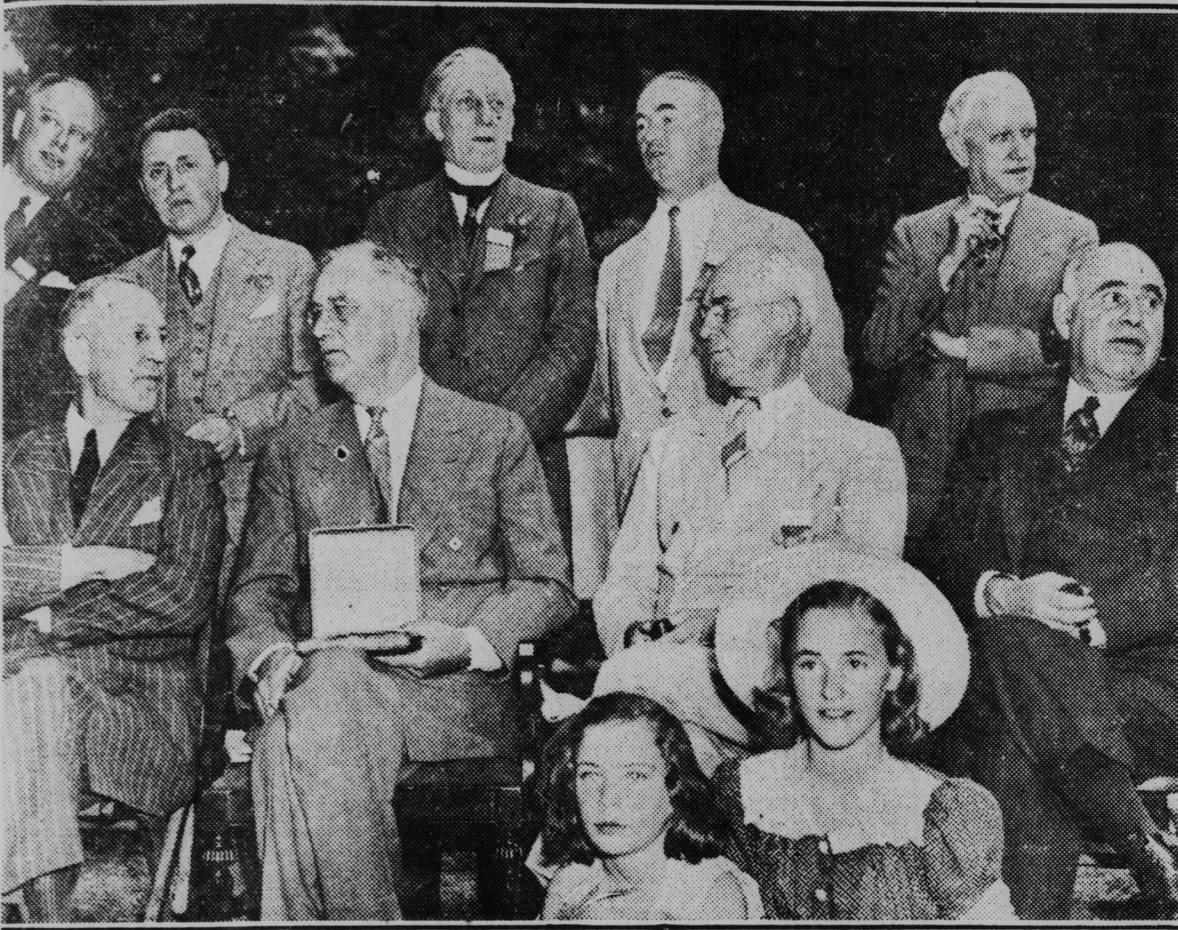


SENATE VOTES AGAIN ON FOR MONEY POWER

Lack Of Funds May Close Libraries

As Governors Visited F. D. R. at Hyde Park



President Roosevelt poses with some of the twenty-three governors who visited him at his Hyde Park home following the Governors' Conference in Albany, N. Y. Left to right (front row), Stark of Missouri, President Roosevelt, Gov. Cochran of Nebraska and Gov. Lehman of New York. Back row, Gov. Baldwin of Connecticut, Lt. Gov. Poletti of New York, Gov. Hoey of North Carolina, ex-Gov. Hardee of Florida and Mr. Klippels, aide to Florida's governor. The children are, Ann Vanderbilt, daughter of Rhode Island's governor, and Julia Holt, daughter of West Virginia's governor. (Central Press)

