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New Balkan Entente Policy May Follow Program Of Nazis

Representatives of Balkan States Meet In Belgrade; Plan Calls For Roumanian Industry to Be Synchronized With Germany.

Belgrade, Feb. 2.—(AP)—German officials in Roumania to obtain acceptance of a sweeping plan to make the industries, petroleum production and other assets of the Reich economic structure was reported by an informant today at the meeting of the Balkan Entente opened today.

Roumania, the informant said, already has made some concessions to Germany but is looking to her partners in the entente—Turkey, Greece, Yugoslavia—to support her.

Under this policy, proposed after the meeting, it was felt for Roumania to seek the other members of the entente for a military alliance, the Roumanians would sell supplies to Germany and the Allies but only to the extent of normal peacetime trade.

Under Germany's program, it was said, Roumania's industry would be synchronized with that of the Reich. Roumanian industry would discontinue manufacture duplicating Germany's and concentrate on products Germany could use.

Roumania would keep a steady stream of oil, wheat and timber moving to the Reich—as much as could be transported.

Recently, the reported plan virtually would freeze out Britain and France from Roumania and involve a written agreement German guarantee of Roumanian frontiers.

Roumania's main fear of this program was said to be that by becoming Germany's economic ally she would be inviting attacks by Britain and France and might become the real battleground of Europe.

France Upholds Right Of Search

Paris, Feb. 2.—(AP)—France's foreign ministry, in a communique today, supported Britain's contention that the Allies are within their rights in examining United States and other neutral mail in their search for contraband destined for Germany.

The communique said that allied contraband control had seized millions of dollars in currency, goods and goods which it asserted the agents and sympathizers had dispatched.

Canada Has Weed Surplus

Ottawa, Canada, Feb. 2.—(AP)—Canada, which normally exports 100,000 tons of tobacco crop to Great Britain, is getting about for new buyers as the result of England's withdrawal from the market.

The agreement concluded with the United Kingdom, Canada will take about 2,000,000 pounds of Canadian tobacco this year—only about 30 percent of Canada's average exports during the past two years.

In 1939 Canada exported 31,172,000 pounds to Britain. In 1938 Britain took 13,300,000 pounds. Of the balance of the exports in both years, small amounts went to the United States, Germany and The Netherlands.

The government has under consideration what disposition is to be made of the balance of Canada's tobacco.

Forty Counties Had 692 Highway Deaths From Total Of 943 Fatalities In 1939

Daily Dispatch Bureau. In the Sir Walter Hotel. Raleigh, Feb. 2.—Forty North Carolina counties accounted for 692 of the 943 automobile deaths on the highway last year, leaving only 251 deaths in the other sixty local units.

The small counties—Alexander, Wayne, Cleveland, Hyde and Tyrone—had on a special honor roll for highway deaths at all with 15, 14, 13, 12 and 11 deaths in 1939.

Ice Jam Breaks Wright Bridge

An unconfirmed report reached here this afternoon that the Wright Memorial bridge crossing Currituck Sound and connecting the island with the mainland had been broken by an ice jam. No details concerning the report or loss of the three-mile-long bridge were received.

Sentiment For Third Term Is Reported

Washington, Feb. 2.—(AP)—Early arrivals from the west for Monday's meeting of the Democratic National committee reported today that strong sentiment existed in their states for re-nomination of President Roosevelt.

Lynn Brodick, Kansas national committeeman, said: "Kansas is strong for Roosevelt and I feel the same way."

Ed A. Carroll, national committeeman for the state of Washington, expressed the belief his state would "favor a third term if it were voting today," while Charles J. Vogel, new member for North Dakota asserted: "My state is very pro-Roosevelt but I have no statement further than that on a third term."

The committee is slated to pick a time and place for the party's presidential nominating convention.

As the western committeemen talked of current trends, reports persisted that the convention date—many favor early August—should be selected by a sub-committee after the Republicans choose theirs, February 16.

Who Will Run Revenue Department?

Daily Dispatch Bureau. In the Sir Walter Hotel. Raleigh, Feb. 2.—Who's going to run for the Revenue department while Commissioner Allen J. Maxwell runs for Governor?

