

BRITAIN DENIES LOAN DEAL WITH GERMANY

Georgia Belt Opens Sales On Tuesday

Warehouses Already
Clogged With Leaf;
Farmers Hope For
Good Prices and Say
Yield Is Over-Esti-
mated.

Tifton, Ga., July 22.—(AP)—Bright leaf tobacco growers of Georgia, Florida and Alabama packed warehouses with their 1939 crop today in preparation for the first auctions next Tuesday.

At 15 Georgia sales centers and the two in Florida, trucks, wagons, passenger cars and an occasional buggy were parked for the long wait for opening day sales to clear a space for additional leaf.

Despite a Department of Agriculture forecast of 1,022,995,000 pounds, compared with last season's 785,000,000 pounds, growers hoped for another 20-cent average price, and in some instances questioned accuracy of the estimate on the ground that average acreage production will be lower this year.

Some growers cited the rainy weather in the growing season, and indicated they believed there would be no surplus of high quality leaf as a result.

Carnivals, medicine men, peddlers and pitched men of all types streamed into the belt this week, and most market towns announced employment of extra policemen to protect growers from crooks. Upwards of 35,000 growers will sell in the Georgia-Florida markets. Last year they received more than \$20,000,000.

Vance ABC Men Voted State Posts

Wrightsville Beach, July 22.—(AP)—Electing R. L. Corbett, of Edgecombe county, president for the ensuing year, members of the North Carolina Association of ABC Boards closed their fifth annual convention here today.

George A. Rose, of Vance county, was elected vice-president, and R. G. S. Davis, of Vance county, was re-appointed secretary.

The association will hold its next monthly meeting at Manteo, July 25, but the date and place of the 1940 convention were not determined.

Heavy Rains Will Flood N. C. Rivers

Five Dead and Minor
Damage to Highways
And Property Laid to
Storms of Past Few
Days.

Raleigh, July 22.—(AP)—Heavy rains which claimed five lives and caused minor damage to highways and property have brought the threat of floods to the Goldsboro section. H. E. Kichline, director of the Raleigh Weather Bureau, reported today. All eastern North Carolina rivers are rising, he said, with an overflow developing in the Neuse and its tributaries in Wayne and Johnston counties. A two-foot flood at Goldsboro was expected early next week.

The flood in the Little river, which flows into the Neuse near Goldsboro, was said to be "rather heavy." Other rivers remained in their banks.

The rain was general throughout the State, but heaviest on and near the coast. During the 24 hours which ended at 7:30 o'clock this morning, Wilmington had five inches of rain, Hatteras two inches, and Norfolk, Va., one and a fourth inches, Kichline reported.

Highway Department employees said there had been little serious damage to roads. They added, however, the full effects of the rain would not be known for several days.

Dying Man's Farewell Party



Death is an invisible guest at this gay party given in honor of Claude Joseph Bradley (arrow), in New York. Two hundred friends feted him at the party, and Bradley was the merriest there. Doctors say he will soon die of a malignant cancer, for which there is no cure.

Roads, Schools And Farm Tenancy Loom As 1940 N. C. Issues

Maxwell Embraces
Highway Spending,
Horton Offers Educa-
tion and Broughton
Leans To Tenant
Farmer; Cooper May
Fight Administration.

Daily Dispatch Bureau,
In the Sir Walter Hotel.
BY LYN NISBET.

Raleigh, July 22.—Two other prospective candidates for the Democratic nomination for governor next summer have enunciated principles upon which it is evident they will wage primary campaigns. Some days ago Allen J. Maxwell promulgated a scheme for spending an additional fifty million dollars on highways during the next four years without additional tax levies.

Yesterday, speaking to a group of Citizens in Charlotte, Lieut. Gov. W. P. Horton put great emphasis upon the statement that "the cause of public education must not lag behind economic growth of the State." The context of the Horton talk indicates clearly that he proposes to give schools a major place in his personal platform.

In private conversation, but with permission to be quoted "in general," though not specifically, J. M. Broughton, Raleigh attorney, announced that long-time experience with and interest in tenant farmers leads him to think that one of the greatest needs of the present is for the State to lend more encouragement and di-

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N. C. Trucker Races Grade, Brakes Gone

Uniontown, Pa., July 22.—(AP)—Piloting a heavily loaded truck without brakes down a three-mile mountain grade at a speed ranging up to 85 miles an hour left 28-year-old Benjamin Bernelson, breathless, but he came through it all without mishap.

A continuous stream of traffic moved along the west side of nearby Mount Summit last night as the Clinton, N. C., driver headed down with his seven-ton truck carrying a load of peppers.

After going about half a mile, Bernelson said a sudden explosion occurred in the engine, "and the crank case and transmission let go." His vacuum brakes were useless.

The truck plunged wildly down the steep mountain highway. Robert J. Tanner, 29, also of Clinton, leaped with the vehicle reached the speed of 60 miles an hour, but Bernelson clung to the wheel, bearing down on the horn as he steered from one side to the other through traffic.

Luckily, there were no bad curves and he finally reached the bottom of the grade without losing a pepper.

