

Arrests Made in an Alleged Espionage Plot

Two German Ship Captains and a Designer of Naval Vessels Arrested by Federal Agents.

NEW YORK, June 4 (UP)—The arrest of two German ship captains and a designer of the navy's newest destroyers brought startling new ramifications to the investigation of an espionage plot today.

The captains, Franz Friske of the Hamburg-American Line, freighter Hindenburg and Heinrich Lorenz of the North German Lloyd, freighter Chemnitz were arraigned in federal court last night as material witnesses in the plot that in two months has involved more than 30 persons. They were released on \$2,500 bonds each and immediately boarded the North German Lloyd liner Europa, apparently with the federal men's knowledge. The Europa sailed early today for Europe.

The other prisoner taken last night, Christian Danielson, a draftsman for the Bath Iron Works at Bath, Maine which is building new ships for the navy was held in jail under \$10,000 bond.

It was reported that some of the plans for the new destroyers had been stolen. Danielson's importance as a witness, was attested by the fact that his bond was set four times larger than that of most material witnesses in the case.

The two captains had been detained to testify before a federal grand jury that has been investigating the case for a month and their ships sailed without them several weeks ago. Their sailing today, while under bond, was a mysterious development. In arraigning them, Leon G. Torrou, a G-man and Lester C. Dunigan of the U. S. attorney's office told Judge John W. Clancy they had information that the captains intended to sail on the Europa and for that reason they requested the bond be set. They told the court that once the men got to Germany, where two other material witnesses have taken up residence, while under subpoena, there would be no way of forcing them to return.

CITE SWIFT & COMPANY

WASHINGTON, June 3 (UP)—Secretary of Agriculture Henry A. Wallace today ordered Swift & Co. Chicago meat packing firm, to cease "unfair, unjustly discriminatory and deceptive" practices in the sale of its products.

Wallace held the company had violated the Packers and Stockyards act from 1935 to 1937 through unlawful practices in distribution of its products.

Department attorneys said the order was based on hearings in New York on Swift & Co. practices in eastern territory but that it applies to the concern's operations throughout the country.

The alleged violations included:

1. Denying certain purchasers discounts while granting them to others.
2. Requiring some purchasers to pay for meat at factory weights and others at weights when sold to consumers.
3. Giving long term credit to some purchasers and short term credit to others.

LET HIGHWAY CONTRACTS

LINCOLN, June 4 (UP)—State Engineer A. C. Tiley awarded contracts today on all except five highway projects for which bids were received Thursday.

Tiley said low bids had been accepted on the following projects but that awards would not be made until work agreements are filed with the highway department by the participating county, city, or railroad:

Through west and Newport-Jamison, Max Stratton; Trenton-Stratton and Oxford-Atlanta.

TWO CASES OF SLEEPING SICKNESS REPORTED

LINCOLN, June 4 (UP)—First cases this season of "sleeping sickness" among Nebraska horses were disclosed today by Dr. J. S. Anderson, state veterinarian.

Dr. J. D. Lindgren of Edgar reported two cases to the state office. Dr. Anderson said the disease probably is carried by mosquitoes. He believes the condition spreads more rapidly after wet weather.

TRAIN LAUNDRY DELIVERY MAN

BERKELEY, Cal. (UP)—Berkeley high school has opened a course for laundry route men. No effort will be made to increase their general culture, but rather on how to get the packages delivered on time.

SNITE FAMILY ENCOURAGED

CHICAGO, June 4 (UP)—Billings Memorial hospital physicians today began an examination of Frederick B. Snite, Jr., infantile paralysis victim, to determine the progress he has made during the past eight months.

He returned to Chicago yesterday from Miami, Fla., in the "iron lung" in which he has lain for 26 months. He was stricken in China while on a world tour.

"Everyone is very much encouraged about his condition," Snite's father said. "He is now able to remain outside the respirator for 24 minutes at a time, an increase of about two minutes in three months."

Young Snite will be taken to his home in suburban River Forest in about ten days. He will return to Miami next fall.