It may not be in accord with the rules of journalism to ask a question in the lead paragraph of a story, but in this particular case a question of the story, if your Raleigh reporter knew the answer the beginning would, of course, be different.

The commissioner says he has conferred with Governor Clyde R. Hoey "tentatively" concerning the matter of his successor during the Maxwell leave of absence without pay which is expected to begin some time in March.

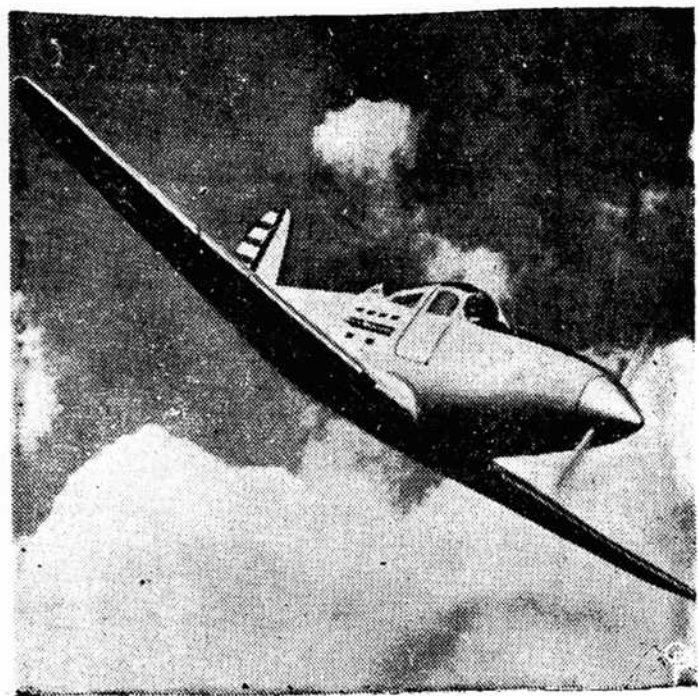
He says the governor was quite "cooperative", and went so far as to add that it would seem natural to turn the department over to "someone already familiar with the work", which may be an indication that the temporary tax collecting head will be "from the ranks".

In this case the logical man would be the natural and logical man would be Assistant Commissioner W. J. Spain, although "Bill's" job is more concerned as a general thing with personnel than with policies.

Your reporter ran into some folks who had a weird, but highly intriguing story that "Lon" Bolich of Winston-Salem will get the place.

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Preliminary Tests Given Army's New Super Plane



Uncle Sam's New Airacobra Bomber, Tested Yesterday

Washington, Feb. 2.—(AP)—The army took the wraps off one of its newest air weapons, a cannon-carrying pursuit plane designed to make 400 miles an hour, but delayed giving a complete test yesterday.

Captain George E. Price, crack test pilot from Wright Field, Dayton, Ohio, took the small, swift fighter aloft, but landed within a half hour and reported that until minor vibrations of engine and propeller were corrected the plane should not be flown at full speed. Mechanics went to work immediately to prepare it for additional trials.

The plane, known as the "Airacobra" and nicknamed a "flying bullet", is one of the fastest owned by the air corps. In addition to its six-mile-a-minute speed, it is capable of attaining altitudes of 36,000 feet and has a cruising range of more than 500 miles with a full load.

It is designed to carry four machine guns and a 37-millimeter cannon firing high explosive shells, all operated automatically by the press of a button in the pilot's cockpit.

The craft was built by the Bell Aircraft corporation, Buffalo, N. Y., and production already has begun on an unspecified number of planes of the same type under an army contract.

Roosevelt Stands On His Budget Figures

Raleigh, Feb. 2.—(AP)—The weatherman forecast snow flurries for North Carolina today and tonight but expressed belief "much colder weather" would be only temporary and "nothing like" last week's siege.

H. E. Kichline, in charge of the weather bureau, said Raleigh and vicinity would probably have a 20 to 25 degree temperature tonight, and added "this is not a cold wave like last week." He said he expected the snow to be "very light."

Says House Committee Made Perfectly Terrific Cuts; Refers to Excerpts From Budget Message in Volunteering Discussion.

Hyde Park, Feb. 2.—(AP)—President Roosevelt told reporters in firm tones today he was standing on his budget and a \$900,000,000 agricultural appropriation for the year beginning July 1.

