

France to Back Poland to Limit On Danzig Issue

Eden and Churchill May Join British Cabinet To Aid Foes Of Nazis

By The Associated Press

The French cabinet today approved unanimously Premier Daladier's declared determination to take whatever action Poland may be in the event of a German move against Danzig.

A communiqué described the general European situation as remaining "very serious." Both Daladier and Foreign Minister Laval were reported to have issued a dark picture of the Danzig situation at the cabinet meeting, which sat for three hours this morning.

France and Great Britain are pledged in similar agreements to support Poland with their armed forces in the event Poland considers its independence threatened. It is believed Poland would consider a German attempt to take Danzig by force as such a threat.

British Prime Minister Chamberlain was reported considering the advisability of taking into his cabinet two noted opponents of isolation to strengthen Britain's relations to Germany against interfering in Danzig.

The two were Anthony Eden, resigned as foreign minister in Chamberlain's cabinet in February, 1938, in protest against Chamberlain's attempts to deal with the Danzig and the outcasted conservative, Winston Churchill, and long-time critics of conciliatory policy toward Germany.

It was suggested their inclusion in the cabinet also would have the effect of removing Russian objections regarding British policy in connection with current negotiations for a British-French-Rumanian assistance pact.

In Berlin Nazis remained silent but persistent reports abroad that the issue was impending over Danzig, Propaganda Minister Goebbels said British statesmen that in the way they could address the German people was through Chamberlain, Hitler, Britain, through the government-controlled radio corporation, has been broadcasting his speeches and comment in a German language.

Shanghai heard Japanese reports that Japanese officials at Amoy were "incensed by an arrogant attitude" of British officials and were considering "independent action."

Further north on the Asiatic mainland Japanese troops took positions facing Soviet forces in a Lake Baikal region along the border between Manchoukuo and Mongolia and fears were excited that new frontier incidents were in prospect.

Husband Sought



Latest reports from Detroit indicated that police were inclined to believe that Dr. James Monroe Smith had fled to Canada with his wife (above) in a newly purchased car. Doctor Smith, former president of Louisiana State University, is sought by authorities for allegedly borrowing \$500,000 from three banks as university funds and losing it in disastrous speculation.

FUGITIVE AND WIFE BELIEVED ACROSS BORDER

Montreal, July 1 — (UP) — Police were informed today that the automobile in which Dr. James Monroe Smith, former president of Louisiana State University, and his wife are believed to be fleeing Louisiana, was seen in Montreal last night.

The information came from a woman whom police did not identify. It caused a thorough search of hotels and garages.

Yesterday the police radio broadcast the description of an automobile that a man and a woman, tentatively identified as Smith and his wife, had bought in Detroit, and gave its Michigan license number.

The woman told police that she was positive she had seen the car because she had checked its license plates. She said a man and a woman were in it.

The Royal Canadian mounted police are conducting a careful search for the fugitive educator on the theory that after buying a car in Detroit he had crossed into the Dominion.

Police said they had been advised that an automobile similar to that being used by Smith had passed through Belleville, Ont., yesterday, and that a service station attendant who sold them gasoline was told by the driver that he was going to Montreal.

Let's of Foreign Wars Pick Slate

Syracuse, July 1 — (AP) — New York's Veterans of Foreign Wars met today to pick a slate of officers for their 20th annual convention.

Tyford, who succeeds Graham Scott of Rochester, reappointed Frederick Brack of Brownsville as adjutant general in his official move.

Other officers elected included: Richard W. Preston, Waterbury, senior vice commander; Earl S. Lawrence, Nassau County, junior vice commander; Stephen W. Bingham, New York City, quartermaster; State Senator Roy M. Egan, Binghamton, Judge Advocate; and the Rev. William A. Halck, Rochester, chaplain.

The following were named commanders of the six new districts to which the state was divided at the convention to replace the former subdivisions: New York City, John Watrous; New York City, Fredone, Frank Quigley; New York City, District Two, Frank Sweeney; Schenectady, district three, Daniel McCormick; Massena, district four, Adrian Grubbs; Syracuse, district five; Al. J. Kiek, Keams, district six.

