

FOUR MEN ESCAPE FROM NEW BRITISH SUB

Germans To Carry Jews Back Home

917 Refugees Denied Admission to Cuba; Mutiny and Suicide Aboard Is Feared by Captain

Havana, Cuba, June 2.—(AP)—The German liner San Luis took on fuel and provisions to start back to Germany today with 917 German Jewish refugees forbidden to set foot on Cuban soil, an order backed by a threat to tow the vessel outside territorial waters with a gunboat.

The refugees, most of whom had hoped to land pending entrance to the United States, thronged the decks of their "floating prison," women waiting at the growing indications of enforced return from the land from which they had fled.

Efforts were made to keep the passengers unaware of the actual sailing orders, for the master of the ship had expressed fear of a "collective suicide pact." Port police boats were ordered to escort the San Luis out of the harbor and pick up any passengers who might leap overboard. Cuban Marines were held in readiness for any emergency that might arise in carrying out President Bru's order that the San Luis leave Havana.

Captain G. Schroeder, of the San Luis, had expressed fear of a mutiny among the passengers if he put out to sea again, and one passenger had attempted suicide. He slashed his wrist and leaped overboard, but was saved.

OWNERS OF VESSEL ORDER HER RETURN TO GERMANY

Hamburg, Germany, June 2.—(AP)—The Hamburg-Amerika Line notified the captain of the liner San Luis at Havana today to return to Germany with a shipload of Jewish emigrants if they could not be landed promptly. Earlier it had protested to the Cuban government against orders forbidding the landing of the 917 refugees.

It was stated at the company's headquarters that the captain was instructed not to try to land at any other port unless the Jewish passengers themselves managed to get permission to disembark.

Judge Manton Grilled About His Fortune

New York, June 2.—(AP)—United States Attorney John Cahill, delving further into the involved financial affairs of former United States Circuit Court Judge Martin T. Manton, demanded today that Manton explain his change in eleven months from a debtor with a minus balance of \$500,000 to a creditor with a net worth of \$750,000.

The resigned jurist is on trial on a charge of conspiracy and dispensing justice for a price. Manton explained that his fortunes, bad in early 1934, improved when he arranged for the sale of the hotel Alamac, owned by the Forest Hills Terrace Corporation, one of his holding companies.

Cahill produced checks to show that on July 23, 1934, a law firm paid Carl J. Austrian, liquidator of the defunct bank of the United States, \$250,000. (Continued on Page Six)

Denies Fascist Charges



Major Gen. George Van Horn Moseley, U. S. Army (retired), appearing before the Dies Committee investigating un-American activities, denies he ever advocated a military form of government for the U. S. and said he had advised colleagues to employ "only lawful means" in efforts to improve conditions in the country. Moseley was named as a leader in an alleged anti-Semitic plot by previous witnesses.

Big Tobacco Acreage Is Real Threat

Debacle in Prices Feared in Some Quarters; Farmers Planting Dynamite With Their Leaf

Raleigh, June 2.—It doesn't require any expert agronomist or even the seventh son of a seventh son to arrive at the conclusion that North Carolina's farmers are planting dynamite along with their 1939 tobacco crop.

Of course, the horny-headed sons of the soil aren't literally setting out sticks of T. N. T. among their neat rows of plants, but all indications are that there is plenty of explosive material being made ready for a big crop of political and economic repercussions.

As yet nobody can say just what is going to happen, but there isn't even a casual observer and reader who isn't aware of the fact that all over Eastern North Carolina the farmers, free from all government control, are planting a tobacco crop which will exceed last year's by many hundreds of acres and many, many times.

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LOBBYISTS STILL REPORTING INCOME

Raleigh, June 2.—(AP)—Lobbyists and their employers, reporting nearly a month late, continued today to inform Thad Eure, secretary of state, of their expenses. Today's reports included: Norman Shepard, Smithfield, paid \$150 by the National Association of Independent Insurance Adjustors; and Sam Blount, of Washington, paid \$150 by Pierce Rucker, of Guilford county.

Oil Ship Crushes Big Toll Bridge

Norfolk, Va., June 2.—(AP)—A tanker crashed into a toll bridge across the Elizabeth river here today, partially wrecking the bridge and endangering the lives of several persons.

