

ALLIED PREMIERS, WITH LOOK OF GLOOM ON FACES, EMERGE FROM THEIR FIRST SKIRMISH

Statesmen Described Situation as Well Nigh Hopeless; Talk of Conference Breaking up in Two Days

ENGLAND AND FRANCE ARE STILL FAR APART

In View of Public Opinion in France and Great Britain Premier Bonar Law Regards an Agreement as Most Difficult, if not Impossible; French Minister of Finance Leaves Conference to Consult With President Millerand, After Which a Meeting of the Cabinet is Announced For This Morning

PARIS, Jan. 2.—(By The Associated Press.)—The prime ministers of France, Great Britain and Belgium, and Marquis Della Torretta, of Italy, emerged this afternoon in a gloomy mood from the first short session of the premiers council, called to solve the reparations complex. They were well nigh hopeless of agreement and members of their delegations talked of the conference breaking up in two days.

The Belgian and Italian delegates expressed dismay at the unyielding positions taken up by Premier Bonar Law and Poincare, each with the support of their cabinet.

The British and Italian plans were laid before the council. The British and French are alike in fixing German reparations at a total of \$9,000,000,000 gold marks and similar also in setting up a comprehensive system of control of Germany's production of raw materials.

France being for taking so-called productive guarantees in the Rhineland and the Ruhr, while Great Britain would occupy German territories beyond the present frontier.

The Italian plan, which is essentially the same as that offered at the London conference by Premier Mussolini, follows in general the French idea, but is more liberal in its terms.

France desires to pay the European inter-allied debts with glass reparations bonds, while England insists upon the immediate taking of gold.

Col. George H. Bunker, commander of the local post, was advised last night of the possibility of Bergdoll being brought to Wilmington. He has taken adequate steps to prevent Bergdoll landing at any of the beaches near this city.

Immediately after it was reported that Bergdoll was suspected as being aboard the Jupiter, details of legionnaires were stationed at Wrightsville Beach, Carolina Beach and Topsail Sound, to keep a lookout on land.

It is stated that the department of justice officials have been watching closely the actions of several suspicious strangers in Wilmington, believed to be Bergdoll, and it is known that the department is posted on their mission here.

A description of Grover Cleveland Bergdoll follows: Twenty-nine years old; five feet seven inches; 175 pounds; heavy build; very short, thick neck; broad, square shoulders; dark brown hair; brown eyes; hair usually combed forward; back; usually smooth shaven; sometimes wears a small mustache; two teeth bad on right side of face; run parallel to each other, extending from lobe of right ear towards chin; the upper ear being three-fourths of an inch in length and the lower ear two and one-half inches in length.

Bergdoll is thought to be traveling in one of three passports: one on the name of Bernard Stecher, No. 90332; Arno P. Mowitz, No. 84474.

The first two of the above passports were obtained in Philadelphia about 15 years ago, it is stated, and it is thought that Bergdoll is using one of them. He is returning to the United States, as the descriptions in all compare very closely to Grover Cleveland Bergdoll.

Grover Bergdoll Reported En Route Here on Aquarius; Modoc Will Intercept Vessel

With Secret Service Men on Board, Cutter Speeds to Meet Alleged Draft Evader

SHIP IS DUE HERE EARLY THIS AFTERNOON

Believed Coast Guard Craft Will Meet Steamer Off Coast at Dawn

The coast guard cutter Modoc, with department of justice agents aboard, sailed yesterday afternoon to intercept the American steamer Aquarius, bound from Bremen, Germany, to Wilmington and reported to have on board Grover Cleveland Bergdoll, the American draft evader.

The cutter is expected to meet the Aquarius off the North Carolina coast at dawn, when the vessel will be stopped and a thorough search for Bergdoll made.

Department of justice officials in Wilmington yesterday, arranging for the cutter to take them out to sea to meet the Aquarius, which, according to reliable information, is bearing Bergdoll back to this country from Germany.

The Aquarius will arrive in Wilmington this afternoon, and will dock at the Wilmington Compress and Warehouse company's terminals, where she will discharge a cargo of 5,000 tons of potash salts, for distribution to interior North Carolina points. The vessel is consigned to Helds and company.

When the cutter meets the Aquarius early this morning, the steamer will be halted by the Modoc, Lieut. Com. B. M. Chiswell, commanding, and department of justice officers will go on board and make a complete search.

