

# Henderson Daily Dispatch

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## Cash Working Fund Cannot Be Used For Farm Expenditures

Secretary Morgenthau Says Estimated Working Balance in Treasury On June 30 Will Be As Low As Would Be Safe.

Washington, March 22.—(AP)—Secretary Morgenthau took the position today in a letter to Senator Byrd that additional farm expenditures approved by the Senate could not be financed from the treasury's cash working balance.

Several senators have contended that appropriations could be met from the fund.

Byrd took the opposite view and expressed opinions from the general farming office and from Neogenthu. The former reported that unappropriated funds in the working balance would total \$514,225,114 when the fiscal year ends June 30.

Morgenthau wrote Byrd that "it is contemplated by the President that the estimated working balance will be about as low as can be permitted to go."

The treasury secretary has argued that a substantial working balance should be maintained to meet any emergency which might develop from war conditions abroad.

The Senate floor the \$822,000,000 farm bill was delayed by a wrangle over sugar benefits, but leaders were confident the measure would be approved this afternoon.

The House committee investigating the labor board released a confidential report prepared by board officials last fall which spoke of "inefficient" administration.

## ANOTHER BLAZE AT THE BAXTER HOME

A roof fire at the home of Dr. J. E. Baxter on North Chestnut street caused firemen out this afternoon at 4:30 o'clock, and Fire Chief Cooper Ellis estimated the damage done as \$2,000.

Several shingles on the big, two-story house, scene of several alarms, were burned, while others were pulled from the roof as the firemen put in some effective work.

## JAPAN KEEPS ALOOF FROM WAR IN EUROPE

Tokyo, March 22.—(AP)—Foreign Minister Arita told the Japanese parliament today that "Japan will not be any obstacles in Germany's way in joining hands with Britain and America" during the European war.

Arita added that Japan was "certain" of the ultimate outcome of the war but declared the matter was delicate to explain further.

## Grand Dam Gates Closed

Oklahoma City, March 22.—(AP)—Governor Leon C. Phillips, who closed the national guard last night to prevent completion of the Grand dam, disclosed today that the dam's gates were closed during the night.

Phillips withdrew the guardsmen after a civil suit was instituted to prevent the state's claims against the BWA.

The governor said he learned the dam had been closed and that the BWA had started backing up in the 2,000-acre reservoir.

The governor, ardent advocate of the dam, called off the national guard March 13 to establish military police over the 14 uncloned gates. The \$20,000,000 hydro-electric project, he said, were in addition to the 30 assassinations already linked with the crime syndicate and resulting so far in eight murder indictments.

## Newspaper Men Fail To Find Much Damage To Silt

By ALVIN J. STEINKOFF

Honolulu, Island of Silt, Germany, March 22.—(AP)—Three American newspapermen, including this correspondent, toured this island out of Germany's aerial front and were able to see trends to beat out the German version that they seven hours of British bombing had "little if any military effectiveness."

Silt's lifeline railway across the causeway apparently undamaged.

Shattered windows of airplane hangars but no evidence of direct

## Income Tax Collections Vary Widely

Washington, March 22.—(AP)—State-by-state figures showed today that income tax collections in the first 29 days of March varied from increases of 81 percent in Michigan to small decreases in Texas, Maine and Oklahoma.

The comparisons were with the corresponding period of last year. The average national gain was 31 percent.

The 20-day period representing the bulk of first quarter federal income tax installments produced \$611,447,616 this year, compared with \$473,122,052 last year.

The variation in collections apparently bore no sectional characteristics. Thus states showing the largest increases included Michigan, Rhode Island 77 percent; Delaware 73 percent; Ohio 62 percent.

New York state easily maintained its first rank with \$156,298,903.

Collection in North Carolina for the period were \$3,237,749, as compared with \$5,960,773 last year.

## Campaign Tempo Rises

Leading Republican Contenders Plan Speeches; Farley To South Next Week.

Washington, March 22.—(AP)—The tempo of the campaign for the Republican presidential nomination quickened today with Senators Taft of Ohio and Bridges of New Hampshire embarking on fresh speaking tours and Thomas E. Dewey of New York preparing to visit Illinois and Wisconsin next week.

