

DEFICITS SINCE 1934

The President's efforts to balance the national budget will meet with considerable opposition from congressmen who are reluctant to see the flow of dollars cut off from their constituents. Reviewing the fiscal history of the past few years, we find that Mr. Roosevelt began his administration with deliberate pump-priming which resulted in a deficit of \$3,629,000,000 for the fiscal year ending June 30, 1934. The deficits have been reduced each year since that high figure, if we omit from consideration the payment of the Veterans' bonus in the fiscal years 1936 and 1937. In 1935, \$2,687,000,000; in 1937, \$2,144,000,000; and in the fiscal year to end June 30, 1938, the estimated deficit is \$1,088,000,000.

Next year, the President hopes to reduce the deficit below the billion dollar mark. This is predicted upon sharp reductions in expenditures for highway construction, the CCC, and in limiting the agricultural program to around \$500,000,000. The plan is threatened by opposition to all of these retrenchments and by the threat of more unemployment and consequent necessity of spending more than the billion dollars now allocated for relief. Moreover, the preparedness program will likely include materially enlarged sums for the navy.

ECONOMY AND INCOME

Expenditures of the Federal Government, according to Mr. Roosevelt, are not likely to fall much below seven billion dollars a year, which is about twice the pre-depression level. The reduction in deficits has been brought about by a steadily rising income since the 1932 fiscal year when the Government collected barely \$2,000,000,000. For the present year, estimated receipts are six and a quarter billions, a new record for the nation. However, this is a billion dollars below what the President anticipated last January—the decrease being attributed to the business recession. Plainly, the balanced budget depends upon increased tax collections, which, in turn, are tied up with the national income. The President sets a goal of between ninety to one hundred billion dollars for the national income and expects that this will produce sufficient taxes to balance the national budget.

INDUSTRIALISTS CONFER

These figures explain the efforts of the President to bring about a more sustained economic recovery through cooperation between Government and industry. Before the holidays, the Chief Executive held a series of conferences with prominent utility leaders. Last week he talked with key industrialists, including some who have been pronounced adversaries of the Administration policies. While no public announcement was made as to the discussions, the industrialists reported "an interesting and instructive talk" with the President and that "all of us agree that we have a better understanding of each other's problems out of which we are sure will come closer cooperation in meeting the difficulties of the moment."

The five major leaders of business included: Alfred P. Sloan, Jr., chairman of the board of General Motors; Ernest T. Weir, of the National Steel Corporation; Lewis H. Brown of the Johns-Manville Corporation; M. W. Clement, president of the Pennsylvania Railroad; and Colby M. Chester, president of General Foods Corporation and chairman of the board of the National Association of Manufacturers. Three of these men were active members of the American Liberty League which, for a time, was a vigorous critic of New Deal policies.

In addition to these industrialists, the President continued to see public utility executives. The utility men were interested in issues involving old WPA grants and the question of whether existing facilities should be duplicated. The President termed these questions of "local nature" and said that the Government could not occupy a position more participatory than that of amicus curiae, as the municipalities had the last word as to the use of Federal grants. He expressed the hope, however, that there would be no duplication of existing facilities.

FIGHT AGAINST REFORM

In connection with the President's effort to secure the cooperation of the industrialists, it should be remembered that when

TODAY'S THOUGHT

When a man finds not repose in himself, it is in vain for him to seek it elsewhere.—From the French.

DEVOTED TO THE CIVIC, ECONOMIC AND SOCIAL DEVELOPMENT OF ALLEGHANY COUNTY

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Want To Sell
Something?
Try a Want Ad

The student body of Sparta H. S. was entertained

—on Thursday morning, January 13, by the Seventh grade, which presented a very interesting program.

Seven musical numbers, which have since been referred to as having been very good, were included in the program, as were also a beautiful flag drill that was seemingly the result of intensive training, a pantomime, in seven acts, and a reading by Garnett Cecil Sexton, a small child.

The program was brought to a close with the singing of the song, "North Carolina Hill."

