

WIDOW TESTIFIES IN HINES TRIAL

Mrs. Flegenheimer Tells of Racketeer Meeting Tammany Leader

NEW YORK, Feb. 4. (P)—In 12 soft-spoken words, the widow of Arthur ("Dutch Schultz") Flegenheimer, slain czar of a \$20,000,000-a-year gambling racket, today gave a background of secrecy around alleged meetings between her racketeer husband and James J. Hines, Tammany district leader.

"My husband told me I should forget I had met Mr. Hines," she said, "The Dutchman" when she was 18, testified Hines stopped at the table where she was sitting with her husband. After she was introduced to the political leader, she said, Schultz and Hines went to the rear of the speakeasy for a talk.

Subsequently, she said, she saw Hines and J. Richard ("Dixie") Davis, the Schultz mob's lawyer, together on several occasions.

In the first trial, Davis, who turned state's evidence after he was captured in a Philadelphia hideout Feb. 2, 1936, testified he was under orders from Schultz to pay Hines "any reasonable amount—not more than \$1,000 a time" for serving as the racketeer's alleged political "fixer."

Davis swore he paid Hines amounts ranging from \$500 to \$1,000 at frequent intervals over a period of several years.

Mrs. Flegenheimer, who did not testify in the first trial—which ended in a mistrial last September—said she accompanied Hines and Davis to a night club in 1934 and later went with them to a restaurant for a midnight supper.

She said "Arthur," her husband, had been a good provider. He was shot to death in a Newark, N. J., beer tavern on the night of Oct. 25, 1935. They had two children, Nancy, 5, and John, 4.

Defense Attorney Lloyd Paul Stryker's cross-examination of Mrs. Flegenheimer was brief. He asked if "The Stable" was a public eating house, open to everybody. When she replied, "yes," he sat down.

Admiral to Head British Defense



Admiral Lord Chatfield, who built the British navy to its present efficiency and power, has been appointed minister for co-ordination of defense, in charge of Britain's entire defense program.

DOOMED KILLER SPURNS PARDON

New Executioner of France Nervous on First Job

RENNES, France, Feb. 4. (P)—A convicted murderer who spurned a chance to live was beheaded on the guillotine today by France's nervous new executioner.

The prisoner was Maurice Pelorge, who was entitled by tradition to a pardon as the first convict in line to be executed by the new "Monsieur de Paris."

The prison chaplain said Pelorge had shown only a desire to die since he confessed his crime at Christmas time and, therefore, rejected the traditional pardon offered him by President Albert Lebrun.

Eighty-year-old Leopold Desfouraux was the executioner, at least temporary successor to the hereditary position of Anatole Deblier, who died suddenly Thursday.

Critics said Desfouraux, former assistant of Deblier, was proficient, but lacked the expert technique his master had acquired during 40 years in which he had beheaded 400 persons.

WATER DISTRICT RE-ELECTS. MERCEDES, Tex., Feb. 4.—All officers of the Hidalgo and Cameron Counties Water Control and Improvement District No. 9 were re-elected at a reorganization meeting Friday. Those who will serve for 1939 are Ira L. Myers, Weslaco, president; Jesse Dudley, Mercedes, vice president; L. V. Kistner, Mercedes, secretary. Included on the board are W. H. Drawe and E. B. Ballard, Mercedes.

SUPPORT FOR F. D.

Continued From Page 1

Force to 1,000 planes annually until the 6,000 authorized in pending legislation have been built. Committeemen said they want to avoid immediate production of a vast number of planes which would become obsolete in a few years. Such a graduated system of production, they said, also would enable the factories to keep in step with technological developments in aircraft production.

The committee hoped to report a national defense bill, containing the plane construction program, to the House on Wednesday. So debate may start Thursday. According to present plans, the bill also will carry provisions for air pilots' training and appropriations for war materials and Canal Zone defenses.

U. S. Not Prepared

Senator M. M. Logan, a member of the Senate military affairs committee, said tonight that the British and French purchases would help prepare American factories for mass production, which he said would be necessary under the President's national defense program.

"At this time," he said, "we are not prepared. Germany, for example, is now producing 1,200 planes a month on an eight-hour shift. She is capable of turning out 3,600 planes a month by working three eight-hour shifts. These planes are mostly bombers, capable of flying 350 miles an hour."

"The British testimony confirmed it. Mr. Bullitt apparently told the President of the great desire of the French government to supplement its production by purchasing planes here in greater quantity than it had done until now."