Day's Weather

FORECAST

Washington, July 1 — Western New York: Fair tonight and Sunday, with moderate temperature. Monday mostly cloudy. Showers by Monday night or Tuesday.

TEMPERATURES (Water Dept. Thermometer)

1939	1938	
Maximum	70	67
Minimum	62	61
Sun rises today	4:32	7:36
Sun rises tomorrow	4:32	

STATE STARTS ITS FISCAL YEAR WITH NO BUDGET

Lehman and GOP Leaders Tangle

NO ACTION UNTIL WELL INTO JULY

Lawmakers Go Home Over Fourth When Governor Refuses Message

By WILLIAM W. TYLER

Albany, July 1 — (AP) — New York opened its fiscal year of 1939-1940 today minus a state budget, with Democratic Governor Lehman and Republican legislative leaders embroiled anew over responsibility for the unprecedented situation.

The controversy — maintained through four months of the regular legislative session and a court fight over the legislature's budget making power — flared again with a revised \$230,000,000 spending program on the verge of enactment.

It left the state, for the first time in a decade under the executive budget system, without a wait which legislators ordinarily must undergo before a vote.

The governor had agreed thus to facilitate consideration of all bills relating to the budget. He based his last minute refusal on a "new factor" through Republican Assemblyman Abbot Low Moffat's announcement he would introduce a measure permitting, but not mandating, pay cuts for teachers.

Lehman suggested that the new budget measures, and other bills before the Legislature could be acted upon "in the regular, normal and orderly course of business" by next Wednesday, July 5.

But resentful Republican leaders retorted the suggested date in no way is authoritative on us," and asserting the chief executive "is now to blame for the length of the special session," indicated passage of the budget would be deferred until July 10.

For today and Monday they scheduled "legislative" sessions which, designed only to "age" the pending bills, few members were expected to attend. Party leaders in both Senate and Assembly said members would be advised when their presence again is necessary.

Meantime a question arose whether delay in their enactment would require amending and re-printing of several pending bills which were slated to become effective today. No change in the 852-page budget bill would be necessary, it was believed, because it merely cites funds which "shall be available for the year beginning on the first day of July." Page after page of salaries recommended by the governor are reduced.

Moffat, who withheld his bill during discussions over the message, planned to introduce it today. Drafted after widespread criticism of Republicans' \$10,000,000 slash of state aid for education, it provides "permissive" local reductions in teacher pay ranging from one and one-half per cent for those earning \$2,100 to five per cent on salaries of \$7,500 and up.

Lehman, in a letter to Republican leaders of both houses, said there would be "no justification whatever" for providing a message permitting immediate passage of the proposal, with which he said he was "completely unfamiliar." The bill, he said, had "received absolutely no study or consideration whatsoever" either on the part of the Legislature or the public.

The governor asserted, however, his unwillingness "to assume responsibility for blocking consideration of the measure and explained this would be the effect of withholding a message on it while providing those necessary to pass other bills and permit adjournment.

"Therefore, in view of the situation which has developed I have decided not to issue any message of necessity," he concluded.

Read to legislators already snafu under seven hours of forced waiting, the letter evoked immediate, heated responses from

2,000,000 WPA WORKERS SURE OF JOBS FOR A YEAR

Washington, July 1 — (AP) — President Roosevelt's pre-midnight signature of the \$1,755,000,000 relief bill gave assurance today that 2,000,000 WPA workers would have jobs during the next 12 months.

The relief measure, which underwent drastic revision in Parliamentary pulling and hauling between the House and the Senate, was approved finally late yesterday and signed by the chief executive shortly before the new fiscal year started.

Mr. Roosevelt expressed his dissatisfaction with many features of the bill, but said that he obviously could not withhold his approval "and thereby stop work relief for the needy unemployed."

In a statement, the president said the bill "contains a number of provisions which will work definite hardship and inequality on more than 2,000,000 American citizens — people who through no fault of their own are in dire need."

Relief officials, fearful that the new appropriation would not be enacted before last midnight had halted all operations until Wednesday. They estimated that the bill would provide an average of 2,000,000 jobs monthly, compared with an average of almost 3,000,000 during the last year.