On Friday, the 14th, a meeting of the Young Tar Heel Farmers was held and the following program was rendered: Talk, Earl Richardson, president; "Livestock Farming in New England," Harold Jones; School News, Bobby Crouse; "Parliamentary Procedure," Claude Andrews, and "Table Manners," Mrs. Halsey.

This program was the first of a series to be presented on Friday mornings of each week by the local Y. T. H. F. chapter.

The U. S. plans no change in its Sino-Jap attitude

—as a result of Japan's withdrawal of its ambassador to China, it was indicated yesterday (Tuesday) by President Roosevelt. The chief executive, reiterated at his press conference, however, that this government's policy was on a 24-hour basis.

In response to questions about Japan's action, Mr. Roosevelt said the State Department had advised him it did not constitute a severance of diplomatic relations. He has refrained from invoking the neutrality act against China and Japan in the past on the grounds they had not declared war nor broken relations.

He also minimized the significance of a visit by Paul V. McNutt, Philippine high commissioner, to Shanghai. Asked about published reports that McNutt was making a survey of Far Eastern affairs for the White House, Mr. Roosevelt said McNutt had expected to confer at Manila with Admiral Harry E. Yarnell, Asiatic fleet commander. When Yarnell was unable to go to Manila, he said, McNutt decided to go to Shanghai.

The Japanese ambassador to China was called home Tuesday as indications increased that Japan would eventually recognize the new Peiping regime as the government of China. The recall of Ambassador Shigeru Kowagoe from Shanghai set the seal on the repudiation of the Chinese government of Generalissimo Chiang Kai-Shek made in the Japanese government's statement last Sunday.

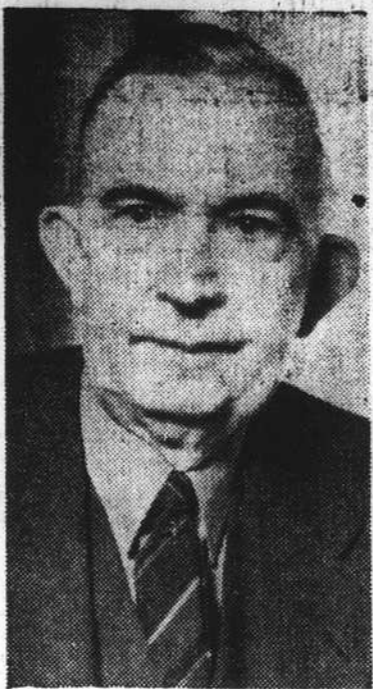
Judge Donald Phillips signed an order dismissing a motion

—for a new trial brought by counsel for Tom ("Buffalo") Linney (colored), condemned as the slayer of a Winston-Salem insurance agent last spring. Judge Phillips took this action Tuesday.

Counsel for Linney last week brought the new trial motion on grounds of "newly discovered evidence." Coincidentally, Governor Clyde R. Hoey at Raleigh Tuesday granted the Negroes a reprieve. They were scheduled to die in the gas chamber Friday of this week. The reprieve sets the date of their execution back to February 11.

Governor Hoey, at the same time, refused a stay of execution for James Sermons, Winston-Salem Negro "one-man crime wave," convicted of criminal assault. Sermons is scheduled to die Friday.

Named New Judge



—Photo courtesy Roanoke Times
John S. Draper (above), of Pulaski, Va., who was elected Friday by the Virginia General Assembly judge of the 21st judicial circuit of Virginia, to succeed Judge Horace Sutherland, Galax. He will assume his new duties February 1. The 21st circuit comprises Grayson, Carroll, Wythe and Pulaski counties.

Stanley Reed was named Saturday by the president

—to the United States Supreme court to succeed Justice George Sutherland, whose retirement, announced several days ago, became effective Tuesday. President Roosevelt's choice of Reed, who is at present Solicitor General of the United States, drew expressions of approval from many senators of both major parties Saturday. Democratic Leader Barkley, of Kentucky, said the nomination was "a fitting climax to a distinguished career." He added that Reed would bring to the court "a sympathetic understanding of the problems of modern society."

Republican Leader McNary, of Oregon, asserted that Reed "is qualified, and his nomination is satisfactory to the Senate."

Senator Capper (R., Kans.), observed that President Roosevelt "could not have found a better man for the place."