Probes WPA Scandal



Rene A. Viosca, United States District Attorney in New Orleans, Rene A. Viosca, threw probe of WPA scandal rocking Louisiana wide open by calling as grand jury witnesses all persons who have made affidavits that WPA funds, material and workers have been used by state officials to improve their own properties. (Central Press)

Hull Demands Repeal Of Mandatory Arms Embargo

Secretary of State Backs Up Administration's Bill Beaten In House Friday Night; Says Present Measure Menace to Peace

Washington, July 1.—(AP)—A new demand for repeal of the mandatory embargo on arms shipments in the interest of world peace was Secretary Hull's reply today to action by a rebellious House in tearing apart the administration's neutrality bill. Failure of the repeal proposal, the secretary of state said in a statement was "a matter of regret and disappointment from the standpoint of peace and the best interests of this country in its international relations." Referring pointedly to European tension, Hull said he "must continue to urge the embargo repeal" be submitted to chairmen of Senate and House foreign committees May 27. This proposal, he said, was "not only best calculated to keep this nation out of war in the event war comes, but also, what is all important at this time, best calculated to make a far greater contribution than could the present law or its equivalent toward the discouragement of the outbreak of war." The House revolt, led by Republican critics of the administration's proposal, wrote into the neutrality bill a provision that "arms and ammunition" should be embargoed in event of war.

HOEY NAMES TWO ON VETERINARY BOARD

Raleigh, July 1.—(AP)—Governor Hoey today appointed Dr. H. J. Rollins, of Rockingham, and Dr. J. H. Howard Brown, of Tarboro, as members of the North Carolina Veterinary Examining Board. Dr. Brown succeeds Dr. J. S. Dorton, of Shelby, who resigned, and will serve until July 1, 1941. Dr. Rollins will serve five years, starting today.

MRS. ROOSEVELT AT MANTEO'S SHOWING

Elizabeth City, July 1.—(AP)—According to the Daily Advance, Mrs. Eleanor Roosevelt will arrive in Dare county at 2 o'clock this afternoon with her brother, Hall Roosevelt, and attend the premier show of Paul Green's "Lost Colony" tonight. Mrs. Roosevelt will stay at the Goose Wing club while in Dare county, said the paper.

Attorney's Ruling Has Bad Effect

Local Libraries to Number of 113 May Be Deprived of Funds as Result of Supreme Court Ruling; Some to Defy Legal Opinion

Raleigh, July 1.—(AP)—One hundred and thirteen North Carolina libraries faced the possibility of being closed today, due to the apparent unconstitutionality of laws under which counties and municipalities appropriate funds for them. Miss Marjorie Beal, executive secretary of the North Carolina Library Association, said 113 libraries in which 300 to 400 people work, could be affected by a ruling of Attorney General Harry McMullan that he believed the Supreme Court would hold the laws invalid. Last night at midnight, the Charlotte public library, with branches in Mecklenburg county, closed indefinitely, following refusal of the voters to approve a proposed tax for library purposes. It was the first library to close due to the rulings of the Supreme Court in two cases during the winter. Last year about this time, Miss Beal said, city and county authorities set up \$227,978 for library use. The 1939-40 budgets are now being prepared, or have been set up in recent days, and funds for the fiscal year starting today could not be estimated here.

Patrick Healy, executive secretary of the League of Municipalities, could not be reached for comments on what action his organization might take. McMullan released a ruling yesterday morning, after a study of the

INQUEST ORDERED IN NASH FATALITY

Nashville, July 1.—(AP)—Nash County Coroner M. C. Guiley today ordered for next Wednesday afternoon an inquest into the death of E. L. Dorsey, 66, of Nash county, who was killed late yesterday when struck by an automobile on the Raleigh highway between Nashville and Spring Hope.

Sheriff C. V. Faulkner said his investigation showed that the aged man was hit when he stepped in front of an automobile driven by Mrs. Robert Bass, of Momeyer. The officers said the Bass car was following a truck. Mrs. Bass was not held.

