever takes place, I do not think either the since been on the defensive. However, he is not yet licked by any means. Moreover, if a consolidation ever takes place, I do not think either the since been on the defensive. However, he is not yet licked by any means. Moreover, if a consolidation ever takes place, I do not think either the since been on the defensive. However, he is not yet licked by any means. Moreover, if a consolidation ever takes place, I do not think either the since been on the defensive. However, he is not yet licked by any means. Moreover, if a consolidation ever takes place, I do not think either the since be a subject to the subje

works in human relations just as it ing-down period of business better

| | Open | (|
|----------|--------|---|
| May | . 8.52 | |
| July | . 8.23 | |
| October | . 7.73 | |
| December | . 7.56 | |
| January | . 7.58 | |
| March | . 7.54 | |

Headache?



William Green, president of the American Federation of Labor, holds his head in his hands as he sits on sidelines at Senate education and labor committee's hearing on possible revision of the Wagner Labor Act, in Washington.

Methodists, Money Short, To Quit Soon

Kansas City, May 5.—(AP)— Dwindling funds forced the Metho-dist Uniting Conference today to move up its adjournment date to next Wednesday, May 10. No defi-Meanwhile, the nation's soft coal nite adjournment time had been set industry, stagnant since April 1, was previously, but conference programs had been planned through Sunday, 95,000 additional miners, bringing to May 14, and the session expected to Dr. O. Grant Markham, of New

York, conference treasurer for the northern branch, reported "avail-bble resources" indicated a \$5,000 age sharply to the fore, was the big-gest stoppage in the industry since taken Wednesday. taken Wednesday.

Despite their financial situation, the Methodists hope to complete the The 95,000 men who quit the mines bulk of their business, leaders said farmers' incomes and purchasing The 95,000 men who duit the limited bulk of their bulk of the conference work is pro-"The "declaration of union" service, climax of the meeting, had been set for next Friday night.

Dr. Markham said he based his financial estimate on an allowance of \$4 a day for each delegate. Prior to the conference, he explained, officials had "assumed" expenses would be \$3 a day. But there are 900 delegates for the three branches—northern, southern and Protestant.

If convention funds are insuffi-

Markham said, they would be given traveling expenses, plus a prorated sum for their living costs here.

futures responded partially to lower WOULD MAKE BUYERS PAY TAX ON LIQUOR

a point or two, holding around pre- board, said today three counties had vious closing levels around mid- petitioned the board to allow them to pass on to purchases an increase of Futures closed five to eight points one and one-half percent in sales tax at 10:46 a. m. higher; spot nominal; middling, 9.31. on liquor which became effective One newsma

Close May 1. 8.61 New Hanover, Greene and Beaufort boards filed petitions, he said, 7.82 for consideration by the State board 7.64 here May 23, 24 and 25, when it 7.63 meets to compile price lists for the 7.63 quarter starting July 1.

C. I. O. and its tactics. Lewis's move-

ment, popular when it started, has

seem less obnoxious than those used by the more youthful C. I. O. crowd.

the Lewis unions some more bad

automobile and steel centers have

Uncle John's new unions. Their fin-

ances can stand the gaff of this slow-

(Continued on Page Four)

Idea for British-French-Russian Guarantee of Baltic States "Sound in Theory," However; Polish Course Backed In London

London, May 5.—(AP)—The British cabinet's foreign affairs commit-tee today approved a note to Soviet Russia saying Moscow's propopsals for a broad British-French-Russian guarantee of the Baltic and Black Sea states was "sound in theory, but not practical at the present time."

Meanwhile, the British government fully endorsed Polish Foreign Minister Beck's offer to negotiate with Germany on a basis of praceful in

Germany on a basis of peaceful intentions and methods, while Prime Minister Chamberlain told the House of Commons he hoped for success in British-Russian security talks.