South American Nations Prepare Armed Forces

Peru and Ecuador Both Send Troops Into Disputed Jungle Territory as Result of Clash.

BUENOS AIRES, June 4 (UP)—Peru and Ecuador sent reinforcements to the wild Oriente jungle territory today, and fortified their defense lines, as their most recent frontier incident again threatened to cause war over their 400-year-old boundary dispute.

Peruvian and Ecuadorian governments, in statements issued at Lima and Quito, exchanged charges that as the result of a border clash, the other side was preparing for a fight. Ecuador said that strong contingents of Peruvian troops had arrived in the Tumbes district and that hence Ecuador had ordered reinforcements for the guard detachments at Oro and Rea Fuerte, scene of the clash which caused the trouble.

Peru countered with a statement that Ecuador was heavily fortifying the frontier. Hence, it was said, it was necessary for Peru to take defensive measures.

It was reported in Quito that a Peruvian gunboat arrived at Port Pizarro, opposite the Ecuadorian frontier, with 300 troops.

At Quito, Ecuadorian army officers pledged their support of the government in defense of "sacred national interests." At Guayaquil, crowds paraded the streets shouting "long live Ecuador."

The Ecuadorian cabinet, composed mainly of army officers, resigned last night to give Gen. G. Alberto Enriquez, supreme chief of the republic in the absence of a formally elected president, a free hand in the crisis—and so they could return to their army commands.

Gen Enriquez retained Gen. Guillermo Freilich as war minister and Dr. Luis Bassano as foreign minister but released other cabinet members. Cayetano Uribe was named new treasury minister and Alberto Ordenana was named social security minister.

FINANCIERS TESTIFY

NEW YORK, June 4 (UP)—Financiers, testifying at a securities and exchange commission investigation, today defended the ethics of their dealings with a group of six men charged with having acquired and paraded \$10,000,000.

Gerald Beal, president of the J. Schroder Banking Corporation which sold the indicted men one of the trusts Continental Securities Corp., said his negotiations were with Alexander B. Beverly of Toronto, who had been highly recommended to him by the Royal Bank of Canada and others.

David Schenker, commission counsel, had questioned Beal as to whether he was not suspicious of the offer of \$20 a share made to him for Continental stock when it was "under water" at minus \$11 a share, and whether he had not felt enough responsibility toward holders of Continental debentures to investigate the buyers.

CARLOADINGS GAIN

WASHINGTON, June 4 (UP)—The Association of American Railroads announced today carloadings for the week ending May 28 totaled 562,061 cars, an increase of three per cent over the preceding week.

The week's loadings, however, were 28.9 per cent below the same week in 1937 and 39.5 per cent under the corresponding week in 1936.

Loadings of grain and grain products totaled 33,344 cars, 1.184 above the previous week and 6.982 over the same week in 1937.

Livestock loadings totaled 12,050 cars, a decrease of 1,317 below the previous week and 528 less than the same week in 1937.

British Labor Act Study is Not Approved

Labor Leader John L. Lewis Fears May Bring Changes to the Wagner Labor Act.

By LYLE C. WILSON

United Press Staff Correspondent
WASHINGTON, June 4 (UP)—A rousing battle rages today on the left wing of the new deal-democratic party if President Roosevelt's "educational" study of the British trades dispute act accelerates the movement for amendment of the national labor relations act.

Chairman John L. Lewis of the Committee for Industrial Organization opened fire yesterday a few hours after published reports that amendment of the act might follow the study of British legislation.

Lewis wrote to Secretary of Labor Frances Perkins that the C. I. O. "could not sanction" any study of the British act leading toward amendment of the act. Miss Perkins had asked C. I. O. collaboration in the proposed study. The British act was passed in 1927 after England's general strike of 1926 had brought the nation to the brink of revolutionary disorder. It especially protects the British government against strikes "to coerce the government" and establishes criminal liability of union officials, members of the strike committees and pickets who participate in strikes defined by the act as illegal. The act also forbids lockouts.

