

FDR GETS ALARMING TALES FROM EUROPE

Line of Japanese Worry



High Japanese officials are reported worried that their swashbuckling Kwantung Army may strike back at Russia for the latter's new and unexplained air raids on an alleged 5,000-mile front (broken line). Border clashes continue in area of Lake Bor (arrow). Soviet rejected Jap note on oil and coal concessions on Sakalin Island (arrow). (Central Press)

Germany Awaits Danzig's Annexation Solution By Peace Means Anticipated

Satisfactory Ending Of Dispute Is Looked For; Poland Imposes Self-Restraint as Incidents Continue in Free City.

Berlin, July 21.—(AP)—A German government spokesman, in one of the most unequivocal recent utterances on Danzig, said today Germany optimistically expects a solution of the problem favorable to the Reich, but rejects the idea of force to regain the free city.

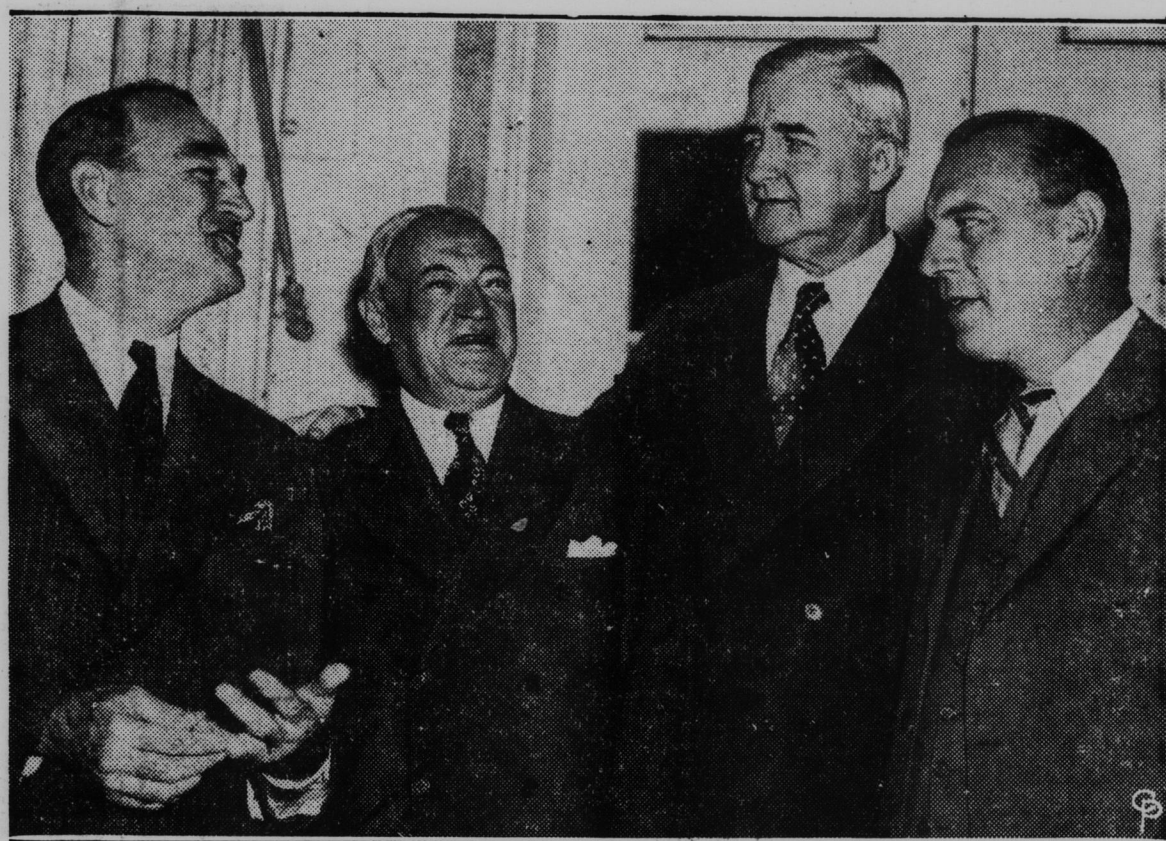
"Our fuhrer is 100 percent for peace," he said. "Now, as before, we expect an uncompromising solution of the Danzig situation along peaceful lines. Germany has not the least desire for a conflict of arms to bring about the uncompromising solution which we confidently expect. We reject 100 percent such a warlike solution, and would regret extremely if that were the only way."

Saying that Adolf Hitler clung to the definition of the Nazi party convention at Neumberg September 2-11 as "the party day of peace," the spokesman added: "If he did not mean it, don't you suppose we would have started to prepare the public by a press and propaganda campaign for another eventuality?"