It is understood that the department of justice has detailed the cutter to stop the Aquarius, in order to prevent the possibility of Bergdoll being transported to some other port, and afterwards slipped into this country.

The fact that the Aquarius is an American ship does away with the danger of international complications, and the cutter will, therefore, be enabled to stop the boat on sight.

Members of Wilmington post No. 10, American legion, who have been much interested and actively engaged ever since it was reported that Bergdoll aboard the steamer Jupiter, which arrived at Pensacola, Fla., several days ago, without Bergdoll being found aboard, are taking precautions to assure his capture.

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Grover Cleveland Bergdoll, alleged draft evader, is reported aboard the steamer Aquarius bound for this port. The coast guard cutter Modoc, with agents of the department of justice, is awaiting at the Cape Fear bar for the arrival of the ship, which is expected today.

SECRETARY FALL TO QUIT CABINET ON MARCH FOURTH

Official Announcement of Resignation is Made From the White House

WILL RETURN TO PRIVATE PRACTICE

WASHINGTON, Jan. 2.—Secretary Fall, of the interior department, will retire from office March 4. It was announced today at the white house, to return to the practice of law and the conduct of private business affairs in New Mexico. President Harding, who is not yet prepared to name his successor, has declared by an administrative order that he will accept of an effort to retain the cabinet officer in service, and to have tendered him, without avail, an appointment to the supreme court bench, to fill the vacancy caused by entering the administration.

Secretary Fall said later that the only impelling cause for the step was the condition of his own affairs, and took occasion to deny reports that he had resigned to accept a place as counsel for an oil corporation, or that any friction existed between himself and associates in the administration. He will go to his cattle ranch in New Mexico immediately upon leaving office, and after a short vacation resume the practice of law and the administration of his business interests.

As a senator, Secretary Fall was a personal friend and associate of Mr. Harding, before entering the administration. It was understood when he accepted the portfolio that he might not serve throughout the administration as drought and cattle-market conditions in the New Mexico territory would break within the administration, and he would have a claim on his attention. More recently, in connection with plans for the reorganization of government departments, there were reports that Secretary Fall would vacate the interior department to take over the agricultural department, to be transferred to the interior department under his direction, but the whole matter has been in abeyance.

In this connection, Secretary Fall has taken a personal interest in Alaskan and western affairs with which the interior department comes in direct contact, and has made several inspection trips to points in the public domain of immediate interest.

The President, it was indicated, might take some time in the selection of a successor to the retiring secretary, whose resignation constitutes the second break within the administration. An official family source Mr. Harding assumed office. Reports have been current that a shifting of cabinet assignments might result, by which Secretary Hoover would vacate the commerce department to take over the direction of interior affairs. Julius H. Barnes, president of the United States chamber of commerce, might succeed to Mr. Hoover's post, it has been said.

At the same time, a number of men associated with the administration have been named since Secretary Fall's retirement came under discussion, as possible appointees. For the interior department, it is thought that the President's cabinet. Among them are Senators New of Indiana, and Kellogg of Minnesota, and Representative Mondell of Wyoming, Republican house leader, all of whom will retire from office next March, and Carmel Thompson, of Ohio, who was the Republican candidate for governor of that state in the last election.

McKIN WILL RETURN TO LOUISIANA IF HE IS GIVEN FREEDOM

Expresses Willingness to Return Voluntarily; Ritchie Can't Honor Requisition

ANOTHER UNIT OF GUARDS ORDERED OUT

Cavalry Troop of Jennings Will Reinforce Three Companies Already on Duty

BALTIMORE, Jan. 2.—Dr. B. M. McKoin, wanted in Louisiana for alleged murder in connection with the Morehouse parish kidnappings, is willing to return to Louisiana voluntarily but must first be released by the Baltimore court in whose custody he now is.

Governor Ritchie today advised Governor Parker for such release. Governor Ritchie informed Governor Parker that the requisition papers already in his hands were not sufficient for the reason that the affidavits are in the possession, and belief and not by any one who had any personal knowledge of the alleged crime.

If Governor Parker is willing to release Mr. McKoin, the physician wants to leave tomorrow, Governor Ritchie said in his dispatch.

If the case comes to trial before Governor Ritchie, the Maryland executive told Governor Parker that his decision accordingly would be against granting requisition at this time but that he would hold Dr. McKoin for a reasonable time in order to give Louisiana authorities the opportunity to submit competent affidavits.

