

Russia Is Silent About Alliance

Lone Eagle Checks Up



Wearing the uniform of a Colonel in the Army Air Corps, Col. Charles Lindbergh arrives at San Diego, Calif., to inspect aircraft facilities for U. S. Colonel Lindbergh also inspected the huge new 52-passenger flying ship.

Second Reorganization Bill Proposed By FDR

14 Inter-Departmental Bureau Involved In Transfers and Mergers Asked; Last One To Be Offered This Session of Congress

Washington, May 9.—(AP)—President Roosevelt proposed his second government reorganization plan to Congress today, involving 14 inter-departmental bureau transfers and consolidations estimated to save \$1,250,000 a year.

The first plan, involving merger of a score of independent lending, welfare and public works agencies into three new federal agencies, becomes effective June 24 because the veto resolution failed of passage in the House last week.

His second plan today proposes, among other things:

- 1. Abolition of the National Bituminous Coal Commission and transfer of its functions to the secretary of the interior.
2. Transfer of the foreign commerce service of the Commerce Department and the foreign agricultural service of the Agriculture Department to the Department of State for consolidation with that department's foreign service.
3. Transfer of the foreign service buildings commission, now independent, to the State Department.

Coal Conference Ended. Meanwhile, the soft coal operators (Continued on Page Two)

Cities Fight Taxation Of Their Realty

Daily Dispatch Bureau, In the Sir Walter Hotel.

By HENRY AVERILL. Raleigh, May 9.—There are unmistakable indications that a long expected battle between county and municipal governments over the question of taxability of municipal property is going to break out shortly with great vigor.

Signs pointing that way come from both sides. To begin with it is a matter of fact, not guesswork, that the attorney general's office is being asked for a broad and inclusive opinion on just what municipal property can legally be taxed by counties. It isn't a matter of public record yet and information that the opinion has been requested isn't being volunteered by the A. G.'s office.

From the other side of the fence the municipalities, through "Municipal News", publication of the North Carolina League of Municipalities, have launched a bitter attack on the (Continued on Page Two)

Mayor of Clinton Dies at Hospital

Clinton, May 9.—(AP)—Colonel George L. Peterson, about 55, mayor of Clinton, died today in a Washington, D. C., hospital of a heart attack he suffered last Tuesday. He suffered the attack during the mayoralty election, in which he was named for a third term. He had been adjutant of the American Legion post here for several years.

During the World War he was a major in the quartermaster corps at Camp Jackson, Columbia, S. C.

Three Death Appeals Are Before Court

Raleigh, May 9.—(AP)—The Supreme Court took under advisement today three appeals from death sentences.

Attorney General Harry McMullan argued for the State that conviction of Bricey Hammonds, in Robeson, of murder in the death of Lacy Brumles, and of Cleveland Jones, in Hoke, of arson, in the burning of the dwelling of E. B. McNeill, should be sustained. D. M. Britt, of Lumberton, appeared for Hammonds and H. W. B. Whitley, of Raeford, for Jones.

Assistant Attorney General Wade Bruton argued the State's contentions in the case of Alfred Taper, convicted of the murder of J. C. McNeill, of Robeson. J. E. Carpenter, of Lumberton, appeared for Taper. The cases were the first appealed from Judge John J. Burney. The court tomorrow will hear the appeal of James Godwin, convicted in Guilford county of the murder of Donald Moss.

Hull Urges War Doctors To Aid Peace

Washington, May 9.—(AP)—Secretary of State Hull asked a convention of military physicians from all over the world today to join him "in an appeal to all peoples to do their utmost in bringing about the day when the horrors of war will disappear."

Before high ranking medical officers of the German, Italian, British, French, Polish, Roumanian and other armies, Hull reaffirmed the faith of the United States in "an international (Continued on Page Two)

Britain Is Warned To Be Prepared

Nation Must "Sleep on Its Haversack", War Secretary Tells Commons in Seeking Permission To Draw Up New Armed Forces

London, May 9.—(AP)—War Secretary Hoare-Belisha declared today that the British nation "must sleep on its haversack." He addressed the House of Commons during debate on a bill to enable the government to call up reserves of the army, navy and air forces.

Hoare-Belisha announced that a large proportion of the regular army reserves, including officers, would be called up in batches this year. This, he said, would "enable the regular army to train at war strength in regular formation and put the regular army in position, if necessary to take the field at short notice."

The bill under debate would enable the government to call up reserves secretly, eliminating the present system, under which a proclamation by the king is necessary.

(The regular army reserves and supplementary reserves total about 170,000.) The war secretary said that anti-aircraft units of the territorial army (corresponding to the national guard) would be called in rotation, with no man serving more than one month. These units will man search lights and anti-aircraft guns on 24-hour day schedules.