Farley to Confer With the 'Chief'

New York, July 22.—(AP)—Postmaster General James A. Farley packed his bags today for a week-end visit with President Roosevelt, the man for whose election and re-election he worked tirelessly in 1932 and 1936.

Prior to his departure tomorrow for Hyde Park, Farley declined to disclose his own feeling toward a third term for Mr. Roosevelt.

State's REA Begins Year In Optimism

Daily Dispatch Bureau,
In the Sir Walter Hotel.
Raleigh, July 22.—Dudley Bagley, named this week for another four-year term as head of the State Rural Electrification Authority, points with pride and views without alarm as the record and prospects of his agency. Established by North Carolina law a year before the New Deal REA was set up in Washington, the State authority has sponsored development of rural electrification both by utility companies and local cooperatives to the point where this State ranks near the top.

Much of the pioneering has been done. The problem now is one of extension and of making provision for permanent operation of some units which may have been unwisely projected. There are several cooperative units in the State which already show signs of being unprofitable and of facing eventual liquidation. One of the main objectives of the State

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10 Polish Youths Taken In Custody By Danzig Police

Free City of Danzig, July 22.—(AP)—Danzig authorities asserted today that ten Polish youths armed with pistols were taken prisoner last night when they invaded free city territory along the western border.

Officials of the Nazified free city government said that angry crowd of Danzig citizens gathered in the village of Ochsendorf, shouting threats and making menacing gestures.

Serious disorders were averted and the captives taken to jail at an undisclosed location. Authorities said the prisoners belonged to the Polish Academic Legion, a semi-military organization of students. The young men asserted they had been vacationing at a camp near the frontier and had crossed the border unwittingly.

RFC Making Plenty Of Poor Loans

Jesse Jones Admits
Mistakes; Washing-
ton Hears Peace For
25 Years Has Been
Arranged in Europe
Under Agreement.

Washington, July 22.—(AP)—Jesse Jones, the Federal loan administrator, has advised the Senate Banking Committee that the Reconstruction Finance Corporation is going to have plenty of losses on the loans it already has made to business.

An unrevised record of Jones' testimony on President Roosevelt's new lending bill was circulated among committee members today. The printed text showed the former RFC chairman was asked by Senator Townsend, Republican, Delaware, whether the lending agency has made all business loans which "were in any way eligible."

"We think we have," Jones answered. "We are not infallible. We make plenty of mistakes and plenty of bad loans. We will have a very substantial percentage of losses on our business loans."

Other developments:

Peace Fact Rumored.

Secretary Hull said the State Department had received no information through official channels to the effect that five European powers were agreed tentatively upon a pact designed to settle their major problems and preserve peace at least 25 years.

The Philadelphia Inquirer published a story today from its Washing-

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A. N. C. Lease Is Unopposed

Washington, July 22.—(AP)—Interstate Commerce Commission officials said today no opposition to an application by the Atlantic & East Carolina Railway company to lease the properties of the Atlantic & North Carolina Railroad Company.

The Beaufort & Morehead Railroad had intervened, but officials said a spokesman for that company reported a "satisfactory arrangement" had been made with the Atlantic and East Carolina, and that it would make no further representations.

It was not indicated how soon Examiner J. S. Richard, who conducted the hearing, would issue his report.

CONCORD MAN NOW BELIEVED SUICIDE

Concord, July 22.—(AP)—Ernest Thomas, 45-year-old produce peddler, died at his home here today of what Coroner N. J. Mitchell said was a dose of poison. Mitchell said he was informed Thomas had been despondent, and had told a friend yesterday he had prepared the dose. He is survived by his widow.

Held for Ransom



Rev. Gerould Goldner

British troops and British fliers took to the barren hill country between Bethlehem and the Dead Sea in search for the Rev. Gerould Goldner, 29, young American pastor from Cleveland, Ohio, held for ransom by Arab bandits. The bandits demanded \$5,000 for his release, according to Goldner's father, who was also abducted but released.

Delivered Blow to New Deal



Representative John J. Dempsey (left), of New Mexico, and Senator Carl A. Hatch (right), of New Mexico, led the fight which resulted in passage by the House of the Hatch bill, forbidding all federal employees, including those on relief, from engaging in any political activity. The President and other policy-making officials of the government are excepted.

Japs Victorious In Terms With Britain On Far East Crisis

Form and Issues of Negotiations Agreed on at
Tokyo and Parleys Will Begin Next Week; But
London Has Not Replied Yet.

London, July 22.—(AP)—The British Foreign Office spokesman said today that Tokyo reports concerning Britain's attitude in negotiations with Japan on China policies should be accepted with caution.

Dispatches said Japanese officials hailed as a "great victory" results of a week of negotiations between British Ambassador Sir Robert Craigie and Foreign Minister Arita.

The spokesman said no report had been received from Sir Robert concerning his talk yesterday with Arita. He said Prime Minister Chamberlain probably would make a statement on the British-Japanese negotiations in the House of

Aged Father Of Kidnaped Man Very Ill

Jerusalem, July 22.—(AP)—The elderly father of kidnaped Rev. G. R. Goldner, of Mokodore, Ohio, collapsed today because of worry and strain just as he was preparing to set out on a personal search for the kidnap band.