Mr. Roosevelt mentioned four specific objections to the bill:

1. A requirement that security wages in different localities shall vary no more than is justified by differences in cost of living, but that the current national average shall be maintained. This, Mr. Roosevelt said, probably would impose a reduction in the North and West and an increase in the South.
2. A requirement that project workers, except veterans, who have been continuously employed for more than 18 months shall be laid off for 30 days. A Senate proposal which would have allowed some discretion was rejected.
3. A limit on administrative costs to 3.4 per cent. Mr. Roosevelt said that although the figure is about the present overhead, the cut in the total expenditure would raise it on a percentage basis if equal efficiency were maintained.
4. Abolition of the federal theater, which he said "ingles out a special group of professional people for a denial of work in their own profession."

Mr. Roosevelt's criticism of the bill brought ready agreement from some senators who have overturned his relief plans in the past.

Senator Adams (D-Cole), floor manager for all relief measures and frequent administration opponent, agreed wholeheartedly with the president criticisms of the security wages differential and furloughing provisions.

Adams told reporters that the provision regarding living costs "obviously was inserted for the benefit of the South."

McCarthy To Head All-Stars

Chicago, July 1 — (UP) — Joe McCarthy, manager of the World Champions New York Yankees, was chosen today to manage the American League All-Stars in their game with a National League team in New York July 11, replacing the ailing Connie Mack of Philadelphia.

Posseman Kill Fugitive Slayer



Bullets from veteran woodsman's hard-shooting deer rifle killed Ray Olson as the slayer of two deputy sheriffs made a last mad attempt to escape from possemen who had trailed him through Northern Wisconsin wilds for two weeks. As he lay dying at Cable, Wis., Olson confessed killing the deputies. Their rifles piled upon Olson's body, tired and hungry possemen are shown resting at the end of their long manhunt.

Sally Eilers Shows Temper

Hollywood, July 1 — (UP) — Sally Eilers' movie temper proved true in real life today.

The actress was enjoying an ice cream soda at a drug store, police said, and was saving a seat for a friend, Mrs. Earl Read decided to take the chair.

Miss Eilers remonstrated, according to police. Mrs. Read ignored her. The actress dumped the ice cream soda in Mrs. Read's lap, officers said.

Neither Miss Eilers nor Mrs. Read was held. Patrolmen were called but the women had settled their differences.

VAST FARM AID BILL IS SIGNED RELUCTANTLY

Washington, July 1 — (AP) — Armed with a \$1,194,498,333 appropriation approved reluctantly by President Roosevelt, Agriculture Department officials began today their greatest effort to improve farm conditions since the early days of the New Deal.

Legislation providing the record-breaking sum for operations during the next 12 months was signed by Mr. Roosevelt last night. The total included \$775,000,000 for payments to farmers, including \$255,000,000 which was not in the President's budget.

It was this sum — for so-called parity payments designed to raise farm purchasing power to the pre-war level — that drew an expression of disapproval from Mr. Roosevelt. He has contended that such an expenditure should be accompanied by new taxes to provide the money.

In a statement made public shortly after signing the bill, he indicated he had refrained from vetoing the legislation because that would have caused the Agriculture Department and the Farm Credit Administration to cease functioning today.

The statement said that citizens' attention should be directed to five facts:

1. Mr. Roosevelt approved a large addition to farm expenditures, largely for parity payments, last year with "the farmers' gentlemen's agreement" that Congress would provide additional revenue.
2. Attention of Congress was called to this at the start of this session, but no taxes for the purpose have been enacted.
3. When the present bill was under consideration, the attention of Congress was called to the parity proposals and the request was made that they not be approved without compensating revenue.
4. Debates in Congress indicated full understanding of this position.
5. Nevertheless, an unbudgeted \$225,000,000 was voted with no new taxes.

"It, therefore, seems clear," Mr. Roosevelt said, "that the duty of providing additional funds for the treasury still rests directly with the Congress."

Federal farm officials said the bill would enable them to set up the most extensive system of agricultural aid since 1923.