Two bridge tenders, C. L. Cunningham and Lee Zimmerman, were injured in a 100-foot leap from the bridge tower to the water. Two unidentified women abandoned their automobile to run bridge approach a few moments before the car fell into the bridge wreckage.

Two of five spans of the bridge connecting Norfolk and Portsmouth, dropped into the river, but fell clear of the tanker, the Rhode Island, owned by the Texas Oil Company.

Hitler Shows His Army To Slav Prince

Berlin, June 2.—(AP)—Reichsfuehrer Hitler today followed up a pledge of Yugoslavia's border with Germany "for all time" with an impressive demonstration of military might for Regent Prince Paul. The regent, here on a five-day state visit, stood with the fuhrer and high German army officers near Berlin's monument to war dead to see the parade of soldiers and war machines.

For more than three hours troops marched, and artillery, tanks and motorized equipment roiled through Berlin's streets, while airplanes roared overhead.

The regent, who arrived here yesterday, opened today's ceremonies by placing a wreath at the war memorial. Then, riding with the fuhrer in the latter's automobile, he went to the technical high school, where a parade was witnessed from a platform. At an elaborate state dinner last night at Hitler's new chancellery, the fuhrer spoke of warm friendship between the two countries, and said their new common border had been "established for all time."

Business Men Urge President To Have Wagner Act Amended

Foreign Trade, Especially With South America, and Taxation Are Also Discussed; Wage-Hour Changes Up Next Monday

Washington, June 2.—(AP)—Secretary Hopkins said today a group of business men urged President Roosevelt last night to seek amendment of the Wagner labor relations act during a discussion of business conditions. Hopkins told reporters that the eight business men who dined at the White House presented no specific labor plan, but he indicated that possible changes in the wording and administration of the Wagner act was one of the most important topics of their discussion with Mr. Roosevelt.

Foreign trade, particularly with South America, and taxation also were discussed, Hopkins said. On Capitol Hill, the House Ways and Means Committee was considering tax revision. A witness for the United States Chamber of Commerce suggested imposition of a flat rate normal corporation tax of 15 percent and outright repeal of the undistributed profits levy.

Talking with newsmen, Hopkins said the White House conference was very frank and friendly, and that he hoped to arrange more conferences with these and other business men.

Speaker Bankhead, meanwhile, said the House would consider Monday a group of amendments which would "greatly liberalize" the wage and hour act. They will be voted on under procedure requiring a two-thirds vote for passage, but prohibiting debate on any changes other than those approved by the House Labor Committee.

Other developments: Attorney General Frank Murphy told a Senate committee legislation to curb activities of private industrial police, armed with tear gas and other weapons, was "greatly needed." The attorney general endorsed legislation which outlaw labor espionage, strike-breaking activities and the use of industrial munitions, as well as limit the activities of private police.

Sniping Near Harlan Is Investigated

Harlan, Ky., June 2.—(AP)—National Guardsmen investigated today the reported "sniping" of a group of men at Harlan county mine operating without a union contract—an incident marring a calm of nearly two weeks in this big soft coal producing area's labor dispute.

Brigadier General E. Carter, commanding the approximately 1,200 troops on duty in Harlan county, said no one was struck by the flurry of shots fired from a mountainside yesterday at nearby Liggett, site of the Mahan-Ellison Coal Corporation. He added that militiamen stationed at the mine had not returned the fire. National guardsmen exchanged shots with ambushed groups at two other mines two weeks ago. There were no casualties then, either.