From Senator Vandenberg (R., Mich.), came the comment that the nomination was excellent "in view of the circumstances." Vandenberg declined to elaborate on the word "circumstances."

Another Republican, Senator Townsend, of Delaware, said it was a "good nomination."

Senator Bridges (R., N. H.), said he was "pleased from a personal point of view," but that he would not commit his vote "until after full public hearings have been held."

Senator Copeland (D., N. Y.), often a bitter administration critic, called it "a good nomination" and predicted that there "will be less objection to it than to any of the other 49 men who have been mentioned."

Senator Minton (D., Ind.), said Reed "is an excellent lawyer and will make a good judge." Born in Mason county, Kentucky, a few hours before the neighbors in Maysville were ringing out the old year of 1884, Reed attended public schools. His father, a country doctor, was well fixed and the son received a fine education. After graduating from Kentucky Wesleyan College, young Reed took special law courses at Yale, Virginia and Columbia. Later he studied at the Sorbonne in Paris.

CHARLES W. MYERS IS ASSISTANT CASHIER

—in the Sparta branch of the Northwestern Bank, instead of G. P. Hagaman, as was stated in last week's issue of The Times, in the news story concerning the recent meeting of the stockholders of the Northwestern Bank, in North Wilkesboro.

A LOAD OF WOOD WAS RECENTLY DONATED

—to the Sparta Public Library by Dan Thompson, son of Mr. and Mrs. Robert Thompson. Mr. Thompson is said to be one of the most interested patrons of the library.

Roosevelt said Tuesday he was making progress

—in his series of conferences with groups of prominent business men concerning the economic slump and other business problems. He made the statement at his semi-weekly press conference, and declined to amplify it.

At a meeting Wednesday with the administration's business advisory council, he said, anything the members of that group wished to bring up would be discussed, and the same held true for a meeting Friday with officials of the automobile industry.

The business advisory council, which has a membership of 50, including many top-ranking industrial leaders, will be the largest such group to meet with the president during the present series of discussions. It is expected generally that the discussions will cover recovery measures and the long-time stabilization of employment and production.

"The Child in the Community" will be the topic

—for the 1938 convention of the North Carolina Congress of Parents and Teachers, which is scheduled to open on Wednesday morning, April 20, and continue through Thursday with a banquet Thursday night. The convention is scheduled to adjourn on Friday, the 22nd. Convention headquarters will be at the Robert E. Lee hotel.

Several aspects of the main theme, such as present-day education, parents' responsibility, health and character-building agencies, cultural opportunities and leisure time, will be considered.

The executive committee of the state board met in Greensboro January 6 and 7 in the new alumnae building at the Woman's College; 20 of the 23 officers and directors were present, with Mrs. J. Buren Sidbury, of Wilmington, state president, presiding over all sessions. The purpose of the executive meeting was to choose a convention theme, arrange details of the convention program and consider policies of the state association.

Official convention hostess is Mrs. Melville Prongay, of Winston-Salem, president of the P.-T. A. council. Mrs. N. L. Walker, of Raleigh, first vice president, was chosen general convention chairman, and Mrs. James N. Plaster, of Winston-Salem, corresponding secretary, was chosen associate chairman. Other chairmen were named to various posts.

The legislative committee, of which Mrs. W. B. Aycock, of Raleigh, is chairman, will meet in January to draw up the legislative program to submit to the state convention. This will contain not only legislation endorsed by the national association, but measures to be put before the N. C. General Assembly of 1939, concerning matters pertaining to the schools and children. Another January meeting, scheduled to be held in Chapel Hill, will be devoted to plans for the 1938 parent-Teacher Institute to be held in connection with the extension division of the University of North Carolina in August. R. M. Grumman, of Chapel Hill, is chairman of the institute.

An intoxicated man in the gallery of the Senate created

—a flurry of excitement Tuesday in Washington when he called out in a high voice while Senator Bridges (R.), of New Hampshire, was speaking.

Capitol police hurried the man, and a woman who was accompanying him, from the building, releasing them outside. No charges were made.

Officers said they failed to learn the man's name, but were informed that he was laid off from work by a government agency last week.