The President accepted this viewpoint and realized the great urgency of the situation. To minimize red tape and gain time the French mission was authorized by the President, after consulting his cabinet, to visit construction plants. The financial arrangements were to be conducted without the usual intermediaries of bankers and lawyers.

Some time before Ambassador Bullitt left for Europe it was the intention of Pegee Roosevelt to use the occasion of these sales to France for making another public declaration on foreign policy.

He was constrained from this, against his own judgment, because he was advised, I understand by Mr. Bullitt, that a statement might create an uproar, and that the whole deal in the same way that the British deal had been handled the matter of routine.

Unfortunately, the accident of the Douglas bomber in Los Angeles, in which a representative of the French air ministry was injured, precipitated the whole discussion.

Whether any rule was violated in this case or not is impossible to tell, as the information on this subject has been given only in the properly secret meetings of the Senate Military Committee, where this technical matter was discussed last week.

From what the papers report, a feud seems to have developed between the army and navy departments because the French buyers were put in the hands of the navy authorities, who showed them planes which might be bought eventually by the army.

There is no reason to believe that anything irregular has been done beyond a certain amount of bungling.

There is no evidence that the French will be given any special treatment in the matter of payment.

Mr. Paul Reynaud, the French finance minister, announced a few days ago that France now had sufficient gold on hand to buy immediately 5,000 planes abroad.

There is no secret agreement between the United States and France.

It is clear, however, that there is a question of American policy involved, and what the policy is cannot be a secret unless one believes that the President's recent speeches are just so much rhetoric.

On Jan. 5, in his message to Congress, he stated his point of view as clearly as it could be stated.

Also, for the second time within the last few days, the President has stated at press conferences that American aircraft factories are at the disposal of France and England.

The President's conviction is that the world is in a state of serious and continuing crisis and that what the United States, as the most powerful economic unit in the world, does or does not do will be decisive.

ON THE RECORD By DOROTHY THOMPSON A 'Secret' Shakes the World

I gather from reading editorials and the comments of spokesmen of both parties—there are a few exceptions, of course, that the airplane question boils down to whether we shall just sell airplanes to France or whether we shall sell them with enthusiasm.

The main attack seems to be directed against procedure more than fact. The President is accused of secrecy. The implication is that he has tried to put something over on the American public.

I do not think that the facts justify this charge. A French mission to buy planes in the United States has been here for several months. The first order for 100 Curtiss planes was put in about a year ago and was described in detail in the newspapers. It did not occasion a ripple, nor did the order of 500 planes placed some months ago by Great Britain.

The more recent purchase of planes has a peculiar, but hardly a sinister, history. Ambassador Bullitt, while he was here, told the President of the condition of airplane production in France and that country had been obliged to accept the Munich conditions mainly on account of its inferiority in the air.

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FEDERAL JURORS

Continued From Page 1, Coster-Musica, head of the McKesson and Robbins drug firm. Subpoena Sent Cristobal. By radiogram Brian McMahon, assistant attorney general, advised the judge, who has been on the Connecticut bench for 25 years, that the investigation is "very important to the administration of justice and to you personally. I insist on your immediate return from the first port of call."

At the same time Noonan sent a subpoena to federal authorities at Cristobal, Canal Zone, to serve on the judge when he touches his first port of call. Noonan said he failed to serve the judge with the subpoena before the ship sailed.

Judge Thomas wirelessly the Associated Press he would return from Cristobal on the first available ship "if Mr. Noonan so advises."

"No subpoena at Cristobal is necessary," he said. His radiogram follows: "This is third winter trip to Panama following two serious operations. Reservations were negotiated over six weeks ago. Had no notice, no knowledge about subpoena. Will respond without it. It was physically impossible to leave ship last night. Wired Mr. Noonan accordingly and that our reservations return us March 6. Will this be satisfactory?"

"Upon receipt of word from him will return from Cristobal on first ship available if Mr. Noonan so advises and needs me before March 6. No subpoena at Cristobal is necessary."

John J. Dowling, assistant U. S. attorney, said he had sent federal agents to Connecticut to subpoena the personal business records of Thomas, including bank account transcripts, bank books and duplicate income tax returns.

Dowling said he was interviewing executives of concerns in which Manton had a financial interest and that a subpoena had been issued for Manton himself to appear before the grand jury Monday after his resignation becomes effective.

Asked whether more federal judges were being investigated under an order issued by U. S. Attorney General Frank Murphy a week ago, Noonan merely shrugged and said, "that's government business."