In quarters close to the government, the view was expressed that Beck, in his address to the Polish Parliament, had defined Britain's as well as Poland's position that the Danzig problem can be settled peacefully if Germany genuinely desires to negotiate on a basis of equality. His firmness, on the other hand, ir refusing "one-sided concessions," also was considered to reflect the views of Britain and France, both of whom have promised to help Poland resist

any threat to her independence. Beck's speech was regarded in both government and diplomatic quarters as firm but conciliatory, and designed to show an unprovocative attitude on Poland's part.

An informed government source described it as "calm and soundly argued." This source said it had the full approval of the British government. The foreign office, however, said it had not received an advance

Negro From Cabarrus Is **Executed**

Raleigh, May 5.— (AP) —James Dixon, 38-year-old Cabarrus county Negro, died by gas at State's Prison today for the murder of his wife October 9, 1938.

The Negro entered the death cham ber at 10:29 a. m., and the gas switch was thrown at 10:31 a. m. Gas was administered 14 minutes, 42 seconds, before Dr. Felda Hightower, prison physician, pronounced the man dead and had them translated quickly by

One newsman witnessing his first execution fainted.

Dixon's confession that he got an axe and waited two hours for it to stop raining before he hit his wife in the head with it proved premeditation, the State contended. He set his house afire after killing his wife. The boay had not been claimed, Warden H. H. Wilson said.

Atty-General This Year, Babson Thinks Swamped For New Rulings

Daily Dispatch Eureau, In the Sir Walter Hotel. Raleigh, May 5.—Attorney General Harry McMullan is as busy as the proverbial one-armed paper hanger with the w. k. disease for which scratching is about the only relief. Things keep piling up so fast that

Financial Bureau, Inc.

Babson Park, Mass., May 5.—There is no sign of peace this year between Mr. Green and Mr. Lewis. From 1935

made enemies of many former friends. While the public is not in love with the A. F. of L., at least the methods used by Mr. Green's group work, here are a few of the things work, here are a few of the things he's wrestling with:

(1) The High Point power issue. The point is whether or not the State ought to get into this action in order to preserve its claims to control of Recession Slows Down C. I. O.

The business recession has given agression. Mr. McMullan must keep his eyes and ears open for every development in the some three or four pending suits in connection with the

(Continued on Page Two)

Weather FOR NORTH CAROLINA Partly cloudy tonight and Sat-urday; slightly warmer tonight.

Soviet Plan Door Is Left Open Impractical, By Beck's Address London Says For Peaceful Talks

mands "One-Sided"; Unwilling To Accept Peace at Any Price, But Only With Honor; Hitler Wants Danzig and Right-of-Way Across Corridor

Warsaw, May 5 .- (AP) -Poland's Colonel Joseph Beck replied to Germany today with firm rejection of Adolf Hitler's demands for Danzig and a wide German right of way through the Polish corridor, but left the door open for further "peaceful nego-

tiations."

Hitler Maps **Next Move**

Calls in Danzig Leaders To Study Course

After Polish Foreign

ods of action," and only as regards matters not directly affecting Polish sovereignty over the corridor and her right in Danzig.

Memorandum to Berlin

A memorandum to this effect, Beck announced, was being delivered today to the German Foreign of fice in Berlin After Polish Foreign fice in Berlin.

Berlin, May 5. — (AP)—Reichfuehrer Hitler called his foreign minister and Nazi leaders of Danzig time), and for 20 minutes delivered time), and for 20 minutes delivered

ter Colonel Beck.

The men summoned for the talks were Joachim von Ribbentrop, his foreign minister, who arrived at the retreat on his way for a conference in Italy; Albert Forster, Nazi district leader in Dorgia and Arthur "We in Poland do not know the trict leader in Danzig, and Arthur

A slight indication of the German without price. That is honor. attitude toward Beck's speech came in descriptive phrases incorporated in the BND (official German news agency) account of the address. It asserted "Beck put the reason for declining the German proposals (con-cerning German-Polish issues, includ-ing Danzig and the Polish corridor) in very brusque form.