Dr. McKoin, Governor Ritchie said, while insisting on his extradition rights nevertheless was quite willing to return to Louisiana voluntarily but could not do so until released by the court.

"Will you consent to his release so that he may return to Louisiana and accompany your deputy officers to accompany him there?" Governor Ritchie asked.

"If you are willing to do this, he wants to leave tomorrow." The governor's telegram was sent after a conference with Robert R. Carman, secretary for Dr. McKoin, at the governor's office here late today.

Dr. McKoin, former mayor of Mer Rouge, La., was arrested here last Tuesday at the request of Governor Parker and was to have appeared before Governor Ritchie tomorrow in extradition proceedings.

Governor Parker accuses him of complicity in the murder of Watt Daniels and Thomas Richards, of Morehouse parish, some time between last August and December. They were two members of a party of five men kidnaped by a band of hooded men.

Up to a late hour tonight no word had been received from Governor Parker in answer to Governor Ritchie's message.

BASTROP, La., Jan. 2.—(By The Associated Press.)—Louisiana's crack cavalry troop of Jennings will reach here tomorrow morning to reinforce the troops already on duty here and at Mer Rouge, in connection with the state's investigations into the death of two men, victims of a mob, last August 21. While the order to entrain came suddenly, the movement was planned as it had been known since early last week that orders had been prepared for the calling out of two additional units. However, their identity was not known. At this time there is a company of infantry from Mer Rouge detailed to maintain order where most of the folks are armed and many divided into hostile clans.

The movement was not regarded here as being influenced by the kidnaping of Harry Ferguson, 19-year-old time keeper of a carbide plant at Spkyer, who was spirited away by unidentified men Friday night. Federal agents today were continuing their investigation of the incident but officials felt the youth was safe and out of the state having fled from the woods where he was held a captive. His importance as a witness at the hearing has not been disclosed either by the state or defense.

Persons interested in the opening hearing set for Friday began to arrive in the city tonight. Two of the state's assistant attorneys general are expected to reach here tomorrow morning from New Orleans while the attorney general and others as his staff will be here Thursday.

Ku Klux Klan investigators were secretly continuing their investigations to be in a position to make an early report to their chiefs regarding the merit of the charges. It has been made that klansmen were responsible for the outrage. The Morehouse klan has disclaimed all complicity in the affair and has announced it would welcome investigators.

"The allies have reached a point where they must choose between these two methods," he continued. "They can not have both. This is not a political question; it is a business proposition. You can get certain amounts from Germany if you take possession of her, but you can not take them and re-establish German credit."

"I wish to say that it is certain there is on the part of the British government an earnest desire to act in accord with the allies. I am convinced that this also is the desire of the French government. A real danger is that differences in the public opinion of the countries will be so strong as to make it difficult, if not impossible, to reach an agreement."

STATE AND COUNTY DUTY TO SCHOOLS IS DEFINED IN BILL

Special Legislation to be Asked of Assembly as Result of Committee Investigation

REPORT ANNOUNCED FOLLOWING CONFERENCE

Will Determine Amount Equalizing Fund For Each County

RALEIGH, Jan. 2.—Legislation making more specific the duties of the state and counties in the support of the public school system and providing for a method of determining the amount of the equalizing fund for each county needing a share of this fund for the support of its schools, will be introduced in the general assembly as the result of investigations by the special commission appointed at last year's special session "to investigate the laws relating to taxation for school purposes and make a report and suggest statutes to the next session of the general assembly."

The commission, after a consultation with Governor Morrison and Superintendent of Public Instruction Brooks, announced its report today. It is addressed to the president of the senate and the speaker of the house, and submits the proposed legislation covering the suggestions it has to make. H. G. Connor, Jr., is chairman of the commission, D. F. Giles, secretary, with W. C. Boyd, Sr., and Thomas D. Warren as the other members.

The commission finds that the equalizing fund will be necessary for perhaps years to come to aid certain counties in the state in fulfilling the duties imposed by the constitution to provide a six months' school term for all the children in every county.

"The maintenance of a system of public schools is not only a county function, but a state function," the commission reports. "No child should be deprived of the opportunities of an education equal to the opportunities of other children throughout the state simply because his or her parents happen to live in a particular locality, and the state should see to it that every child nearly as possible all the children of the state shall have the advantages of a six months' school. This can only be done under present conditions through the aid of an equalizing fund. At the same time each county should perform its own duty and not cast an undue burden upon other localities. The problem has been to arrive at some method by which the state and the county shall each perform its separate duties, and the bill which is submitted is believed by the commission and by the department of education to be the nearest solution to the problem yet arrived at."