Mr. Roosevelt, in a press conference coincident with release of Lewis' challenge, quickly denied there was any relation whatever between the labor act and the proposed study of the more comprehensive British legislation. He said the British act had been misinterpreted and that the study mission would get some real facts for purposes of comparison between American and British law.

But his desire to send a mission abroad recalled that there have been White House intimations that some phases of the British labor legislation technique might be applicable here.

In February 1937 Arthur Kroeck of the New York Times, wrote in a Pulitzer prize interview after several conversations with Mr. Roosevelt:

"The President believes it is necessary not only for the federal government to be able to regulate against over-production and under-production . . . But it is also necessary for the federal government to have some authority to compel collective bargaining and to enforce the maintenance of contract both by employers and employees."

There are limited "responsibility" provisions in the British act. They are most effective in defining types of illegal strikes and in limiting the freedom of civil servants or employees of public (either publicly or privately owned) utilities to strike. One of the notable provisions of the British act forbids expenditure of trade union funds for specified political objects unless the objective has been approved by a majority ballot vote of members. Such expenditures must be made from a separate political fund to which union members need not contribute, nor may unions put to disadvantage any member who does not contribute.

TO MAKE GREAT FILL

HASTINGS, Neb., June 4 (UP)—Most spectacular construction unit of the Tri-County Power and Irrigation project will be launched early in the summer as the result of a call for bids for the big earth fill at the Kingsley dam on the North Platte river. July 5 was set as the date for letting the contract.

The fill, which will extend from bluff to bluff will be capable of impounding 2,000,000 acre feet of water. Its construction will be over a line of sheet piling. It is impervious brule clay for the entire length of the dam core. The piling is expected to halt any seepage beneath the valley level.

CONFESSES SLAYING

LEBANON, N. H., June 4 (UP)—Seized by a posse in his hideout in a mill yard, John Henry Gray, a wood-chopper, confessed today to the axe slaying of a man and a boy at nearby Cannon.

"I don't know why I did it," he said.

Police Chief C. W. Wright said he had been unable to ascertain the motive for the killing of Paul Barris, 24, and his 9-year-old brother-in-law, Arthur Cullen, both related to the slayer by marriage. A 20-man posse trapped the 54-year-old wood-chopper 12 hours after his slaying which occurred in an isolated farm house 15 miles from here.

DR. FREUD LEAVES VIENNA

VIENNA, June 4 (UP)—Dr. Sigmund Freud, world famous psychoanalyst left with his family today for Paris, en route to London.

Dr. Freud, who is Jewish, previously had been denied a passport, and prevented from leaving the country. His money was impounded to prevent his departure. Dr. Freud is 82 and has been ill. After the Nazi annexation, his home was raided and searched and his books were among the first to go into the public bonfire. Freud left today with the consent of the authorities.

At the station his friends remained discreetly in the background to avoid embarrassing him, inasmuch as the officials emphasized that he must depart without a demonstration. He was permitted to take his library and any furniture he desired.

Make Survey for Purchase of Relief Supplies

Secretary Wallace Directs Enlarged Program for Purchasing of Relief Supplies.

WASHINGTON, June 4 (UP)—Secretary of Agriculture Henry A. Wallace directed the federal surplus commodity corporation Friday to survey need for an expanded federal program of purchasing food and clothing for unemployed.

He requested corporation officials to cooperate with state and local relief organizations in determining "the extent of unfulfilled need for food and clothing among people on relief."

The request followed a White House conference at which Wallace, Secretary of Treasury Henry Morgenthau, Jr., and Assistant Works Progress Administrator Aubrey Williams reportedly discussed use of \$100,000,000 of relief funds for the purchase of farm surpluses for distribution to the needy.

The inclusion of "clothing" in Wallace's order was regarded as indicating intention to expand purchasing operations of the corporation. Heretofore, the corporation has purchased only surplus foods, principally perishables.

Funds for surplus purchases are derived from a fund made up by setting aside 30 per cent of import duties, amounting to about \$120,000,000 a year. Expenditures, however, have averaged only about \$30,000,000 a year.