(Five such divisions totaling 71,000 officers and men, had been enrolled up to February 1.) Meanwhile, British negotiations for an alliance with Soviet Russia were believed to have gained firmer ground because of indicated increasing friendliness between Russia and Poland. Polish suspicions of her big neighbor have impeded British efforts to bolster the British-French front with Soviet military might.

But the announcement that Russia was sending an ambassador to the vacant Moscow post was taken by diplomatic observers to indicate closer collaboration between the two nations now.

Edwin Gill Heads Porbation Body In Jacksonville, Fla.

Jacksonville, Fla., May 9.—(AP)—Edwin Gill, of Raleigh, N. C., was elected president of the Southeastern States Probation and Paroles Conference today.

W. V. Patterson, Charleston, S. C., was named treasurer, and Biloxi, Miss., was chosen for the 1940 meeting. J. H. Sample, director of the North Carolina probation system, told the officers that 1931 probationers in his State earned \$315,351.82 in the last 17 months.

"If prison sentences had been imposed in only 50 percent of cases," said Sample, "the state, the federal government or the several counties would have had to support a large number of the 2,560 women and children dependent upon those probationers."

The system is new, he said, but the effort at rehabilitation and restoration of self-reliance are apparently fruitful. Gill was also on the conference's program.

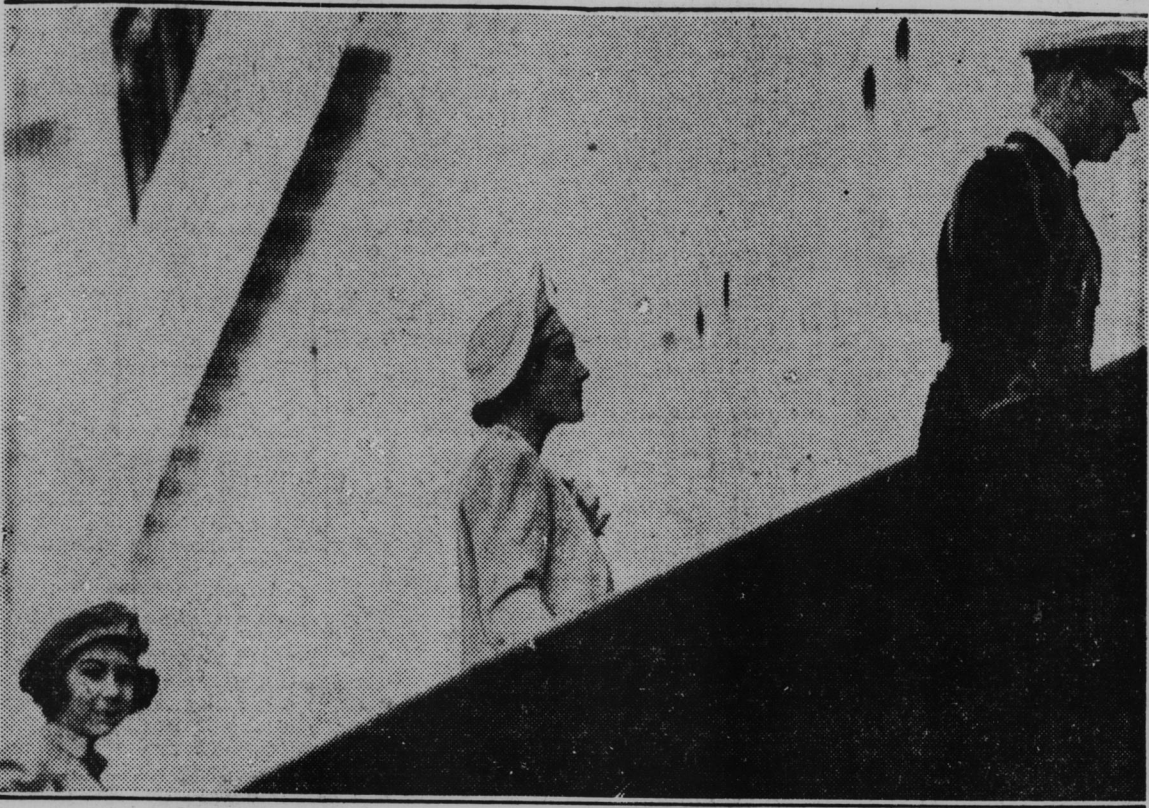
Poland Left With Answer Of Her Own

Paris, May 9.—(AP)—France and Britain were reported in diplomatic circles today to have left to their ally, Poland, the final decision as to whether to act on feelers put forward by Pope Pius XII for negotiations to relieve the tension between Poland and Germany over Danzig.