Poles in Danzig are seeking to fix responsibility for a border incident in which a Polish soldier was killed

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Discuss Little Business Loans at White House



These four experts in the nation's financial affairs called at the White House to discuss with President Roosevelt the bill authorizing government loans to little business. Left to right: Senator James M. Mead, of New York, the bill's author; Senator Robert F. Wagner, of New York, chairman of banking and currency committee; Jesse Jones, federal loan administrator, and Emil Schram, chairman of the reconstruction finance corporation.

Preparing Everywhere For Events

Every Capital, Without Exception, Believes Eventuality Close, President Says; Says Failure of Neutrality Bill Hurting Business.

Hyde Park N. Y., July 21.—(AP)—President Roosevelt, in discussing neutrality legislation today, said that from every capital in Europe, without exception, there was evidence of preparation for an eventuality that was believed fairly close.

At the same time, Mr. Roosevelt said, it should be emphasized there were no allegations of probabilities of trouble abroad, only statements of possibilities.

President Roosevelt contended at a press conference today that a decision to defer action on neutrality legislation until the next congressional session would hurt business.

A prominent business man, Mr. Roosevelt said, told him recently that failure of Congress to act on neutrality was killing the nicest little business boom you ever saw.

Business men, the President asserted, do not want to make commitments because they do not know

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Senate Body Trims \$400 Millions From FDR's Lending Bill

Then Tacks on Additional \$90 Million for Reclamation in West; Jones Denies He Said Lending Measure Was Unnecessary.

Washington, July 21.—(AP)—The Senate Banking Committee trimmed \$400,000,000 from President Roosevelt's \$2,800,000,000 lending program today, and then added \$90,000,000 for reclamation projects in the west. Senator Taft, Republican, Ohio, voicing the views of minority committee members, told reporters Republicans still were not satisfied and would seek further curtailment of the measure. The committee agreed to cut from \$750,000,000 to \$500,000,000 a proposed authorization for toll roads and from \$500,000,000 to \$350,000,000 the total which the Reconstruction Finance Corporation could expend for railroad equipment to be leased to the carriers.

While the Senate committee was busy with details of the legislation, Jesse Jones, new Federal loan administrator, told the House Banking Committee that any inference drawn from previous testimony by him, and current in some congressional circles, that the lending legislation was unnecessary, was "of course, ridiculous."

Jones was reported authoritatively to have told the Senate committee

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Ginners of State Form Organization In Raleigh Session

Raleigh, July 21.—(AP)—Cotton ginners of North Carolina and Virginia formed the North Carolina-Virginia Ginners Association here today and elected C. A. Johnson, of Tarboro, president. James R. Miller, of Pineville, Edwin Pate, of Laurel Hill, and W. M. Jenkins, of Norfolk, were elected vice-presidents, with Fred P. Johnson, gin inspector for the State Department of Agriculture, as secretary-treasurer.

G. M. Lester, of Jackson, Miss., urged the ginners to eliminate cut-throat competition by regulating themselves, as he argued, "that politicians, legislators or Washington" could not "clean up the industry." Lester said this was the only state without a ginners association.

Jaycees Open State Office

Daily Dispatch Bureau, In the Sir Walter Hotel. Raleigh, July 21.—Tonight will mark establishment of an important mile post in the progress of the North Carolina Junior Chamber of Commerce, composed of twenty local chambers, better known by the nickname of "Jaycees." State headquarters established in the Carolina hotel here will be formally opened. Maintaining adjoining offices, sharing in the maintenance expense, and participating in the opening exercises is the Raleigh Junior Chamber, one of the liveliest units in the State organization.

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Allot Road Funds To Cities Shortly

Raleigh, July 21.—(AP)—W. Vance Baise, chief highway engineer, said today that tentative allotments to municipalities for the \$500,000 highway maintenance fund for them would be completed late today or tomorrow. The list will be turned over to the North Carolina League of Municipalities for transmission to its member cities and towns. Baise said, and any appeals will be heard here by Baise and Highway Chairman Frank Dunlap, August 2.

Refugees Not To Come Here

Daily Dispatch Bureau, In the Sir Walter Hotel. Raleigh, July 21.—Bishop Eugene J. McGuinness, head of Catholic diocese of North Carolina, reports most favorable reaction all over the country to his recent proposal that the Catholic orphanage here would care for 200 European refugee children if Congress votes to admit them to this country. He doubts that such action will be taken.

There are only about one hundred children at the orphanage now and facilities there will easily take care of two hundred more.

Among Catholics throughout the country to foster such a plan, and although several inquiries have been received from other dioceses, none has offered full co-operation in the scheme, pending further study.