A just method for determining the amount of the equalizing fund for each county, provided in the bill, is reported.

The bill, providing for a just method of distributing the \$800,000 equalizing fund to the counties needing assistance, provides:

"That a definite amount be set aside annually from the state public school fund; that the state board of education shall determine the average per capita cost of educating the children of the state for the ensuing year and this shall be the maximum cost in each county for which a county may draw aid from the fund for the next ensuing year; that the amount for each county shall be determined by requiring all counties to increase the amount raised a certain per cent, applied alike to all counties, which per cent must be sufficient, when supplemented by the amount of the equalizing fund, to give each county a sufficient amount to meet the average per capita cost for the state; that no county shall receive more from the equalizing fund for the ensuing year, except where actual conditions, after an investigation has been made, shows that the standard of the school should be raised. In other counties specified assistance may be made from the equalizing fund if property values fall below the authorized valuation owing to some disaster or exceptional industrial or economic reverses."

"The idea of the commission's measure is to insure dependence by the counties on their own resources in the support of the schools to the extent of their available revenues for this purpose, but to commit the state to the maintenance of the system of aiding weak counties in the conduct of schools that afforded educational opportunities comparable with those of the wealthier counties."

DAWSON NAMED SPEAKER OF HOUSE; LEGISLATURE TO OPEN THIS MORNING

SELECTED SPEAKER



Hon. John G. Dawson, of Kinston, was last night nominated speaker of the house at a Democratic caucus in Raleigh.

Lenoir Legislator Selected Democratic Candidate at Party Caucus Held in Raleigh Last Night

NOMINATION IS MADE THROUGH RISING VOTE

Other Officers of House and Senate Selected; An Abundance of a State-Wide Measure Are Scheduled to be Introduced; Legislators Present at Capital Represent Almost Full Strength of Membership and Lobbying is Much in Evidence

RALEIGH, Jan. 2.—John G. Dawson, state representative, of Kinston, tonight was chosen as the Democratic nominee for speaker of the house at a party caucus here. The nomination is equivalent to election which will be held tomorrow when the general assembly, formally convened, opens.

Because of the illness of Mr. Dawson, his prepared speech to the caucus was read by Representative Rufus Doughton of Allegheny county.

In his paper Mr. Dawson stressed the necessity for legislation which would raise the state's educational program to higher standards. He touched upon the urgent need of a greater road program. Health, he said, should be overlooked for the public benefit and he asked that the party consider increased facilities for the care of the invalids and helpless people of the commonwealth. The contentment of the people, he also said, should be the chief purpose, and legislation which would further unite the people to a happier understanding of their service to themselves and their fellowmen was too important to have no consideration.

In speaking of the education fields, Mr. Dawson set forth that "every dollar economically and judiciously spent for this purpose, in reason, will yield many dollars in return." The state's educational system, he maintained, should be economical, administered and protected with "business-like efficiency."

The statement reviewed the great progress the state has made in road building, set forth that to legislate for the benefit of agriculture should be a chief aim, and he said that in a better way could agriculture be helped than through continued good road development and construction.

In conclusion he advocated that all legislation which the house was about to bring forward should be framed with a view to the general happiness of the people as a whole. "They must be helped to kindle an ambition, and to see the dawn of a better day," he said.

Following the nomination of Mr. Dawson which was by a rising vote, the caucus then nominated other officers as follows:

Miss Rosa B. Munn, of Cabarrus county, engrossing clerk; Alex Lassiter, Bertie county, chief clerk; D. P. Dullinger, of Gaston county, reading clerk and J. L. Burkett, of Randolph county, sergeant-at-arms.

In the senate caucus W. L. Long, of Halifax county, was nominated president pro tempore. Other officers were:

Principal clerk, Frank H. Hackett, North Wilkesboro; reading clerk, Thos. P. Cooke, Buncombe, and sergeant-at-arms, W. D. Gaster, Cumberland county. Cecil Broughton withdrew his name as a candidate for reading clerk during the day.

By BROCK BARKLEY

RALEIGH, Jan. 2.—Butt-on-holding on "pet legislation" came to the forefront today as the number of legislators to be present at the opening of the full strength of the two houses and propriety of an over-burdened session by reason of individual advocacy of unusual and unexpected state-wide measures was the result.