In these circles, it was said that Britain and France had let Poland know that they were anxious to see the problem of the free city on the Baltic settled by negotiation, if possible.

The pope's suggestions, diplomats said, were made to the German, Polish, British, French and Italian governments by envoys of the Vatican, acting on personal instructions from the holy father. The British government was understood to be more receptive to the papal plan than the French government. There was no indication in Paris diplomatic quarters as to what Poland's attitude might be. (Continued on Page Two)

As British King and Queen Embarked for U. S.



King George VI of England, followed by Queen Elizabeth and Princess Elizabeth, walks along the gangplank of the Empress of Australia at Portsmouth as the royal party started on their visit to Canada and the United States. Princess Elizabeth, who with Princess Margaret Rose was left in care of Queen Mother Mary, took leave of her parents aboard the liner. Photo flashed by cable from London to New York.

Pope's Efforts for Peace Are Finding Sympathy In Germany

Berlin, May 9.—(AP)—Disclosures of Pope Pius XII's peace moves in European capitals have struck a more responsive chord in Germany than any such efforts made thus far. Questions concerning conferences papal nuncios have had in recent days with political leaders in Germany, France, Poland and other countries brought this comment from a foreign office spokesman: "If the reports of a Vatican move along these lines are true, then certainly it can be said that we would regard it as a much more honored offer of mediation than, for instance (R. A.) Butler's offer in the House of Commons yesterday."

(A Vatican news service's announcement that papal nuncios in various capitals were conveying the pope's "ardent desire for peace" to heads of governments did not mention "mediation.") (Butler, British under secretary for foreign affairs, said that the future of Danzig was "primarily a matter for negotiations between parties to the Danzig settlement" and that "the British government stand for settlement of international questions by friendly negotiations, arbitration or other peaceful means.")

Monsignor Orsenigo, papal nuncio to Germany, conferred with Reichsfuehrer Hitler Friday. However, the foreign office spokesman said that whatever the Vatican was planning was evidently to be kept confidential, and therefore German officials would refrain from detailed discussions of the move.

Jap Threat At Shanghai Is Bombshell

By CHARLES P. STEWART Central Press Columnist

Washington, May 9.—Japan's implied threat of a military occupation of Shanghai's foreign settlement, near the Chinese coast, fell with something of a bombshell's emphasis upon the State Department in Washington the other day. It doubtless landed with equal force in London's, Paris' and several other European capitals' foreign offices.

The mikado's warning was to the effect that anti-Japanese activity within the foreign settlement's limits must stop or an "acute situation" will result. And this activity, it was plainly charged, is encouraged by the settlement's Occidental residents. Probably Tokyo didn't intend to include Germans and Italians among said Occidentals, considering how close its hookup is with Berlin and Rome. Certainly Americans, English and French were referred to, however, presumably Dutch, Belgians and miscellaneous others also.

Belongs to Foreigners. To understand the matter it's necessary to take into account the fact that the Shanghai settlement is the foreigners' very own. It's as much America's as Broadway is; as much English as Piccadilly; as much French as the Rue de la Paix.

So when the Japanese talk about grabbing it, they virtually suggest a grab of American, English and French soil. It started like this: About 100 or more years ago the western powers were trying to establish trading bases on the Chinese coast. The then Peking government had no particular objection, but it didn't want to be bothered with the adjustment of piffing complications among these outer barbarians on the edge of its territory. Accordingly the emperor agreed, "I'll give your various nationalities a concession apiece down near my water front, but each of you will have to police and generally regulate your own little patch. It will be, in effect, part of the United States, Britain, France or what not. I simply won't have a darn thing to do with it. It will be off my hands."

Such concessions thus were granted. (Continued on Page Two)

Parole Idea Outgrowth Of New Society

Daily Dispatch Bureau, In the Sir Walter Hotel.

Raleigh, May 9.—Parole is one of the methods by which society attempts to cope with its present complicated and congested status. North Carolina's Parole Commissioner Edwin Gill today told the Southeastern States Probation and Parole Conference at Jacksonville, Florida, according to his address prepared for delivery there.

"Parole is as modern as our present system of controlling traffic by red and green lights," he said, "and like our system of traffic control there was no necessity for it in the old, carefree days of the covered wagon. Today, it is important that the returning prisoner be fitted into a definite social and economic status. He must not be allowed to hitch hike his way through life."