FIND YOUTH SANE

NEW YORK, June 4 (UP)—Donald Carroll Jr., found sane by Bellevue hospital psychiatrists in a week-long examination ordered after a jury freed him of murder charges in the slaying of 18-year-old Charlotte Mathiesen was formally released from custody today.

County Judge Thomas Downs signed the release of the 16-year-old high school student after reading the report submitted by the psychiatrists who examined him.

The boy had been in custody since last March 24 when he killed his sweetheart in what was planned as a suicide pact because she was about to become a mother. He lost his nerve after shooting the girl and called the police.

Had the jury which acquitted him "by reason of insanity" not failed to add the words "at the time of the crime" Donald would have gone free May 27. The jury's failure made it mandatory upon Judge Downs to order the examination.

MUST FILE SCHEDULE

LINCOLN, June 4 (UP)—Interstate truckers operating in Nebraska will be required to file interstate rate schedules with the state railway commission, it was announced today. Chairman Floyd L. Bollen explained the railway commission has had no way of corroborating testimonies of interstate motor truckers concerning rates they charged when they apply for state certificates.

The commission adopted unanimously resolutions establishing volume rates on truck load shipments of burlap bags and classifying in greater details rates on transportation of agricultural implements.

WILL MAKE SURVEY

LINCOLN, June 3 (UP)—State Auditor W. H. Price announced today that his office for the first time will make a comprehensive survey of the outstanding bonded indebtedness of all Nebraska governmental subdivisions.

He explained that less than half of the governmental units with bonded indebtedness give proper notice of compilation of bonds to the county clerk or state auditor's office.

WHEAT CROP 1,077,000,000

CHICAGO, June 3 (UP)—Private corporation experts today forecast for 1938 the largest U. S. wheat crop ever harvested, the average estimate being 1,077,000,000 bushels as compared with the previous record crop of 1,009,000,000 in 1915.

Favorable crop weather in the past month resulted in an increase of 67,000,000 in the average estimate of the winter wheat crop which experts today placed at \$10,000,000 compared with their average estimates a month ago of 743,000,000 bushels. Today's forecast on winter wheat is only 10,000,000 bushels less than the record winter wheat production of approximately \$20,000,000 in 1931.

WEATHER BEST SINCE 1921

LINCOLN, June 2 (UP)—Nebraska moisture conditions are better than at any time since 1921. Meteorologist T. A. Blair of the Lincoln weather bureau said today.

Unusually heavy rains during May he reported have provided subsoil reserve which will benefit corn. Blair emphasized that normal rains will be needed through the growing season to assure a good corn crop.

Only two of the 25 stations reporting to the weather bureau here were below normal for precipitation received since January 1. They are Bridgeport and North Loup and each lacks only a few hundredths of equalling normal figures.

SUGGEST TRADE PUBLICATION

COLUMBUS, Neb., June 1 (UP)—Superintendents of nine rural public power districts have agreed to present a proposed trade publication plan to the state association of rural power districts.

At a meeting here, the association of rural power superintendents discussed feasibility of continuing a small trade paper started last month and distributed to customers in the various districts.

Districts represented were eastern Nebraska, southeastern Nebraska, Norris, Lancaster county, Polk county, Cuming county, Burt county and the Loup river. The next meeting will be held at Lincoln June 25.

SINGS BEFORE KING

LONDON, June 2 (UP)—Evelyn Hall, a 20-year-old American singer, made history last night at Buckingham palace when she sang "Nice Work if You Can Get It" to King George and Queen Elizabeth, other members of the royal family and 1,000 guests.

The occasion was the royal derby night ball. Among the guests were U. S. Ambassador Joseph P. Kennedy and Charles A. Lindbergh. Evelyn "swung" it in typical American fashion. The ball was considered one of the most informal ever held at Buckingham palace.

UNABLE TO DOCK

LONDON, June 2 (UP)—The liner Queen Mary was unable to dock at Cherbourg today during a severe summer gale which lashed southern England, the English Channel and the French ports.