Retiring Justice



Associate Justice George Sutherland (above), of the U. S. Supreme Court, whose resignation, announced recently, became effective Tuesday. His place will be filled by Solicitor General Stanley H. Reed, of Kentucky.

A test of the determination of the U. S. Senate

—to pass the anti-lynching bill was expected to develop during this week when Senator Carter Glass, of Virginia, in his capacity of chairman of the appropriations committee, was to move to lay aside the legislation and take up the independent offices supply bill.

Senate leaders have been trying to get the southern group to agree to an unanimous consent decree which would displace the Wagner-Van Nuys bill during consideration of the supply bill but after its passage the anti-lynching legislation would again become the unfinished business.

Apparently the southern senators have decided to make the fight to lay aside the anti-lynching legislation bill without reservation. Senator Glass had a speech in his system which he was expected to deliver when he offered the motion to displace the Wagner-Van Nuys measure and it was understood that Senator George Norris, Nebraska Independent, would speak in support of the Glass motion and against a federal anti-lynching bill.

Certainly, the time has about arrived when a showdown will take place. If the Senate leaders are determined to put over the anti-lynching bill, they will have to lay everything else aside and begin long day and night sessions. This will force the southerners to dig in for the winter and spring and conduct a real filibuster if they hope to defeat the bill.

Tenant farmers who live in other than designated counties

—need not apply at present for loans with which to buy farms under the tenant act, according to a recent statement issued by W. Bryan Oliver, West Jefferson, county supervisor of the Farm Security administration. However, money for regular rehabilitation loans to buy items other than land is still available to farmers and farm tenants, Mr. Oliver said.

The first allotment of money to buy and improve farms was sufficient to start the program in only a few counties in each state, Mr. Oliver said, and Alleghany county was not included in the first list. However, the Bankhead-Jones Act authorized to be appropriated two and one-half times as much money for the second fiscal year, beginning July 1, and five times as much for years thereafter. If Congress makes these additional funds available, other counties may be taken into the program. Counties were chosen by the Secretary of Agriculture on advice of the state farm tenant advisory committee on the basis of number of tenants as compared with number of farmers. The availability of good farm land was also a factor, it was stated.

THE WAYS AND MEANS GROUP OF THE HOUSE

—heard Frank Gannett, Rochester, N. Y., publisher, recommend special tax reductions to corporations sharing profits with employees, Tuesday.

Japan severed her diplomatic relations

—with China a few days ago, according to an announcement made yesterday by the Japanese government. The statement said that Japan would no longer recognize the anti-Japanese China government, the Hankow regime of Generalissimo Chiang Kai-Shek—and that it will encourage the Japanese-dominated regime at Peiping.

The announcement revealed the decision taken by the imperial conference held last Monday in the presence of Emperor Hirohito, the fifth such conference in Japan's modern history, as the result of China's failure to respond to peace proposals.

No reference was made to a formal declaration of war and the announcement declared that Japan intends to protect the rights and interests of foreigners in China.

Japan will continue to prosecute to the utmost her campaign in China, the statement of the imperial conference said.

More than 1,000 Baptists are expected to attend

—a state-wide meeting of Baptists in High Point Thursday and Friday, February 3 and 4, for the purpose of training a corps of volunteer Sunday school workers in each of the 72 Baptist associations in this state. Baptists are expected from throughout North Carolina.

Fifteen representatives from each of the associations are expected at the two-day convention, according to Rev. Perry W. Crouch, secretary of Christian Education, and L. L. Morgan, Sunday school secretary, for Baptist work in the state.

Included among the conference leaders will be Dr. T. L. Holcomb, executive secretary, and Dr. J. O. Williams, business manager, of the Baptist Sunday school board, of Nashville, Tenn.; M. A. Huggins, executive secretary of the state board of missions of North Carolina; Dr. J. B. Lawrence, executive secretary of the Home Mission Board, of Atlanta, Ga.; and Dr. J. E. Dillard, promotional secretary of the Southern Baptist convention, with headquarters at Nashville.