Mr. Gill traced the development of "some semblance of sanity in dealing with delinquent human being" from Biblical times to the present. In the early of America, he said, many were allowed to go west and find for themselves a new life in a vast and undeveloped continent. "And it was good for those who (Continued on Page Six)

Rail Tycoon Dies Asleep In Hotel

Washington, May 9.—(AP)—Carl R. Gray, 71, vice-president of the board of the Union Pacific Railroad, and its former president, was found dead in bed today at his (Mayflower) hotel.

Discovery of Gray's death was made when associates went to Gray's room to awaken him 2-round 10 a. m. A son, Russell Gray, of Wellesley, Mass., said his father was feeling well when he retired last evening after having dinner with another son, Carl R. Gray, Jr. of St. Paul, Minn. The elder Gray's home was New York.

The three Grays were in the city on different matters. Russell Gray said his father was here on "national transportation matters." Carl Gray, Sr., had served on President Roosevelt's joint labor-management committee, appointed to work out a plan for reviving the nation's railroads.

Mussolini Lauds Might Of His Army

Rome, May 9.—(AP)—Speaking in connection with a great army day parade, Premier Mussolini declared today that Italy would prove the strength of her decisions "when the hour comes." "The force of our arms is great, but still greater is the decision of our hearts, and when the hour comes we shall prove it," he said.

He spoke briefly from the balcony of the "palace" after a parade of armed strength that gave German military leaders a further opportunity to appraise the fascist war machine, which Mussolini has agreed to harness to German might in a military alliance.

Mussolini spoke only about 60 words in two sentences. To introduce the statement on "the force of our arms," he said: "On the third anniversary of the foundation of the empire and on the first observance of the holiday dedicated to the army, you have participated in a memorable military parade."

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Parole Idea Outgrowth Of New Society. (Continued on Page Six)

Charlie Ross, Kidnaped 65 Years Ago, Identified As Phoenix, Ariz., Worker

Phoenix, Ariz., May 9.—(AP)—Gustav Blair, 69, horny-handed carpenter, legally identified by the Maricopa County Superior Court as Charles Brewster Ross, principal in the sensational unsolved Germantown, Pa., abduction of 65 years ago, envisioned today the possibility of lucrative radio and film contracts.

The fact that Walter L. Ross, in Germantown, who usually speaks for the family in matters pertaining to the kidnaping mystery, would make no comment, did not phase Blair. Hundreds of persons have claimed they were the abduction victim.

"If my older brother (Walter) lives for five years he will seek me out and admit our kinship," he declared. Blair filed the civil action to establish his identity. He named as defendants Walter, Sophia, Marion and Anne, other children of Christian and Sarah Ann Ross. They did not answer the complaint, and Superior (Continued on Page Six)

Moscow Now Is Studying Latest Offer

Britain Has Made Counter Proposals on Soviet Plan for Far-Reaching Military Alliance; "Triumph of Communism" Statement Alarms

Moscow, May 9.—(AP)—The Kremlin today studied the latest British proposal for Soviet participation in the British and French-engineered coalition, and at the same time sustained the mystery over Soviet Russian foreign policy.

Both British and Soviet sources maintained silence on the nature of a note handed to Premier-Foreign Commissar Molotoff yesterday by Sir William Seeds, British ambassador. It had been understood, however, that the note conveyed British counter proposals to the Soviet suggestion of a far-reaching security plan based on a British-French-Russian military alliance.

Britain was understood to have favored Soviet assistance to all states on the western border of the Soviet Republic, promising British-French aid to Russia if such assistance involved her in conflict.

The calm prevailing in British circles following Sir William's interview with Molotoff was interpreted by some observers as meaning negotia- (Continued on page two)

\$100,000 of Note And Bond Sales In State Are Handled

Raleigh, May 9.—(AP)—The Local Government Commission handled note and bond sales totaling more than \$100,000 today.

W. E. Easterling, director of the commission, said the \$40,000 Wilson county school refunding bonds went to Seasongood & Mayer and Charles A. Hirsch Company, both of Cincinnati, at 2 1-2 percent interest, with a \$41.85 premium.

Fairmont sewer and water supply system bonds, amounting to \$15,000, went to Scott, Horner & Mason, Inc., of Lynchburg, Va., the first \$8,000 maturities at 4 1-2 percent interest and the remainder at 4 1-2 1-4 percent.

Ten thousand Franklin county school building bonds were bought by William Green & Company, of Winston-Salem, at a \$15.75 premium.

Duke Given Compliments Upon Speech

Verdun, France, May 9.—(AP)—The Duke of Windsor received hearty congratulations from French officials today for his plea, broadcast "simply as a soldier of the last war," to "save humanity from the terrible fate which threatens it."

He was greeted by a group of Meuse department officials shortly (Continued on page two)

Weather

FOR NORTH CAROLINA. Fair tonight and Wednesday; slightly cooler tonight.