The wind velocity reached 80 miles an hour in many places and several towns were flooded.

RECEIVES APPOINTMENT

LINCOLN, June 2 (UP)—Francis E. Fitzgerald of Omaha today was named acting supervisor of statistics in the state assistance office. He succeeds Charles G. Nowacek of Plattsmouth who was appointed statistician in the state unemployment compensation division.

INDIAN CHIEF CARRIES MAILS

CHARLEVOIX, Mich. (UP)—A full-blooded Indian chief has carried the mail here for 25 years. Dan McSaub. 45-year-old postman, is the grandson and heir of a once-powerful Ottawa Indian chief who ruled in this area before its settlement by white men.

PREFER AMERICAN CARS

JOHANNESBURG (UP)—South Africans bought nearly eight times more American motor cars and heavy motor vehicles than British during 1937, the latest licensing figures issued by the Department of Census and Statistics disclose.

CAPT. HERRESHOFF DIES

BRISTOL, R. I., June 2 (UP)—Captain Nathaniel Greene Herreshoff, 90, pioneer yacht builder, who constructed many successful defenders of the America's cup, died at his home today.

Used cars, livestock, household goods—all can be sold through Inexpensive Journal Want Ads.

APPEAL BRIDGE BOND CASE

LINCOLN, June 3 (UP)—Dakota county commissioners appealed to the supreme court today from a ruling by District Judge Mark Ryan invalidating Dakota county's purchase of a private bridge spanning the Missouri river between Sioux City, Iowa and South Sioux City, Nebraska.

Judge Ryan held that the 1935 interstate county bridge law permits counties to construct bridges or complete bridges already started but forbids their purchase of an existing bridge and the issuance of revenue bonds.

The county bought the bridge last January from the Missouri river Sioux City Bridge Company, a Delaware corporation, and already has issued \$1,865,000 in bonds. George E. Leamer, South Sioux City attorney, was the objector. Judge Ryan first ruled the county had authority to buy the bridge but later vacated the decree.

'DART BOMB' INVENTED BY BRITISH MILITARY MAN

LONDON (UP)—With the millions of dart players of Great Britain in mind, Maurice Darling, former army officer, has invented something new in hand grenades—the dart bomb. Darling says that he has submitted to the War Office a tiny hand grenade in the form of a dart, but filled with high explosive.

"The dart bomb should revolutionize close warfare," he said. "On a big scale they could be made at a cost of only fourpence each."

"When an enemy soldier is about 30 or 40 feet away, a man with good aim, such as the many dart players of this country, could draw the pin and throw the explosive dart. As soon as the point makes contact it will set off the explosive."

BRITISH YARDS BUILD WARSHIPS FOR ARGENTINA

BARROW-IN-FURNESS, Eng. (UP)—A training cruiser and three destroyers which are being built here for the Argentine government are nearing completion.

The training cruiser La Argentina has left Barrow for Bokenhead for dry docking, preparatory to undergoing sea trials. This ship which was built by Vickers Armstrong Ltd., was launched on March 26, 1937. It carries a total complement of 600 officers and men, with special arrangements for training of cadets. It is 510 feet long, and has an extreme breadth of 56 feet, 6 inches. Displacement of 6,500 tons and it is expected to develop 39 knots speed.

Of the three destroyers, the Buenos Aires has completed successful trials; the Entre Rios is undergoing trials, and the Corrientes soon will make a trial run.

TESTS FLUNKED ON SLANGUAGE BY PROFESSORS

FORT WORTH, Tex. (UP)—Simple campus "slanguage" flunked four Texas Christian University faculty members, who for once were called upon to answer rather than question their students.

Three of the four professors have doctors' degrees and the fourth is an English teacher. Dr. Colby D. Hall, dean of men, made a grade of 70 on 10 every-day campus words although he knew the precise definition of only 6. Dr. Newton Gaines, head of the T. C. U. physics department, answered 6 of 10, the same as Prof. Mabel Major of the English department. Dr. Clinton Lockhart, teacher of Old Testament in the Bible college, could answer only three.