Answering suggestions that the whole scheme is just one of proselytizing, local Catholic authorities declare that the offer was made in good faith as a humanitarian gesture. No effort would be made to force the refugees into the Catholic Church.

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BEAUFORT PROJECT APPROVED

Raleigh, July 21.—(AP)—W. Vance Baise, chief highway engineer, said today that the highway commission had approved the low bid received last week for a project in Beaufort county.

Highway Dead For Half Year Higher In State Totals

Raleigh, July 21.—(AP)—The first half of 1939 brought 396 motor vehicle fatalities in this State, and 3,058 injured, whereas the same period last year saw 383 highway deaths and 3,620 injured injuries. Director Ronald Hocutt, of the highway safety division, in releasing the figures today, said that total accidents dropped from 3,718 through June last year to 3,346 from January, 1939, to June, 1939, inclusive. He said he was encouraged by the accident decrease, and that "if this decrease can be continued, a decrease in fatalities is bound to follow."

Statements In Berlin Encouraging

London, July 21.—(AP)—Pacific utterance in Berlin over the free city of Danzig were interpreted today in Britain as a new invitation to the British government to return to the policy of appeasement.

"Nobody ever doubted that Hitler would prefer to get Danzig without war," one British official said, "but as long as Germany insists that Danzig must return to the Reich, then the situation is not too hopeful."

In Rome, fascists said they concurred wholeheartedly in the German spokesman's statement. In Paris, officials were guarded in their comment, but said they were inclined to regard the statement as a "possible change" in the situation.

The Berlin development came as talk, which was without confirma-

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Quick Ransom To Arabs For Victim Asked

Jerusalem, July 21.—(AP)—A donkey boy brought to Jerusalem today a note from the Rev. G. R. Goldner, of Meccedore, Ohio, assuring his father of his safety, but urging that the \$5,000 ransom demanded by his Arab kidnapers be paid today if possible.

The same messenger brought a note from the leader of the band which kidnaped the Ohio pastor Wednesday, declaring that if the ransom were not paid the captors could not be responsible for Goldner's safety.

The first message, delivered to Dr. Jacob Goldner, Cleveland, Ohio, pastor and father of the kidnaped man, said:

"Don't worry. I am sending this note with my donkey boy to you to convince you that I am safe. Please bring the money, if possible, Friday. Affectionately, Gerald."

Two donkey boys accompanied the Goldners on the journey which resulted in the kidnaping. One was sent back with the father, who reached Jerusalem yesterday. The second was freed last night with the messages and reached Jerusalem this morning.

Russo-Jap Clash Is Now Feared

Huey Long's Old Machine Threatened

Gov. Long, His Brother, and Mayor Maestri of New Orleans Fighting To Save It From Wreckage in Louisiana Politics.

New Orleans, La., July 21.—(AP)—Governor Earl K. Long and Mayor Robert Maestri of New Orleans were united today in an effort to save the old Huey Long political machine from wreckage.

Earl, brother of the late "kingfish," and Maestri, Huey's early financial backer, are the two remaining of the four principal heirs of Huey's formerly well-ordered domain. Governor Richard Leche, titular chief legate, has resigned, and Seymour Weiss, sometimes called No. 2 political man in Louisiana, is under federal mail fraud charges.

Long took occasion during a speech in North Louisiana yesterday to decry Shreveport and Monroe newspaper attacks on Maestri. "They branded the fairest and squarest man in the state as an old crook," Long said. "He is 100 percent honest. They've decided the only way to get Earl Long is to ruin Bob Maestri. He's given more constructive work as mayor of New Orleans in three years than any one else ever gave in forty years."

Maestri in New Orleans said he was interested in "a number of oil ventures," but that all his activities "were done legally and honestly."

Long, with the backing of Maestri, is a candidate for governor in the 1940 Democratic primary.

41 CANDIDATES FOR DEGREES AT STATE

Raleigh, July 21.—Forty-one students in State colleges regular summer session, now drawing to a close, are candidates for degrees Registrar W. L. Mayer reported today. Degrees will be mailed to successful applicants after the faculty passes on their qualifications at a meeting in early September.

Weather

FOR NORTH CAROLINA. Cloudy tonight and Saturday, with intermittent rain; cooler on extreme southeast coast tonight; slightly warmer Saturday afternoon in north portion.

4 Negroes Die In Charlotte Creek

Charlotte, July 21.—(AP)—Four young Negroes were swept away by the swollen waters of Sugar creek in mid-Charlotte today when the bridge on which they were standing collapsed. Policemen and firemen believed all four had drowned. They were reportedly from 15 to 20 years of age.