Dutch Shell Head Dies In Holland

By United Press. AMSTERDAM, The Netherlands, Feb. 4.—Sir Henri Deterding, 75, former president of the Royal Dutch Petroleum Company, died at St. Moritz, Switzerland, today after a heart attack.

Sir Henri Wilhelm August Deterding was an outstanding figure in world financial affairs because of his role as guiding genius of the great Royal Dutch Petroleum Company, of which he remained a director after retiring from the post of director-general.

Born in Amsterdam in 1866, he was married three times and had two sons and three daughters. In 1936 he was divorced by his second wife, Lydi Pavlovna Kouzdoroff, daughter of the late Gen. Paul Kouzdoroff. He later married Charlotte Mina Knack, a German.

During his marriage to Lydi Pavlovna Kouzdoroff, the oil baron, who was knighted by King George V of Great Britain in 1920, aided thousands of White Russian emigres. He was known as a bitter foe of Soviet Russia and was once mentioned at a Moscow trial as having aided in a plot against the Soviet government.

His fortune was estimated in the millions, the company having risen from a value of \$20,000 when he took over to about \$175,000,000 in a period of 20 years.

"In this connection Congress has adopted a provision which for the time being will prevent any severe reduction in the WPA rolls. This provision specifies that during the months of February and March, administrative reductions of the WPA rolls shall not exceed 5 per cent of the total now employed. After April 1, however, the amount of money remaining, if not supplemented, will require very drastic curtailment of the program."

Harrington said he was glad that Congress inserted a stipulation in the deficiency bill forbidding political coercion of WPA workers. He said that previously there has been no law under which political coercion of WPA workers could be punished.

Provision will be made, Harrington said, to continue "white-collar projects within the limits of our funds."

WOLL CRITICIZES GERMAN IMPORTS

MIAMI, Fla., Feb. 4. (P).—Matthew Woll, a vice-president of the American Federation of Labor, charged tonight the Treasury Department was permitting Germany to obtain such war materials as cotton, copper and scrap iron from this country by dumping "unnecessary harmonics, bird cages and canaries."

He said the procedure violated the President's foreign policy and that "undoubtedly President Roosevelt is unaware of this procedure of the Secretary of the Treasury which has reacted to the great advantage of Hitlerism."

As president of America's Wage Earners' Protective Conference, composed of AFL unions, Woll reiterated in a statement previous complaints by the group that in permitting the import of German goods, the Treasury evaded imposition of countervailing duties and penalties provided by the 1910 Tariff Act and the 1921 Anti-Dumping Act.

FDR Prompts Statement. Woll said his statement was prompted by Roosevelt's recent statement of his foreign policy in which he declared against any entangling alliances. The AFL vice-president said the statement was "interesting and resounding" but that the Treasury Department "seemingly is acting for the benefit of Hitler and other totalitarian states."

Woll declared "many millions of dollars" worth of cotton, copper, scrap iron, fats and oils have been delivered to Germany by American business interests since Dec. 25, 1936, at one-third above world prices.

The Yount-Lee Company was sold in 1935. Lee was for years a trustee of the Hermann Hospital estate and was greatly interested in the development of Texas cattle.

He carried on breeding experiments at his ranch in Zavalla County and was several times the purchaser of champion stock at cattle shows.

He also was active in the Republican party, having served as State chairman since 1933. He was a delegate to several Republican national conventions and in 1924 was nominated for governor by Texas Republicans, but declined the nomination. As chairman of the Texas delegation to the 1924 Republican national convention he cast the ballot that nominated Charles C. Dawes for the vice presidency.

The Lee family residence on Montrose Boulevard here has long been one of the show places of Houston.

Lee was married twice. His first wife, Miss Elizabeth Mann of Pennsylvania, died in 1895. In 1900 he married Miss Elsie Mabel Horton of Savannah, Ga.

Lee is survived by his widow, six daughters, Mrs. T. F. Rothwell and Mrs. W. W. Kyle of Beaumont; Mrs. J. W. Taylor of Uvalde and Mrs. H. E. L. Toombs, Mrs. R. C. Evans and Mrs. A. E. Kerr Jr., all of Houston; two brothers, H. A. Lee of Parkersburg, W. Va., and C. Y. Lee of San Angelo; 13 grandchildren and several nieces and nephews.

RELIEF ROLL OUT

Continued From Page 1. means in terms of jobs for the next five months," he said.

"Congress has just passed a joint resolution providing \$125,000,000 for use in the next five months, and it is now ready for action by the President."