The terms that the teachers couldn't define, or sometimes even pronounce, included: "Gaudy frair"—a pretty girl. "Sourpuss"—an unpleasant person. "Slurp"—to eat or drink noisily. "Slap-happy"—silly or light-headed. "Rub"—a school dance. "High as a kite"—simple drunk.

LEAVES LARGE ESTATE

LONDON, June 2 (UP)—The will of Lady Plunkett, who was killed in an air crash at San Simeon, Calif., last February, was published today, revealing that she left a net estate of \$2,294,510 to her mother, Fanny Ward. Death duties on the estate total nearly \$875,000.

Lord Plunkett, who was killed in the same crash, died intestate. He left a net fortune of approximately \$328,000.

DENIES MOTION

LINCOLN, June 4 (UP)—The supreme court denied seven motions for rehearing including Kirk, administrator vs. Tackett, Richardson county, in which Kirk's claim as the representative of relatives for the estate of Grant O'comb, Rulo bachelor, was denied and validity of the will granting it to Tackett upheld.

CONVICTS BUY RADIOS

PRINCE ALBERT, Sask. (UP)—Using their own money, inmates of Prince Albert penitentiary have bought a microphone and a loudspeaker to bring the news and entertainment of radio to their cells. The prisoners devised a subscription plan for purchase of the apparatus.

Tariff League Seeks to Gain Farm Support

Old Organization Revived to Combat Lowering of Imports of Foreign Farm Products.

FRESNO, Cal. (UP)—California farm and industrial leaders are recruiting members for the Grower's Tariff League to protest, eventually on a nation-wide scale, the lowering of American tariffs on foreign agricultural products.

The league was organized here. Its aim is to protect farmers from the competition of imported foodstuffs. In reality, it is a revival of a body, inactive for many years, that waged a war on tariff-lowering policies of previous administrations.

Spokesmen for the league aim a specific attack at the proposed reciprocal trade treaties now being negotiated by Secretary of State Cordell Hull.

Publisher Heads Group

Included among supporters of the new group are representatives of such powerful farm organizations as the California Almond Growers Exchange, the California Fig Institute, the Associated Farmers of California, Inc., and the California Prune and Apricot Growers Association. John E. Pickett, of San Francisco, publisher of the Pacific Rural Press, a weekly farm paper, is chairman.

E. Clement Horst of San Francisco, a large-scale grower, declared in a speech at the recent organizing convention here that "now is the time to enter a formal, organized protest against the administration's policy of lowering import duties. . . . The reciprocity treaties would only increase the harm to agriculture resulting from our present low-tariff policy."

Fear Widespread Injury

Other speakers pointed out that the reciprocal pacts and the resulting increase in agricultural imports threaten widespread injury, and in some cases ruin, to American growers.

C. A. Hawkins, of Fresno, long a foe of low tariffs, declared that "business conditions in this country, at their present low level, as well as damage done to industrial trends and lowered agricultural prices, can be attributed to tariff rate cuts."

Leaders of the anti-tariff body plan to extend the league's membership and influence to a nationwide scale as organization details are completed.

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DEATH REVEALS EXTORTION

McCOOK, Neb., June 2 (UP)—Alfred Barnett, 82, pioneer lumber man and financier died last night in a hospital here where he had been confined for two months by illness.

With his death it became known that a few weeks before being taken to the hospital Barnett had received two extortion notes, one asking \$60,000 and the second \$35,000.

The writer of the extortion notes specified that the money be tossed from an automobile at the western edge of the city.

Barnett was inclined to consider the first note a hoax but upon receipt of the second demand the case was turned over to the Federal Bureau of Investigation. Agents laid in wait on three occasions for the extortionist without avail.

Barnett, father-in-law of John McCarr, former comptroller of the currency was regarded as one of western Nebraska's wealthiest men. He was a native of Galesburg, Illinois coming here in 1882.