Ford Foe Of FDR Group On Neutrality

By CHARLES P. STEWART Central Press Columnist

Washington, July 21.—It's whispered in Washington that the administration considered Henry Ford one of the most potent influences against the neutrality program that it fought for so hard. Not that the flivver king has been a bit audible. Nevertheless, administrationists say there are plenty of strings he can pull, inconspicuously but effectively, and their story is that he did so, for all they were worth before the White House conference with Senate lead-

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GREENVILLE MAN IS HELD IN AUTO DEATH

Raleigh, July 21.—(AP)—Coroner of Banks today ordered R. E. Morrison, Greenville hotel man, bound over to Superior court under \$500 bond for grand jury consideration on charges of manslaughter in connection with the death June 26 here of Mrs. O. K. Henderson, of Wendell. Mrs. Henderson was hurt June 25 in an automobile accident while with Morrison.

RE-SURFACING FOR ROUTE 70 TO BEGIN

Raleigh, July 21.—(AP)—Weather permitting, re-treatment work on a ten-mile stretch of U. S. Highway No. 70 from the Johnston county line to Goldsboro will begin Monday, W. M. Hampton, of the highway commission's claims and location division, said today. Traffic will be detoured over county dirt roads, and the work will require about ten days, if weather is favorable.

Tokyo Angered by Alleged Soviet Threat To Seize Oil and Coal Holdings; Armed Action by Japan Hinted.

Tokyo, July 21.—(AP)—A naval ministry source disclosed today that a section of the Japanese fleet was assembling in northern waters as a result of a Soviet Russian threat to confiscate Japanese oil and coal properties.

The size of the naval force, its base and destination were not stated. The naval source declared, however, that "our ships and men are ready."

Asked if Japan were likely to take armed action to prevent confiscation, he replied:

"In my opinion, that is possible. The situation is extremely grave." (On Monday Soviet Russia announced rejection of a Japanese demand in "ultimatum form" regarding the rights of Japanese oil and coal concessionaires in Sakhalia island, which is half Russian and half Japanese. It is off the Siberian coast.)

The government awaited word as to whether Soviet authorities had carried out a threat to confiscate the property at a midnight Thursday deadline. No report had been received thus far either from Sakhalia or Moscow.

At Moscow, Japanese Ambassador Tago was engaged in negotiations

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HORTON HOPING FOR EDUCATION UPTURN

Charlotte, July 21.—(AP)—Lieutenant Governor W. P. Horton, of Pittsboro, told the Charlotte Citizen club today that the "cause of public education must not lag behind economic growth of the State."

"My hope," said Horton, "is that in the very near future, by increased State and local effort, we may bring the North Carolina public school system to national recognition of top ranking—its rightful place."

Borah Would Lift Ban On FDR Meetings

Washington, July 21.—(AP)—Senator Borah, Republican, Idaho, suggested today that the customary injunction against discussion of what goes on at White House conferences should be lifted so that "both sides" could tell what happened in them.

The senator made the suggestion after President Roosevelt told his press conference at Hyde Park today that there had been only one controversy at Tuesday night's bipartisan conference on neutrality at the White House.

Mr. Roosevelt, said Borah, inti-

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Japs Almost Tie Up U. S. China Trade

Tientsin, July 21.—(AP)—The Japanese army's anti-foreign campaign in north China took on fresh momentum today.

Japanese military, political and commercial circles here, at Peiping and in lesser cities north of the Yellow river, announced new steps against British interests. At the same time, American and other foreign merchants said newly imposed import and export regulations, along with regulation of currency exchange rates, virtually had slowed their

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Rains General In State With Damages Reported

Raleigh, July 21.—(AP)—H. E. Kichline, the weather man, said today that the eastern and central sections of North Carolina had had their best rains in three months since Wednesday. He said the worst of the rains were over, but that intermittent showers could be expected in the east tomorrow.

Kichline said he had no reports of damage from torrential downpours at some places, but here the telephone company reported 1,200 telephones went out of order during the night, with all but 65 back in operation at midday.

The Carolina Power & Light Com-

pany reported little damage in its territory, but had a report that a "small twister" damaged a veneer plant at Sanford. No one was hurt.

Since Wednesday, rainfall reported by points in the eastern and central parts of the State included: Fayetteville, three inches; Graham, three; Randleman, 3 1-4; Smithfield, nearly 3 3-4; Raleigh, 3 1-4; Goldsboro, nearly four; Kinston, 3 1-3; Greenville, 4 1-4; Tarboro and Weldon over three and Williamston nearly three.

The coastal section and mountains had rains, but not so heavy as those near the central part of the State.