FLASHES OF LIFE

By Associated Press

Pulpit Philately

Stepen, Conn. — Come to church and start a stamp collection.

The Rev. Lincoln Caswell, seeking to fill gaps in his congregation caused by summer vacations, turned to his hobby for help.

He announced to parishioners of the Methodist Church he would distribute 1,000 stamps from his collection among all who bring friends to church during July.

Belleville, Ill. — Beneficiaries of the 40-year-old estate of Charles Orthwein agree it's better late than never — but the distribution is going to take lot of figuring.

Circuit Judge Alfred D. Reiss signed a final order of settlement under which 22 heirs will receive from one-sixth to 1/13,440th part of the \$18,000 estate.

Albuquerque, N. M. — When opportunity knocked a home run into this 10-year-old's back yard he was quick to cash in.

He demanded, and got, five cents for the ball.

He knew he could get his price. The Armijo Yankees, despite their fancy uniforms, had only one ball.

Knocks Twice

Burns, Ore. — Ex-Mayor A. A. Bardwell picked up a weatherworn billfold. A group of WPA workers scoffed "throw it away: it's been looked over at least 15 times."

Bardwell pulled the rusty slipper and found \$110 in currency.

Chilton, Wis. — Apparently it's still the horse and buggy era for someone in Chilton.

Former County Judge H. F. Arps reported the theft of a concrete horse hitching post from in front of his office building.

Shoeshine Boys Remember Jack

New York, July 1 — (UP) — Jack Dempsey usually slips a quarter to the kids who shine shoes around Madison Square Garden.

Today a strange procession of Negro and white boys, their hands stained with shoe polish, marched up to the door of Polyclinic Hospital. They handed a 75-cent bouquet of carnations to the doorman. A grimy card attached read:

"To Jack Dempsey from his pals of the shoeshine crowd."

Monetary Power Destroyed by GOP Filibuster

Hull Calls Move, Blow At Peace

Washington, July 1 — (AP) — A new demand for repeal of the mandatory embargo on arms shipments in the interest of world peace was Secretary Hull's reply today to action by a rebellious House in tearing apart the administration's neutrality bill.

Failure of the repeal proposal, the secretary of state said in a statement, was "a matter of regret and disappointment from the standpoint of peace, and the best interests of this country in its international relations."

At the Capitol, House Speaker Bankhead told his press conference he was "very apprehensive" of the possible foreign repercussions to the House refusal to repeal the arms embargo provisions of the present law.

"I believe this action of the House has been keenly observed by some of the governments abroad which might be classed as trouble-makers," he said, "and I fear they might draw the conclusion that there was a lack of concerted action between the executive and legislative branches of the government on this question of foreign policy."

He said the next few days might bear out this apprehension.

Questioned whether he thought such a conclusion would be warranted, the speaker, who previously had expressed "deep disappointment" at the House action, remarked unsmilingly:

"I feel the Congress has refused to follow the recommendations of the State Department."

Referring pointedly to European tensions, Hull said he "must continue to urge" the embargo repeal be submitted to chairman of Senate and House Foreign Committees May 27.

This proposal, the secretary said, was "not only best calculated to keep this nation out of war in the event war comes, but also, what is all important at this time, best calculated to make a far greater contribution than could the present law or its equivalent toward the discouragement of the outbreak of war."

Previously, the House sent a neutrality bill to the Senate today that disregarded President Roosevelt's recommendations and contained an arms embargo, although a modified one.

Republicans exploded the premature fireworks in a night session filled with drama, some times with comedy, by forcing adoption of the embargo in an amendment which some Democrats supported.

Their strength surprised administration leaders.

Many senators said the inclusion of a modified arms embargo had killed any possibility of Senate action at this session.

Senator George (D-Ga.), a member of the Foreign Relations Committee, told reporters that neutrality legislation now "is out of the question unless some European war should make congressional action necessary."

The embargo amendment, by Representative Vorys (R-Ohio) of the Foreign Affairs Committee, forbids the exportation of "arms and ammunition" to warring nations when the president proclaims a state of war to exist abroad. Latin-American countries are exempted from the embargo provision.