Senator Vandenberg of Michigan, who said Wednesday that the Republican nomination should not result from the "transient impulse of a campaign tour," will make a radio speech here.

On the Democratic side Postmaster General Farley will leave next week on an extensive southern tour. It is billed as a round of post office dedications, but since Farley is an avowed candidate for national honors the trip will have more than ordinary interest to politicians.

Senator Taft, who has appeared in 26 states thus far, would not comment on Vandenberg's statement about campaigning but by announcing additional speaking dates indicated that he was ignoring it.

## Two "Molls" Questioned

New York, March 22.—(AP)—District Attorney William O'Dwyer said today he was detaining two young women whom he described as "holding the key to at least three new murders" by the Brooklyn murder for cash syndicate.

The Kings county prosecutor said the two women, both in their 20's, had given him considerable information during an all night questioning and showed they were "familiar with many of the gang's secrets."

He withheld their identities, commenting merely that they might be typed as "gang molls."

The three new unspecified murders, he said, were in addition to the 30 assassinations already linked with the crime syndicate and resulting so far in eight murder indictments.

## Their Hopes Are Blasted By New X-Ray Pictures



Mrs. Earlene Callahan, 22, and her husband, Emory, 32, in set, accepted philosophically the news that the birth they expect within two months will be a normal birth of one child, rather than that of rumpuncts which, they said, X-ray pictures had led them to expect. New X-ray pictures made yesterday showed only one embryo. Mrs. Callahan is shown at her Miami home, her husband at his \$15 a week job in furniture factory.

## Thousands Attend Holy Land Rites

Jerusalem, March 22.—(AP)—Pealing church bells and sunny weather invited thousands of Holy Land natives and pilgrims to worship today on the day of Christ's passion.

In the early hours of the morning, Christians of many nationalities gathered at Pontius Pilate's court for devotional processions along the Via Dolorosa "the saddest street in the world."

With the war's concentration of thousands of British troops, Holy Land disorders between Arabs and Jews have almost disappeared and the air of dignity and orderliness here where the Nazarene burdened with the Cross walked to Calvary was typical of all Palestine.

The ancient shrine of the Church of the Holy Sepulchre was an animated scene of devotion, reflecting the abiding faith of Christianity in the permanence of the principles of Christ.

## State's Principal Crops To Claim Less Acreage

Raleigh, March 22.—North Carolina's farmers do not intend to plant principal crops of the state on all the acreage which will be taken out of tobacco production this season, although they do intend to increase the acreage of all other crops except sweet potatoes, it is indicated by the Federal-State Crop Reporting Service's "Prospective Plantings for 1940," just released.

The report gives tentative estimates on ten main Tar Heel crops, with the figures showing that total plantings in these ten will be 139,809 acres less this year than in 1940. Total tobacco plantings of this year are estimated at 564,000, a decrease of 251,800 from 1939's total of 815,800 acres planted.

Thus it appears that Tar Heel farmers intend to replace 112,000 acres of the tobacco land with one or another of the other main crops.

The total acreage which will be put in these crops this year is estimated at 5,362,000 acres against 5,213,997 last year.

Division of the intended planting is: corn 2,491,000; oats 266,000; barley 125,000; tame hay 1,151,000; Irish potatoes 83,000; sweet potatoes 98,000; tobacco 564,000; cowpeas 145,000; soybeans 318,000 and peanuts 275,000.

The heaviest percentage of proposed increase is in the comparatively small barley crop, which will increase 25 per cent in acreage over 1939. Increases of 5 per cent are indicated for oats and peanuts; of 4 per cent for soybeans and tame hay.

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## Candidates Hit High Gear In Organizing

Raleigh, March 22.—Commissioner of Revenue Allen J. Maxwell today harked back to his 1932 campaign for governor to name a county manager who eight years ago gave him a big lead in his balliwick.

Meanwhile headquarters of both J. M. Broughton and Lieutenant Governor W. P. Horton, like Maxwell's, continued to function in high gear in the matter of lining up their organizations in all sections of the state. Broughton came through with something of an innovation by announcing that a twelve-man committee will have active charge of his Caldwell county campaign.