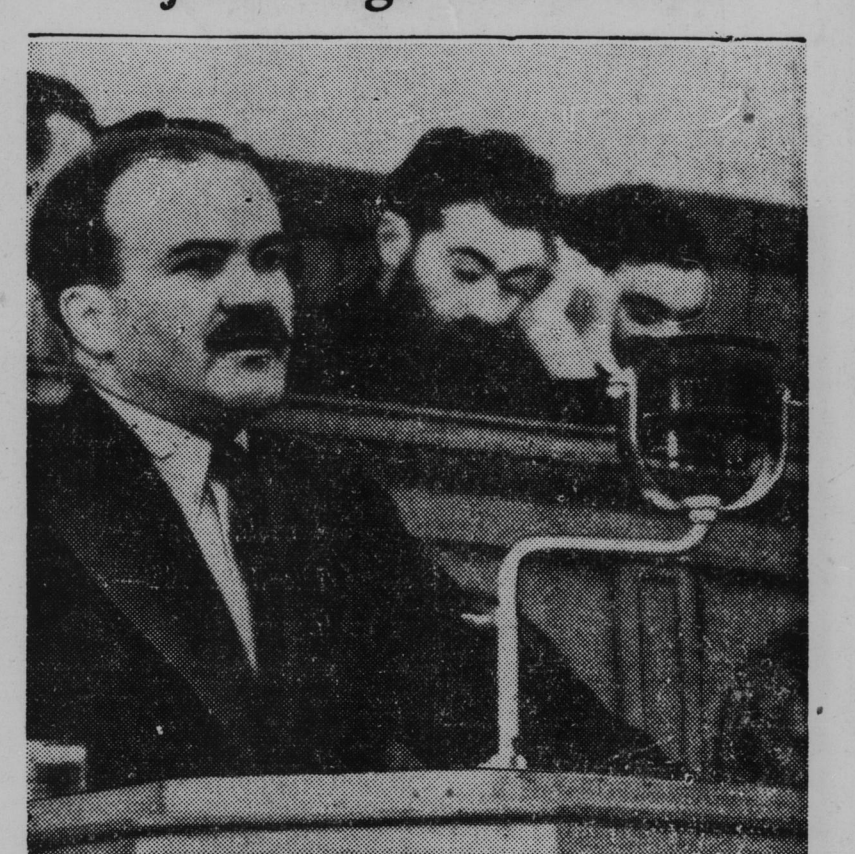
Negotiations with the United Mine Workers of America (U. M. W.) and the Harlan County Operators Association, whose 42 mines make it the largest producing group in the nation, holding out against a "union shop" contract, were suspended temporarily.

Find Infant Kidnaped In Philadelphia

Philadelphia, June 2.—(AP)—A baby which Detective George Myers identified as five months old Gerald McCrohan, snatched yesterday from his carriage on a busy street, was found in the possession of a young couple today about two miles from the kidnaping scene. Myers and Detective Harold Simmons found the child as they canvassed drug stores.

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Rejects Anglo-Soviet Pact



Vyacheslav Molotov (above), Russian premier and foreign minister, speaking before the Russian parliament, caustically described Anglo-French efforts to build a "peace front" as insufficient and rejected their latest offer for a mutual protection pact as unsatisfactory in its guarantees to Russia. He intimated trade negotiations with Germany may soon be resumed. (Central Press)

France Fears Big Army In Albania

Rome, June 2.—(AP)—French concern over maintenance of a large Italian army of occupation in Albania was reported today in usually reliable political sources. Andre Francois-Poncet, French ambassador to Rome, was reported to have raised the question of whether there was a continued need for an Italian army in Albania, in a talk Tuesday with Italian Foreign Minister Count Ciano.

The French envoy's call at the foreign ministry was followed by a statement in the Fascist periodical Gerarchia that the troops would prevent Greece from lining up with other powers against Germany and Italy. Ciano was reported to have explained that the stay of the troops in Albania was a precautionary measure to avert trouble from Albanian bands.

Spotted Fever Ticks Guard Royalty Here

By CHARLES P. STEWART, Central Press Columnist

Washington, June 2.—The British Embassy naturally was chosen as the principal place for King George and Elizabeth to meet other notabilities during their short stay in Washington. Quite as naturally the White House was picked as the proper place for them to be entertained, but it was recognized that they would have to put on counter-entertainment. The embassy manliestly was the correct place for it.

Now, the White House is a much more controllable place than the British embassy. It's in downtown Washington. Its grounds are not very large. A cordon of troops, if necessary, can be drawn around them. Manifestly only a comparatively limited crowd can get in. Invited guests' credentials can be examined. Uninvited butters-in can be kept at a distance. There are no adjoining premises.

ROYSTER COMPANY OFFICIAL IS DEAD

Norfolk, Va., June 2.—(AP)—Walter Foushee, 61, assistant sales manager of the R. S. Royster Guano Company, and a native of Roxboro, N. C., died of a heart attack yesterday while golfing at the Norfolk Golf Club. He had been with the Royster company for more than 30 years and had lived at Winston-Salem, Atlanta and Norfolk.