Germans Are Departing From Poland

Free City of Danzig, July 1.—(AP)—The arrival of several dozen "refugees from Poland" was the only stir today in Danzig, whose officials took a holiday on a hot week-end, while foreign circles talked of possible German or Polish action over the free city, which might upset European peace. The arriving Germans were largely industrial workers, who reported to Danzig authorities they left Poland because working and social conditions for Germans there were becoming increasingly difficult. They charged that in border regions German religious services were being broken up and the cultural organizations were being banned. Some spoke of alleged "persecutions" suffered by German friends, but none reported having been abused personally. The Germans who arrived today and others are permitted to enter free city territory freely.

Weather FOR NORTH CAROLINA.

Fair tonight and Sunday, with moderate temperature. WEEKLY WEATHER. South Atlantic States: Occasional showers in south Florida entire week; fair elsewhere beginning of week, scattered afternoon thundershowers middle and last of week, mostly seasonal temperatures.

Eden And Churchill May Be Taken Into Cabinet Of Britain

Action by Chamberlain Expected as Gesture To Show Germany Britain Is Ready To Use Force; Both Critics of Chamberlain

London, July 1.—(AP)—Prime Minister Chamberlain today was reported considering the advisability of taking Anthony Eden and Winston Churchill into his cabinet to put weight behind Great Britain's warnings to Germany to keep her hands off Danzig. Reconstruction of the government, which several political commentators said was likely to come soon, was described as part of Britain's concerted barrage to convince Reichsfuehrer Hitler that Britain means what she says about meeting force with force. One political writer said flatly that the prime minister shortly would bring Churchill and Eden into the government as a gesture of the strength of Britain's opposition to any use of force. Churchill, World War first lord of the admiralty, had been a constant critic of Chamberlain's policy of conciliation. Eden, Chamberlain's first foreign secretary, resigned from the government in February, 1938, in opposition to the attempts of the prime minister then to deal with dictators. Both Churchill and Eden have been repeated targets of Nazi press attacks, and both now are staunch supporters of Britain's policy of building up defensive mutual assistance alliances.

Jack Dempsey is Improving After Operation Friday

New York, July 1.—(AP)—An encouraging report on the condition of Jack Dempsey, former heavyweight boxing champion, came from the hospital today in a bulletin issued by A. A. Jaller, executive officer of the Polyclinic hospital. "Mr. Dempsey's condition is quite satisfactory," Jaller said. "He had a very good night. His temperature is 101 1/2 degrees, pulse 82, and respiration 24."

Pressure Put On German-Americans By Berlin Orders

New York, July 1.—(AP)—William E. Dodd, Jr., son of the former United States ambassador to Germany, today called for a "thorough investigation by the State Department" of what he described as pressure brought to bear on German-Americans by the Fatherland. Dodd, chairman of the American Committee for Anti-Nazi Literature, declared "the German embassy, legation, consulate general and consulate in this country were being used in an attempt to force naturalized Americans of German extraction to register for service in the armed and labor forces of the Reich."

Cabinet Approves Daladier's Pledge for Aid Against Germany If Free City Is Taken; Dark Picture of Situation Painted

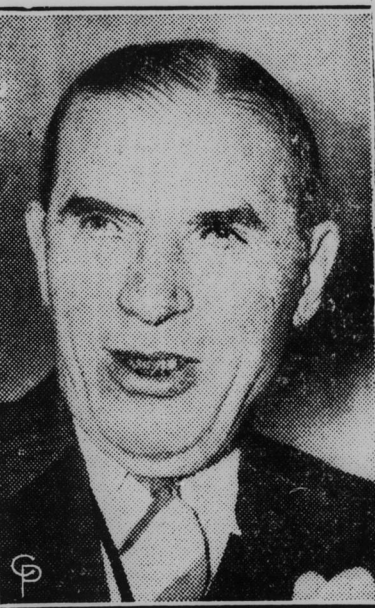
Paris, July 1.—(AP)—Foreign Minister Bonnet unexpectedly called the German ambassador, Count Wellbeck, to the foreign ministry for a conference late today. German diplomats merely said "they had a general talk on the European situation." Paris, July 1.—(AP)—The French cabinet, in a three-hour meeting with President Lebrun at the palace today, unanimously approved Premier Daladier's declared determination to back Poland fully in the event of a German move against Danzig. A communique, issued after the unusually long meeting, said simply that the premier had informed the president and cabinet ministers of the general European situation, "which remains very serious." Trustworthy informants, however, said that he reiterated France's pledge of aid to Poland should the latter call for help to oppose a