The Maxwell manager who will do a repeat performance of his 1932 act is Dr. O. C. McFayden of Fayetteville, who put the Commissioner in front in Cumberland eight years ago and will try to repeat this time.

Other Maxwell managers named today were George M. Fountain, prominent Tarboro attorney, for Edgecombe, and P. C. Froneberger, (Continued on Page Two)

## Murder Case To High Court

Raleigh, March 22.—Attorneys for Homer McManus, Cabarrus man under death sentence for killing the man who had been his bunkmate for three months, will next week seek a new trial for their client on the grounds that the sheriff of Cabarrus county selected the jury after having paid a \$200 reward out of his own pocket for McManus's arrest.

The McManus case is the only capital felony conviction from which an appeal will be heard by the Supreme Court when it takes up cases from the Sixth and Fifteenth judicial districts next week.

On the calendar is one other criminal appeal, in addition to nine appeals in civil actions—one of them from a decision by Judge R. Hunt Parker refusing to halt the City of Kinston from proceeding with its

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**Weather**  
FOR NORTH CAROLINA.  
Fair, much colder, with frost freezing nearly to the coast to night. Saturday, increasing cloudiness, becoming unsettled in the mountains.

## Reynaud Pledges All French Energies To Winning Of The War

### British Sub Sinks Nazi Steamer

German Vessel Sunk Off Danish Coast; Danish Merchant Ships Sunk By Germans In Three Days Increased To Six

London, March 22.—(AP)—The first torpedoing of a German merchantman by a British submarine and the increase of six of the Danish merchantmen sunk by German submarines in the last two days, today marked the ceaseless sea war, while Good Friday brought a lull in fighting on land and in the air.

The British submarine's victim was the 4,970-ton Hedderheim, which the admiral announced went down off the Danish coast last night. Of the 36-man crew, 35 were rescued by a Danish coast guard cutter and one man was saved by the submarine.

Newest Danish losses announced by the British to have been caused by German submarines were:

The 1,929-ton Christiansborg, reported torpedoed without warning, whereabouts of the crew was unknown.

The 1,206-ton Charkow, sunk off the Scottish coast with the whereabouts of her crew unknown.

The other Danish losses which brought to 13 the number of British or neutral ships sunk or damaged in the last three days were reported yesterday.

### BRITISH PLANE IS DOWNED BY GERMANS

London, March 22.—(AP)—A Reuters (British news agency) dispatch from Amsterdam reported that a British fighting plane was shot down at noon today in a battle with two German planes over German territory.

### 16 DIE IN TRAIN WRECK IN BRAZIL

Rio de Janeiro, March 22.—(AP)—Sixteen persons were killed and more than 100 were injured today in a collision between two passenger trains crowded with Easter week-end passengers. The accident, at a railway junction, was tentatively attributed to confusion over signals.

### FOUNTAIN JOINS MAXWELL FORCES

Raleigh, March 22.—(AP)—A. J. Maxwell announced today the appointment of George M. Fountain, Tarboro lawyer, to manage his gubernatorial campaign in Edgecombe county.

### Refund Of Old Ginning Taxes Is Opposed

Washington, March 22.—(AP)—Secretary Wallace opposed today a bill authorizing return of more than \$50,000,000 to cotton producers who participated in the 1934-35 federal crop control program.

He told a Senate agriculture subcommittee in a statement that the legislation introduced by Senator Russell, Democrat, Georgia, was "not in accord with President Roosevelt's program."

There is "no equitable moral or legal ground for the government" making these refunds to more than 1,200,000 individual cotton producers, Wallace said.

Advocates of the legislation contended that farmers seeking the refunds paid the money to the government in the form of cotton ginning taxes before the old Bankhead law was repealed by Congress as the result of a Supreme court decision.

Walter Randolph, assistant federal farm administrator for the southern region, testified it would be a very difficult job to trace all these individual transactions of five and six years ago because many of the producers were tenants and sharecroppers who since have moved.