Farida Zulficar will become the bride of the king

—of Egypt today (Thursday) in a brilliant wedding in Cairo. This event, which has set Cairo aflutter, will be Egypt's first royal wedding since the days of the Pharaohs, for King Faud already had been married to Queen Nazli when he ascended the throne.

The slender, dark-eyed girl, who will become Egypt's second queen since Cleopatra, completed her pre-nuptial arrangements Tuesday with sphinx-like calm.

The 16-year-old bride-to-be placidly had her 45-gown trousseau packed and sent to Koubbeh Palace where she and young King Farouk will live after their marriage.

Farida planned to go to Koubbeh Palace yesterday to look at scores of rich gifts from all parts of the kingdom and from abroad. Meanwhile, 17-year-old Farouk received foreign diplomats bearing presents. Among diplomats paying their respects was Sir Miles Lampson, British ambassador, who took a letter of congratulations from King George.

A MEETING WAS HELD LAST FRIDAY BY THE BIBLE CLASS

—of the Glade Valley Presbyterian church, at 7:30 p. m., in the home of Rev. and Mrs. Wayne Thompson, with approximately 30 persons present.

Officers and teachers of the Sunday school were present, also. After the business session, a social hour was enjoyed, during which time various kinds of games were played. Appetizing refreshments were served.

Mrs. Kern Wagoner died Saturday in North Wilkesboro

—in Wilkes hospital after having been ill for only a short time with pneumonia. Mrs. Wagoner, who was, before her marriage, Miss Beulah Phillips, was manager of the local Smithey's store for several years, having been succeeded a few months ago by her husband.

Surviving are the husband and one daughter, Mrs. Roy Reins, North Wilkesboro; the mother, Mrs. W. K. Blackburn, of Jefferson, and six sisters and a brother, as follows: Mrs. P. L. Shore, Trinity; Mrs. Fred Ray, Mrs. L. P. Colvard, Mrs. Joe Worth, Mrs. J. C. Saunders and V. G. Phillips, of Jefferson, and Mrs. Florence Davidson, Bristol, Va.-Tenn.

Funeral services were conducted Sunday afternoon in the Jefferson Methodist church, in the presence of a large assemblage which had gathered to pay a last tribute of respect to the memory of the deceased woman, who was widely known in Alleghany and Ashe counties, as well as elsewhere.

Interment was in the family cemetery at Jefferson.

A fire that swept a Canadian college was fatal to 17

—persons, and 27 were listed as missing following the blaze that raged Tuesday night at the College of the Sacred Heart for Boys at St. Hyacinthe, Quebec. Two faculty members from the United States were among the teaching brothers and students missing as a result of the flames that flared in the night. Four others from New England were among 21 victims in hospitals with serious injuries or burns.

The teaching brothers from the United States who were missing were Brothers Joseph, 75, and Xavier, whose name in civilian life was Letourneau. Both were of Woonsocket, R. I.

Provincial police said they feared a majority of those missing perished in the flames which destroyed the 37-year-old, four-story brick building.

Many of those in the hospital were injured in jumping from the top floor dormitory quarters where the flames trapped students and brothers. Some suffered from exposure in the below-zero weather.

Rubber-coated firemen, their caps coated with frozen spray, poured tons of water into the flaming ruins throughout the day.

The fire was believed to have had at least a half-hour start when it was discovered about 2 a. m. by a passer-by. The flames ate rapidly through the wooden interior of the building before all the 80 boarding students and 31 teaching brothers could be aroused.

The Brothers of the Sacred Heart operated the school on the outskirts of this community of 14,000 population, 35 miles east of Montreal.

James H. Price was inaugurated governor of Virginia

—yesterday (Wednesday) in Richmond, succeeding Governor George C. Peery, who, with Mrs. Peery, returned to their home in Tazewell, in southwestern Virginia, following the inauguration. Governor Price, who crossed the border from West Virginia to rise to the highest office in the Old Dominion, took office in ceremonies unparalleled in color and traditional pomp on any other Virginia state occasion.

Governor Homer A. Holt, of West Virginia, who, like Price, is a native of Greenbrier county, W. Va., and Secretary Henry A. Wallace, of the United States Department of Agriculture, were among the visiting notables joining official Virginia for the program.