Some old-heads were quite and confined their talk to organization plans, the condition of the crops among their constituents, or the probable date of the governor's message. When they were called to a conference with the confidants. Plots were laid and courses of action agreed upon in numerous quiet chats, off in an old-head's room today but the lobby talk was not for these experienced members of the legislature. As a matter of fact, the bulk of today's solicited opinions was confined to the probable course of responsible measures of state-wide importance with no word as to new legislative proposals that would demand attention.

One veteran remarked that he had never seen the like of state-wide measures in the work men's cooperation proposal by reason of the many differences of opinion as to what the proposal should embody was another prediction from influential sources. The 48-hour "work men's cooperation" bill, as it was called, was away the manufacturers from out of the state who just now are very much encouraged. (Continued on Page Two.)

DEFENSE WITNESSES TESTIFY IN HERRIN MINE MURDER CASES

On Re-opening Trial Witnesses Relate Stories of Alleged Terrorizing by Guards

CHARLES DAVIS TELLS OF ASSAULT ON HIM

MAHON, Ills., Jan. 2.—(By The Associated Press.)—The holding up and shooting of peaceable travelers and the alleged terrorizing of the surrounding countryside by armed guards at the Lester strip mine was described by ten witnesses for the defense at the re-opening of the trial of five men charged with murder in connection with the Herrin riots today.

Only one of the witnesses, Charles Davis, a farmer and miner, testified to an actual assault by any of the mine guards. Davis said he tried to go to the mine office to complain to C. J. McDowell, superintendent, regarding the destruction of parts of his pasture fence, but had been escorted off the mine property by a guard who pushed him with his fist.

On cross examination by Delos Duty, state's attorney, all other witnesses were asked whether the guards had hurt them and each replied in the negative. I Gibbs, a farmer from the mine that he leased to the guards had cursed and swore in front of his "women folks."

Miss Alther Davis, daughter of Charles Davis, testified that two of the guards had come to her home while she was alone with her young sister and that one of them said "By— we want some milk."

She said she gave it to them and they went away without paying her. "Did they hurt any one, or damage anything?" She was asked on cross examination and replied in the negative.

Mrs. Nancy Davis, wife of Charles Davis, quoted one of the armed guards as saying to her: "The d—union men are scared to come out. They have yellow streak up their backs."

She added that the guards once watered her husband off the mine property with a gun at his back and his hands in the air.

Both Gibbs and Davis testified the guards had closed a road over which they used to drive their cattle to a water hole. Davis said he sub-let his farm from Gibbs who leased the property from the mine company.

"Was it not a matter of common understanding, when you served this mine, that it was subject to the rights of the mine owners to strip coal?" he was asked on cross examination.

The witness said the understanding he had was that he had the surface rights of the land. He said the land to the water hole was private mine property and was closed after the coming of the guards.

Gibbs quoted one of the armed guards as saying to him the morning after the shooting: "The damned union men were going to give us a call, but I guess they got cold feet and backed off. If they do come we are ready for them."

Can't Re-establish Financial Stability By Taking Possession Of Germany, Bonar Law States

PARIS, Jan. 2.—"You can get certain amounts of money by taking immediate possession of Germany, but you can not take over Germany and re-establish her financial stability," declared Mr. Bonar Law, the British prime minister, tonight in the course of the first direct statement he has made on British policy concerning reparations since he became head of the government.

"The allies have reached a point where they must choose between these two methods," he continued. "They can not have both. This is not a political question; it is a business proposition. You can get certain amounts from Germany if you take possession of her, but you can not take them and re-establish German credit."

"I wish to say that it is certain there is on the part of the British government an earnest desire to act in accord with the allies. I am convinced that this also is the desire of the French government. A real danger is that differences in the public opinion of the countries will be so strong as to make it difficult, if not impossible, to reach an agreement."

"Large sums are only available through loans; the amount of indemnity must be fixed, not by parliaments but by impartial business minded people. No one is fond of paying debts, if it can be avoided. This is equally true of any nation, and Germany is no exception."

"Having fixed reasonable conditions, if Germany does not then take necessary steps forthwith to carry them out, the necessary steps must be taken to force her to comply."

"We do not need reparations to the same extent as other nations, we need them to pay our debts."

(Continued on Page Two.)