### Reynaud Considers Dropping Reins Of French Government

Paris, March 22.—(AP)—Premier Paul Reynaud won a one-vote majority of confidence in the chamber of deputies today and immediately announced a cabinet meeting to determine whether he would drop the reins of government which he has held for 24 hours.

The official vote was 263 for and 156 against his cabinet, with 111 abstentions.

There were reports that Reynaud's seven radical socialist ministers, including Minister of Defense Edouard Daladier, whom Reynaud succeeded as premier, would resign from the government.

### New Premier In Address To Deputies

"France is Engaged In a Complete War" Against Germany, Which Is "Aided By The Treachery Of The Soviets", Reynaud Says.

### Cromwell Is Reprimanded

Washington, March 22.—(AP)—Secretary Hull indicated at his press conference today that his reprimand of Minister James H. R. Cromwell for making a pro-ally and anti-German speech in Canada closed the matter—unless Cromwell does it again.

Should the millionaire diplomat of two months service repeat the offense, it was made apparent that disciplinary measures of a severe type will follow.

The secretary used straightforward language last night in taking to task the husband of Doris Duke, "world's richest girl". Cromwell was admonished not to repeat the breach of regulations.

Cromwell was expected here either today or tomorrow on a visit. He has refused all comment on the reprimand from his speech, but when he delivered it he announced his readiness to "risk my official head" on its contents.

### Secretary Hull Admonishes Millionaire Diplomat Not To Repeat Breach

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### Alice Faye Gets Divorce

Los Angeles, March 22.—(AP)—Alice Faye, blond film actress, was granted a divorce today from Tony Martin, handsome screen and radio crooner, on her testimony that he had been guilty of mental cruelty.

Martin suggested she should have married somebody else—somebody "more settled" than himself, the actress told Judge Samuel R. Blake.

There was no request for alimony or approval of a property settlement. It was understood a property agreement had been reached.

The couple was married September 4, 1937, after an elopement to Yuma, Ariz.

### May Sue For Penalties

Shelby, March 22.—(AP)—United States District Attorney Lamar Caudle said today that his office might start civil proceedings to collect cotton marketing penalties the government contends it has not been getting.

He said he was prepared to give the agriculture secretary "full cooperation" in the matter of collecting penalties.

"The law," said Caudle, "is comparatively new and farmers who are not certain of its effect upon them are urged to visit the proper authorities and obtain the information."

### Conflict Between Homes And Autos Caused Economic And Social Change, Babson Says

BY ROGER W. BABSON, Copyright 1940, Publishers Financial Bureau.

Babson Park, Fla., March 22.—Future historians may well discuss the conflict now raging between homes and automobiles. This conflict is changing the manners, modes, and morals of America. Whether these social and economic trends will eventually turn out for the better or worse, only the historians will be able to say. But without waiting for the judgment of Father Time we can safely predict that the well-pointed arrow of progress is pointing to some of America's most precious resources—particularly oil.

Few of us comprehend the vast changes the auto has brought in our social, economic, and spiritual life. It has been an evolution that has encompassed hundreds of industries, thousands of communities, millions of people. From out-eating horses to gasoline-using machines is a change so startling, so widespread, so far-reaching, that we have just begun to realize it ourselves. One of America's most vital problems is the gap between farm product prices on the

farm and factory product prices on the retail counter. But I fear only a spiritual revival will again bring our people to buy milk for the baby rather than gas for the car.

**Farmers' Dilemma.**

Thirty years ago, there were 25,000,000 horses and mules in the United States. Every one had to be fed, stabled, and harnessed. Each year they ate billions of bushels of feed. Today, there are only 15,000,000 draught animals. In 1910, the small farmer raised his own feed. But the 1940 farmer can not raise gasoline for his tractor, auto, or truck. So he has to market a "cash" crop to buy gasoline. Production of farm products has increased, consumption decreased. Naturally, farm produce prices have fallen far behind factory goods prices.

Three decades ago, the average working man had a savings account. If he was not putting the cash into the bank he was buying a home. The country's savings backlog was growing, the number of home owners were increasing. Few people owned their

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