Rural Electric Lines In State Expanding Rapidly

Vance Ranks 52nd and 54th in Customers and Mileage; \$27,500,000 Invested In Rural Electric Lines in State, Report Indicates

Raleigh, July 1.—(AP)—A minimum investment of more than \$27,500,000 has been made in the past four years to bring central station electrical service to rural North Carolinians, 74,608 of them on 14,368 miles of line, according to the biennial report of the North Carolina Rural Electrification Authority. Added to the 11,588 customers who were getting this service along 1,884 miles of line on July 1, 1935, these figures show that North Carolina's rural electric lines form a chicken scratching pattern on the map representing a grand total of 16,253 miles, which carry light and

War Bill Author



Representative Sol Bloom, of New York, introduced into Congress the administration's "neutrality bill," which would give President the right to proclaim war and name the countries involved, virtually making him a "war dictator."

France Will Back Poland For Danzig

Paris, July 1.—(AP)—Foreign Minister Bonnet unexpectedly called the German ambassador, Count Wellbeck, to the foreign ministry for a conference late today. German diplomats merely said "they had a general talk on the European situation."

Goebbels Is Raving Over British Move

Berlin, July 1.—(AP)—Propaganda Minister Paul Goebbels told British statesmen today the only way they could talk to the German people was through Chancellor Hitler. In obvious reply to the series of "warning" speeches broadcast in Germany by the British Broadcasting Corporation, Goebbels said in Hitler's newspaper that the British are "exploring, as they say, for a way to speak to the German people." He declared "there is one such through the fuhrer. All other ways are blocked." Answering British Foreign Secretary Lord Halifax's warning that force would be met with force,

Japanese Are 'Incensed' By British Stand

Shanghai, July 1.—(AP)—Domei (Japanese news agency) said today that Japanese officials on Kulangsu island, international settlement of Amoy, were "incensed by the arrogant attitude" of British officers and were considering "independent action." What that action would be was not disclosed, but some quarters expressed belief it might involve the landing of additional Japanese bluejackets or complete encirclement of the island by Japanese warships, cutting off all traffic. Forty-two Japanese bluejackets landed on Kulangsu May 12, and a blockade was enforced later to force Japanese demands for greater representation in the municipal council, governing body of the international settlement. (The United States, Britain and France landed forces, each of which equaled Japan's 42 men.) Domei said Japanese authorities at Amoy accused the British of "stubbornly resisting just Japanese demands," and of ignoring the conciliatory attitude of other foreigners in the international settlement.

Showdown Is To Come On Wednesday

Neutrality Bill Distasteful to Administration Is Passed in House; Record Fund Available for Assistance to Agriculture

Washington, June 1.—(AP)—A rip-roaring Senate Republican filibuster swept away President Roosevelt's dollar devaluation powers early today, but Democratic leaders obtained an agreement for a showdown vote Wednesday on restoring them. Over in the House, at another late night session, a rebellious bloc of Republicans and Democrats had passed a short time previously a neutrality bill distasteful to the administration. The stunning double defeat, perhaps only temporary on the money issue, threw administration forces into a state of bewilderment. They predicted ultimate victory on the devaluation question, but were highly doubtful that repeal of the arms embargo asked by the President could be passed this session, in view of the 200 to 188 House vote to continue a modified ban on arms shipments. Adjournment in mid-July was widely predicted. The President's authority to devalue the dollar further and to maintain a \$2,000,000,000 exchange stabilization fund expired at midnight. Republicans, aided by a lone Democrat, Tydings, of Maryland, talked to death a Senate-House conference agreement extending them two years, and pegging the price for domestic silver at 71.01 cents an ounce. The talk marathon continued, however, and Democratic leaders finally obtained an agreement to vote by 5 p. m. Wednesday on the conference report. The Senate adjourned at 1:53 a. m. Other developments: Armed with a \$1,194,498,633 ap-

(Continued on Page Five)

(Continued on Page Five)

(Continued on Page Five)

(Continued on Page Five)

(Continued on Page Four)

(Continued on Page Four)

(Continued on Page Four)

(Continued on Page Four)