Physicians said they did not regard his condition as critical, but that he was "bowed down with worry."

The father, Dr. Jacob Goldner, of Cleveland, Ohio, also a pastor, had declared he would seek out the lair of the abductors himself to negotiate for release of his son, unless some hopeful development came this morning.

Doctors said the 67-year-old pastor needed rest and quiet. He was exhausted from loss of sleep and the strain of attempts to obtain his son's freedom.

"I would make a special fatherly appeal to them to accept 200 pounds (about \$940) for the life of my boy," he had said in explaining his intention to seek out the band with the aid of two donkey boys and an interpreter.

Noon passed without any news. Then physicians insisted that Goldner take to his bed.

American Is Shot Dead At Shanghai

Shanghai, July 22.—(AP)—A. F. Wilson, formerly of Philadelphia, and a Chinese were killed tonight in an attack on two Chinese-language newspapers, one of which is American-owned.

Wilson, 47-year-old cafe owner, known as "Tug," was shot five times when he tried to seize one of the terrorists. He died soon after being taken to a hospital. Nine persons were wounded.

Both the newspapers involved have been constant supporters of the Chinese government of Chiang Kai-Shek. One is the Chinese-American News, American-owned.

More than 150 shots were fired, and several hand grenades thrown as the terrorists, after raiding the newspaper offices, engaged in a running battle with police. All the terrorists were reported to have

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Gambling Czar Of Pendergast Regime Under Indictment

Kansas City, July 22.—(AP)—A federal grand jury today accused Charles Carroll, branded the gambling czar of Democratic Boss Tom Pendergast's regime of collecting \$288,969 protection money in four years.

The same jurors whose indictment sent Pendergast to prison for income tax evasion, indicted Carroll on a similar charge.

They placed the Italian-born alien's net income in the 1935-38 period at \$654,391, and said he cheated Uncle Sam of \$246,659 by false returns. Penalties and interest would hike his debt to the government to \$420,000 if he is convicted.

Berlin Much Pleased At Latest Turn

Germans Say They
Have Not Changed in
Demand for Full Re-
turn of Danzig; Lon-
don Foreign Office
Calls Reports "Fan-
tastic."

London, July 22.—(AP)—The British Foreign Office spoke out indignantly today about what it called "fantastic and irresponsible talk" of an impending broad agreement with Germany to save European peace. It denied here were official negotiations of any kind.

"All talk of a large loan to Germany in return for partial disarmament is absolutely unofficial and purely academic, and moreover, is harmful, because it may prejudice the Anglo-Soviet talks," a foreign office spokesman said.

Talk about a huge international loan being granted to Germany to aid the Reich's domestic economy and settle European tension had centered about the visit here of German Trade Ambassador Wohltat. He conferred recently with Sir Horace Wilson, permanent secretary to the treasury.

Dr. Wohltat returned to Berlin today, and denied having conducted any negotiations for a general loan for Germany.

A scheme to grant Germany a loan of one billion pounds (\$4,680,000,000), and international colonies in

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A. C. L. SURGEON OF 30 YEARS IS DEAD

Timmonsville, S. C., July 22.—(AP)—Dr. John Canton Foster, 63, of Tampa, Fla., died today at the home of his daughter, Mrs. D. O. Holman, where he and Mrs. Foster were visiting. He had been in ill health for several years. He had practiced medicine at Lake City and Tampa, Fla. He had served the Atlantic Coast Line as surgeon for 30 years.

Seaboard To Operate New Truck Lines

Washington, July 22.—(AP)—The Seaboard Air Line Railway received authority today from the Interstate Commerce Commission to parallel its lines in Virginia, North Carolina, South Carolina, Georgia and Florida with truck routes.

Receivers of the road will substitute truck service for the existing less-than-carload service of the railway between stations on its lines. While the plan calls for no reduction in the number of trains now being operated, the applicants said that stops at other than set-out points will be greatly reduced, and that such stops will be eliminated in many instances.

"In a number of cases existing train schedules will be revised to permit train movements at night, thus affording delivery of less-than-carload shipments early in the day," the I. C. C. commented in its decision.

Baptists To Support Free Worship Idea

Atlanta, Ga., July 22.—(AP)—Opening a seven-day world meeting, Baptists of 60 nations prepared today to throw the full weight of their influence against religious intolerance, racial persecutions and war.

These questions were topmost in the discussions of thousands of messengers from national and regional organizations as they swung into the sixth congress of the Baptist World Alliance.

Their sentiment for worldwide religious freedom will find expression in a pronouncement the executive committee arranged to present to the congress.

Declarations will be aimed speci-

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Weather

FOR NORTH CAROLINA.
Partly cloudy, slightly warmer in central portion tonight; Sunday fair, warmer in interior and on extreme northeast coast.

WEEKLY WEATHER.

South Atlantic States: Local showers in Florida most of week; period of scattered showers elsewhere Monday and Tuesday and again toward end of week; temperatures near normal.