Oxygen Mask Is Employed For Rescues

Tail of Gray Hulk Protrudes from Water and May Be Cut Into To Supply Air to Entombed 90 Men Still Under Water

TIDE SUBMERGES SUB

London, June 2.—(AP)—The British Admiralty announced tonight a strong tide had carried the submarine Thetis completely under water, and forced temporary suspension of attempts to cut a hole in the stern, which had been exposed, to rescue 90 men.

At the same time, the Admiralty said it was not clear why use of the Davis escape method had been abandoned, with 90 men left in the submarine, and after only four had reached safety. The Admiralty statement, although issued after 7 p. m. (1 p. m. eastern standard time) was based on a report from the scene of operations at 4:50 p. m.

This said a strong tide at that time had caused the submarine "to cant and the stern to go under water."

Birkenhead, England, June 2.—(AP)—Admiralty officials expressed belief today that the Davis "lung" escape had been abandoned to preserve the air supply for 90 men still trapped aboard the partly submerged submarine Thetis.

Four of the 94 persons aboard when the sleek new submarine dove into mud and sand below 130 feet of water in the Irish Sea had come to the surface strapped in the oxygen rescue mask.

But when no more men emerged in mid-afternoon, several hours after the last news.

U. S. INTERESTED

Portsmouth, N. H., June 2.—(AP)—Officers and men laboring at the task of salvaging the sunken U. S. submarine Squalus and its crew of 26 dead followed with interest today news of the accidental sinking of the British submarine Thetis in the Irish sea.

Officers at the navy yard, including Lieutenant O. F. Naquin commander of the Squalus when she sank to tragedy May 23, ducked in and out of the press headquarters sent up to cover the Squalus disaster to learn the latest news.

Seven dives were completed to the deck of the Squalus yesterday, during which two descending lines carried away earlier were replaced and a fourth air line sent down.

Rescue efforts were speeded up on the outside. Naval experts hurried preparations to cut holes in the

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Pope's Hope For Peace Is Brighter

Pontiff Tells Cardinals He Feared Immediate War First of Last Month; Has Assurances from European Leaders

Vatican City, June 2.—(AP)—Pope Pius XII told his cardinals today that the Vatican's recent diplomatic activities, designed to save Europe from the menace of war, had brought him "assurances of good will and of resolve to maintain peace," from principal European statesmen.

A month ago, the pope said, he had grave fear of imminent war in Europe, but that the lessening of tension since then had given him greater hope of reaching "a stable peace."

Among the conversations carried on by papal nuncios in the holy father's campaign was one between Reichsfuehrer Hitler and Monsignor Orsenigo, papal nuncio in Germany. Other papal nuncios talked with statesmen of Italy, France, Britain

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Fascism Is Near In U. S. Unless Controls Relax

Babson Says Depression First Hit Day Laborers, Then White Collar Group and Now Employers; Tax on Employers Must Be Lightened

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

New York City, June 2.—The church which I attend at Wellesley Hills has what is called an "Open Door." The church is open every afternoon and evening, seven days a week, and fifty-two weeks a year for those who have problems. Some lay man or some lay woman is in charge of the work each afternoon or evening.

Weather FOR NORTH CAROLINA Mostly cloudy tonight and Saturday, with scattered showers; cooler in northeast tonight.

State Gas Tax Heads For Record At \$24 Millions

this year receipts amounted to \$22,325,820 with another month to go on the full fiscal counting period. If the average of the last eleven months is maintained, the final figure will be \$24,355,440, which leaves margin enough over the twenty-four million mark to make its attainment a certainty to all practical intents and purposes.

State officials on all sides point out that there is plenty of need for revenue from gasoline—or any other source which goes into the highway fund—in view of the fact that State Highway and Public Works Commission officials have repeatedly estimated that it would cost forty million dollars to build the highway system which the less fortunate have. When the big depression started—in 1930-31—it was the day laborers who were first thrown out of work. The greatest hardship came upon them for they had no savings accounts nor other reserves. As the center of the depression was reached—in 1933 and 1934—another group, including white-collar workers, began to suffer as their savings were used up. Both of these groups have been aided for some time by the WPA and other forms of government spending. The recession of 1933-39, however, has reached the higher-bracket incomes—the salesman, executive and employed group. Employers Hard Hit. Eight years ago the distress cases