He said the House appropriations committee which slashed the farm appropriation bill 20 percent below budget estimates had made perfectly terrific cuts. The bill is pending in the House.

Volunteering to discuss the agricultural appropriation at a press conference, Mr. Roosevelt said he saw no reason why some excerpts from his budget message should not be reprinted.

He had had some excerpts typed out and he read them to newsmen.

"I have carefully checked the individual estimates under these broad categories and I am satisfied that no lower figures can be obtained except at the chance of impairing the efficiency with which laws are administered or of working undue hardships on individuals or economic groups. I refuse to accept the responsibility of adopting either alternative. xxx

"We must not only guard the gains we have made but we must press on to obtain full employment for those who have been displaced by machines as well as for the 5,000,000 men in addition to the labor force since 1929. We must therefore avoid the danger of too drastic or too sudden a curtailment of government support. xxx

"I do not believe that the majority of people feel that the agricultural program should be reduced below the figure of \$900,000,000 because this figure, in itself a large reduction below the current year, will be barely sufficient to carry out soil protection and surplus removal operations."

High Court Upholds Four-Year Terms Of Sheriffs And Coroners

Red Patrols Dropped By Parachute

Helsinki, Feb. 2.—(AP)—Russian planes were reported by the Finnish high command to have dropped "a my" patrols by parachute over Finnish soil but defense troops captured or killed the invaders.

The new danger from the skies—introduced before by the Russians but always, the Finns say, without success—came on the Karelian isthmus where the Russians also showed another wrinkle of modern warfare in the use of tank-pushed armored sledges.

After a battle on the isthmus far into the night, however, the high command said, "the enemy was repulsed."

The communique governing yesterday's fighting also reported the Russians beaten back after attacks against Finnish-held islands in Lake Ladoga.

In its announcement of the attempt to hurdle Finnish defenses with troops from the air the high command said:

"During the day enemy planes dropped many parachuted patrols. These were partly captured and partly annihilated."

In the air warfare, the army announced that at least five and possibly eight Russian raiders were shot down yesterday while civilian casualties among the Finns were "one killed and some wounded."

Lax Practice Blamed In Rail Wreck

Washington, Feb. 2.—(AP)—The Interstate Commerce Commission criticized "lax practices" today in a report on a collision between a passenger train and a freight train on the Atlantic coast line railroad at Wilmington, N. C., October 21, 1939.

Forty-nine persons, including 41 passengers, were injured in the accident.

"It is recommended," the commission said, "that operating officials of this railroad at once take necessary measures to correct the lax practices which were disclosed by their investigation and give consideration to the need for additional protection at this point."

Reductions In Farm Budget Defended

Washington, Feb. 2.—(AP)—Representative Woodrum, Democrat, Virginia, contended in House debate today that none of the sharp reductions proposed by the appropriations committee for agriculture department funds would seriously harm farm areas.

"What he said then is doubly true today," said Woodrum.

Farm members seeking to avert the cuts expressed confidence that their strength was growing.

Big Verdict Awarded Son Of Kidnaper



Mrs. Hauptmann and Son

New York, Feb. 2.—(AP)—A Supreme court jury awarded Manfred Hauptmann, six-year-old son of the Lindbergh baby kidnaper \$23,500 for injuries received when he was struck by the automobile of cartoonist Frank Moser, May 5, 1938.

The jury also awarded \$2,000 to the boy's mother, Mrs. Bruno Richard Hauptmann. Mrs. Hauptmann had asked \$100,000 damages, charging Moser with negligence and contending the boy was rendered epileptic and permanently injured.

Justice William F. Love, in his charge to the jury, cautioned the members not to be influenced by "the name this boy carries."

Justice Love reserved decision on a request by Moser's lawyer that the verdict be set aside as contrary to the weight of evidence and excessive.

Fire Does \$40,000 Damage At Sparta

Sparta, Feb. 2.—(AP)—A fire which raged for two hours and destroyed three stores and the Baptist church here last night did damage estimated at more than \$40,000.

For a time the fire threatened the whole business district. Sparta has no fire department and the Galax, Va., and Independence, Va., fire companies battled the flames.

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Harris Wins Appeal From This County

State Supreme Court Declares Invalid The Act Regulating Dry Cleaners; Wilson Granted New Trial; Other Opinions.