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Advertisement for Paul's Shoes featuring a woman in a hat and shoes, with text: "Fresh Earth" Calf, in an advance fashion, Matching Bag \$3.45, GAITER PUMP elasticized for smooth fit! —a true ARISTOCRAT! "Fresh Earth" Calf or Black Patent. PAUL'S SHOES INC. 219 E. HOUSTON ST. When Ordering by Mail, Add 15c Postage.

SPANISH

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Figuerras was the rallying point for the remainder of the army of Catalonia. They were in full retreat having been surprised by the swift fall of Gerona.

French authorities were preparing for a mass flight of the Republican army across the frontier within a few days. More French troops were moved up to border towns today to disarm Republican soldiers who enter France.

Thousands In France. A flood of men, women and children reached the French barriers late today fleeing in panic before the air raids. As planes roared over the highways the refugees fled to the fields for cover. Unofficial estimates fixed the number of refugees now in France at more than 100,000.

The intense air raids on Gerona and Figueras, which cost casualties estimated as high as 1,000 intensified the flight of refugees. More than 25,000 crossed the border in the past 24 hours.

Half of Figueras was wrecked by 100 high explosive air bombs. They were intended for the old fortress where the Republican government concentrated its offices and where the Cortes met in an underground dungeon earlier in the week.

Art Treasures Removed. Seventeen trucks of art treasures crossed the French border today. Under an arrangement with the London National Gallery and the Paris Louvre they will be taken to Geneva to be entrusted to the League of Nations until the war is over.

Figueras was bombed almost continuously all day Friday. Herbert Clark, United Press staff correspondent, covering the retreat, described frightful conditions. "The town is so torn up that it will be sometime before the full number of victims is known," he reported.

Advertisement for Hotel Mayfair: HOTEL MAYFAIR the SAME PRICE FOR ONE OR TWO Guests 200 250 300 SINGLE OR DOUBLE with private baths. DALLAS JACK TRICKER - OWNER - MGR.

NAZI PRESS

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members. It is immaterial whether he actually said the United States frontier is on the Rhine. The President, who is now the real leader of United States policy, compels us to pay closest attention to things apart from his own dictatorial leaning. If Americans arm, that leaves us cold. If they wish to give directions to South Americans, then we gladly leave it to the South Americans to give their own reply."

Coincident with the renewal of attacks on President Roosevelt, Fuehrer Adolf Hitler continued his measures to strengthen Germany's military foundation.

Afternoon newspapers chorused a critical comment on Mr. Roosevelt's denial. All of them said that the denial had "lost weight" because it was delayed 48 hours; that it was chiefly American and German press reaction which forced the denial, that a storm of indignation has arisen in Congress in opposition to the administration; that the entire American people are now joining in this protest; that his popular American indignation is the Nazi enemy's healthy sign of a rejection of Mr. Roosevelt's "war excitement hysteria."

EGGS THROWN

Continued From Page 1

President Roosevelt that the United States front line of defense was in France. The report prompted Virginia Gayda, authoritative Fascist writer in Rome, to say that in such event the frontier of the German-Italian axis would be extended to the Panama Canal.

The Italian cruisers are on a world tour. When they arrived at Balboa, the officers from the two cruisers came ashore and got into automobiles to make their official calls. Anti-Italian demonstrators met them at several points with banners and eggs. Police arrested one demonstrator.

The Italian cruisers have been making a good will tour of South American countries. At Montevideo, Uruguay, there were several anti-Italian demonstrations and street disturbances after a crowd booted the sailors while they were in a sight-seeing bus. The crowd objected particularly to the Fascist salute by the sailors.

The cruisers spent five days in Peru, and were in Callao at the time of the great earthquake. They continued on to Panama, en route toward San Francisco, and thence westward around the world.

Advertisement for Hertzberg's Great Sale of Watches: It's cheaper to buy! a brand new watch! Now you can stop throwing money away repairing that old worn-out watch... own a fine new time-keeping watch AT A BIG SAVING! HERTZBERG'S GREAT SALE OF WATCHES. Watches "ON TIME"—Hertzberg watches keep time and may be bought "on time"! A YEAR TO PAY—No Interest. GROUP A Men's and Women's Watches—1/2 PRICE. GROUP B Men's and Women's Watches—including group fine diamond Watches—33 1/3% OFF. GROUP C Men's and Women's Watches and some lovely diamond watches—25% OFF. Three Selected Groups From Our Regular Stock STANDARD MAKES, FULLY GUARANTEED. You must HURRY, or the particular watch you'd like to have will be gone... see window No. 4 and display cases in store. HERTZBERG JEWELRY CO. San Antonio Leading Jewelers for 60 years.