DBN followed with a factual presentation of the speech. After the conference with Hitler, von Ribbentrop was to go to Lake Camo, for Dixon had never denied the crime, but asked Chaplain E. C. Cooper, to "try to correct the impression that he was drunk," Cooper said.

Top was to go to Each Canne, for talks with Italian Foreign Minister Count Ciano. Von Ribbentrop did not arrive at the Bavarian retreat in time to listen to Beck's speech at Hitler's side, but was able to tune in on the broadcast from Warsaw in his hotel. In Berlin, officials in the foreign office and the propaganda ministry also listened eagerly to Beck's words

MRS. LYDIA POOLE, 90, DIES IN GOLDSBORO

Goldsboro, May 5.—(AP)—Mrs. Lydia McComas Poole, 90, died here today at the home of her daughter, Mrs. William H. Smith. Funeral services will be held late today and burial will be in Asheville tomorrow. Survivors include a son, William R. Poole, of Asheville.

20 Indicted In Eastern Liquor Cases

Revenue Department agents, after an undercover investigation of four months alleged the defendants par-

were: J. T. Abernathy, L. C. Boykins, plan announced April 17.

Warsaw Foreign Minister Calls German De-

Speaking before the Senjm (Parliament), and interrupted constantly liament), and interrupted constantly by thunderous applause, the foreign minister declared that Pomorze (the Polish corridor) and rights in the free city of Danzig belong to Poland and Poland would not give them up. He called Germany's claims "one-sided demands," in which the element of reciprocity was lacking. Poland is willing to negotiate, he declared, only on the basis of "peaceful intentions," and "peaceful meth-

with Poland declared, only on the basis of "peaceful intentions," and "peaceful methods of action," and only as regards

Minister's Speech at Saw, Dr. Von Moltke, was not present to hear Beck's address. Among diplomats applauding Beck's address, however, was United States Ambas-

into conference this afternoon at his Bavarian mountain retreat to weigh the address of Polish Foreign Minis-

conception of peace at any price. Greiser, a Nazi leader and Danzig There is only one thing in the life of men and nations and states which is

Long Prison Term Down In Columbus

Whiteville, May 5.—(AP)— John B. Stanley, 67, white-haired widower, was sentenced in Columbus County Superior Court today by Judge W. C. Harris to serve ten to twenty years in State's Prison for the "jealousy slaying" last December of Gen-eva Grainger, 17, with whom he

Stanley entered a plea of guilty to second degree murder at the close of State's evidence this morning. The defense had sought to show that Stanley was "mentally unsound." The killing occurred on De-

cember 22.

Italy Boosts Defense For "Quick War"

Rome, May 5.—(AP)—The Ital-\$85,000,000 increase in army and air force estimates for the year begin-ning July 1, and declared that Italy wanted to make any war she fought a "quick war," with "certainty of

Wilson, May 5.—(AP)—Twenty The war ministry budget, intro-persons indicted by a Federal grand duced in the fascist chamber, projury last month on conspir-cy to vided for an appropriation of 3,427,-violate the revenue laws were ar- 541,000 lire (about \$171,000,000), rested today and held for the Oc- representing an increase of 814,874,tober court terms under bonds of 000 lire (about \$40,000,000) over the amount allotted for the present fiscal

ticipated in a \$500,000 a year liquer an increase of 905,000,000 lire over

distilling and distribution business,
The yalso alleged about \$2,000,000 in
revenue was due the government.
Those named in the indictment

The army budget figures include the annual installment of \$25,000,000 of a new 10-year military expansion

Robert Boykins, Arthur Laffter, George Laffter, Clifton O'Neal, Ofie ed upon as the type of war which George Laffter, Clifton O'Neal, Ofie Page, Frank Pittman and Hilton Thomas, all of Wilson; John Wynn, Dempsey Williams, D. N. Latham, Harvey Dixon, Robert Griffin, Jesse Hawkins and Elmer Ingles, all of Beaufort county; George Ballance, of Kenly; Earl Inscoe and Woodrow Lamm, of Rocky Mount, and E. T. Lovic, of Wake county.