Raleigh, Feb. 2.—(AP)—The State Supreme Court ruled today that sheriffs and coroners are serving four-year terms which started in December, 1938, and that they do not have to enter this year's primaries and elections.

The decision reversed a Superior court finding by Judge Leo Carr of Alamance county that the Alamance elections board should accept a filing fee from J. M. Freeman who sought to enter the Democratic primary May 25 as a candidate for sheriff.

Sheriffs and coroners elected in November, 1938, won office the same day that voters approved a constitutional amendment extending their term to four years. The amendment was proclaimed into effect before the officers took their oaths.

The court declared invalid the state act regulating dry cleaners. A new trial was granted W. T. Wilson, former mayor of Winston-Salem, on charges of embezzlement of \$700 while serving as guardian for John P. Charles. Wilson was sentenced to serve six to eight years in prison upon his conviction in Forsyth Superior court, in May, 1939. The high court held that evidence prejudicial to Wilson was permitted in his trial.

The court divided evenly three to three with Associate Justice A. A. F. Seawell not sitting on a second decision in the suit of Best & Co., of New York to test the validity of a state tax on goods displayed in North Carolina for the purpose of taking orders for shipment into the state. The court's previous opinion holding the law to be valid was sustained; but was amended to include the fact that Best & Co. challenged the act on grounds it violated not only the commerce clause but also the privileges and immunities and equal practice provision of the Constitution.

J. P. Harris, convicted in Vance county of not having a license from the state dry cleaners commission, appealed to test the dry cleaners regulatory act.

Associate Justice Seawell wrote: "The statute before us seems to overshoot the mark in several aspects: in the discrimination produced by its territorial limitations, in the attempted delegation of the legislative function to create standards and failure to fix limits with which the discretion of the commission may be exercised and in the more fundamental respect of its invasion of personal liberties and freedom to choose and pursue

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Economy Talk Is Sheer Hypocrisy, Babson Says

Declares Public Being Hoodwinked On National Finances; See Economy Hope Fading And Business Risks Mounting.

BY ROGER W. BABSON, Copyright 1940, Publishers Financial Bureau, Inc. Babson Park, Mass., Feb. 2.—It is going full blast again! The familiar seeds of New Year economy, budget-balancing, pay-as-you-go—talk are being sown. As usual, the June harvest will be a big deficit, no real economies, another attempt to peruse the rocks of fiscal policy.

"What he said then is doubly true today," said Woodrum.

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government policy of living within our income. Thus spoke Candidate Roosevelt in 1932. No promises could have been more completely shattered than these. President Roosevelt promptly doubled spending. As his eighth consecutive budget deficit went to Congress last month, his "rigid economies" had succeeded in doubling the nation's debt.

Economy Hopes Fade. Every January there has been much talk of economy, drastic paring down of expenses, cutting appropriations to the bone. Each January there is talk behind the scenes about the need for new taxes. Then late each session a huge deficiency bill is introduced. Late each session heat is put on the tax committee to prevent any increase in taxes except on big corporations and millionaires. Each year the national debt gets big-

(Continued on Page Five)

Gables Believed Caught In Storm

Hollywood, Feb. 2.—(AP)—Clark Gable and his actress wife, Carole Lombard, apparently got caught in a storm in Baja, Cal., and spent the night in their station wagon but none of their friends here worried about their safety.

"Those Mexican roads south of Ensenada can get awfully muddy in no time at all with the heavy rains we've been having," said Dean Dorn, Metro-Goldwyn-Mayer studio publicity man, and it's likely their car got stuck.

"But the station wagon is fixed up with bunks, guns and supplies and if they did get mired they're undoubtedly in no distress."

Income Tax Suit Against Capone Pends

Washington, Feb. 2.—(AP)—The Justice Department said today that it would press a civil suit for income taxes against Al Capone as soon as a process can be served legally on him.

The suit seeks \$350,000 in taxes plus interest and penalties. The department's comment was (Continued on Page Eight.)

Weather

FOR NORTH CAROLINA. Snow flurries this afternoon; partly cloudy and much colder tonight. Hard freeze in the interior, below freezing on the coast. Saturday fair. Colder.