The Vorys amendment is less sweeping than the existing law, which embargoes all "implements of war" and in the opinion of some authorities could be considered to cover raw materials such as cotton.

The administration opposed the embargo on the grounds that it would be difficult to enforce, that it would prevent this country's involvement in war, that it was "unneutral" because it violated international law, and principally that its repeal now would tend to prevent a war in Europe.

Opponents of the bill as it came from the committee saw in it an indirect move to assist Great Britain and France as the countries most likely to seek American munitions in event of a European war. They contended any plan which in its practical application would likely serve only particular countries was not neutral.

Vorys' amendment was inserted in the bill Thursday, but Democratic chiefs had confidently expected to eliminate it during the closing phases of debate last night. When the Foreign Affairs Committee presented a substitute bill to accomplish that, however, the Republicans and their allies defeated it 126 to 176.

Leaders Seek Show-down Vote Wednesday On Weapon Given U. S. In Currency Wars

By U. HAROLD OLIVER

Washington, July 1 — (AP) — A rip-roaring Senate Republican filibuster swept away President Roosevelt's dollar devaluation powers early today, but Democratic leaders obtained an agreement for a show-down vote Wednesday on restoring them.

Over in the House, at another late night session a rebellious bloc of Republicans and Democrats had passed a short time previously a neutrality bill distasteful to the administration.

The stunning double defeat — perhaps only temporary on the money issue — threw administration forces into a state of bewilderment.

They predicted ultimate victory on the devaluation question, but were highly doubtful that repeal of the arms embargo — asked by the president — could be passed this session in view of the 200 to 183 House vote to continue a modified ban on arms shipments. Adjournment in mid-July was widely predicted.

The president's authority to devalue the dollar further and to maintain a \$2,000,000,000 exchange stabilization fund expired at midnight. Republicans aided by a lone Democrat — Tydings of Maryland — talked to death a Senate-House conference agreement extending them two years and pegging the price for domestic silver at 71.1 cents an ounce.

The talk marathon continued, however, and Democratic leaders finally obtained an agreement to vote by 5 p. m. Wednesday on the conference report. The Senate adjourned at 1:55 a. m. with several hundred persons still in the galleries.

Butressed by an opinion from Attorney General Murphy, the administration forces contended passage of the extension bill would revive the president's powers without the necessity of putting an entirely new bill through both Houses. Republicans and some Democrats took sharp issue with this but took comfort in the knowledge the powers had at least lapsed.

Senator Barkley of Kentucky, the Democratic floor leader, forecast no disruption of the international money markets as a result of the lapse.

He said "other nations knowing this power will be restored wouldn't attempt to depreciate their currencies."

Just before the Senate quit, Barkley had the clerk read an undated letter to the president from the attorney general stating:

"It is my opinion that the bill, if enacted after midnight June 30, will confer upon you the powers enumerated in it until June 30, 1941."

President Roosevelt stayed up late to receive the news of the filibuster and to sign the bills carrying nearly \$3,000,000,000 for relief and agriculture benefits for the new fiscal year that began at midnight.

He affixed his signature to both a bit reluctantly because among other things Congress had banned the federal theater project and added unbudgeted millions for the farmers without levying taxes to pay the bill.

Lights in the nearby Treasury Department also burned late — long after the administration money powers, voted in 1932, had lapsed.

No words was forthcoming whether any new fiscal steps were planned for use in a possible emergency, or what powers, if any, could be utilized pending final congressional action.

Republicans said money would figure in the 1940 presidential campaign.

"It's already in the campaign," Senator Vandenberg (R-Mich) told reporters.

Senator Thomas (D-Ore.) joined Republicans in contesting administration claims that adoption of the conference report would revive the president's 1933 powers.

"The failure of the stabilization-devaluation bill to pass prior to July 1," he said in a statement, "seemingly makes necessary new monetary legislation."

He said he was calling a monetary conference to meet in Washington July 6 at which representatives of silver states, farm groups, business and labor would be asked to "cooperate in forming a program to be presented to Congress."