

PEACE OR WAR GRAVE ISSUE PLACED BEFORE THE NEAR EAST CONFERENCE SPECIAL COURT ISSUE CAUSES SPLIT

Ismet Pasha Refuses All Suggestions for Special Tribunal To Try Foreigners in Turkey.

CURZON AND ISMET IN SHARP VERBAL CLASH

"Gentlemen, the Key to Peace Lies in Your Hands," Turkish Spokesman Declares, and Curzon Replies That if Peace Comes at Lausanne it Will Be Essential to Arrange Question of Foreign Courts; Risa Nur Bey Delivers Violent Attack on Allies and Brusquely Leaves Conference Hall.

LAUSANNE, Jan. 6.—(By The Associated Press).—Peace or war was the grave issue placed squarely before the near eastern conference today. Ismet Pasha, for Turkey, brought this issue concisely before the delegates when, after refusing all allied suggestions concerning special courts for foreigners in Turkey, he declared solemnly: "Gentlemen, the key to peace lies in your hands."

Lord Curzon, accepting the challenge, retorted: "If peace is to come at Lausanne, it is essential that some arrangement on the question of foreign tribunals be arrived at," and he added significantly: "We hope that time will soften the Turkish attitude and that Turkey will not maintain her position of today."

The discussion took place before the full commission on capitulations, which adjourned without reaching any accord on the most vital question of the Lausanne agenda and without fixing a date for the next meeting. The debate on capitulations, during which Ismet Pasha praised the American ambassador, Mr. Child, for his recent "eloquent address" to the delegates, was interrupted by a sharp attack on the allies, which was marked by no evidence of ill feeling. In this respect it differed greatly from the morning session, which took up the problem of providing a national home for the Armenian people.

In consequence of this, Lord Curzon, M. Barrere and Marquis Di Garroni, forwarded a strong letter of protest to Ismet Pasha, requesting the head of the Turkish delegation to write some explanation of his colleagues' conduct. The Turkish delegation replied this evening that the allied protest regarding the Armenian incident by defending Risa Nur Bey's procedure. The Turks assert that the Armenian question was not on the conference agenda. They seem determined not to grant an Armenian national home, but expressed the hope that today's incident would embitter the Lausanne negotiations.

French and Italian circles tonight are pessimistic over the Turkish refusal to accept a provisional regime of special tribunals for foreigners. It was declared by the French and Italians that capitulations was one question on which they would not yield.

Hoover Declines To Take Interior Job

WASHINGTON, Jan. 6.—An offer by President Harding to transfer Secretary Hoover from the commerce department to the interior department today was declined by Mr. Hoover in a public statement, as he had in a public statement, that he has undertaken a departmental reorganization and "the job is not yet complete."

The commerce secretary said he had been "highly complimented" by the offer of the interior portfolio, which Secretary Fall is to give up on March 4, but he could be of greatest service by completing the work he already has undertaken.

Defense To Close Case During Week

MARION, Ill., Jan. 6.—Attorneys for the defense, after introducing a host of witnesses to prove alibi for the five defendants in the Herndon riot trial, expressed confidence today they would close their case before the end of the week.

In the seven days of court sessions since the state rested and after sitting 39 witnesses on the stand more than 75 witnesses have been called by the defense in carrying out its announced intention of seeking to prove "justification" and "alibi" for all of the accused. The first testimony was given in support of the contention that acts of aggression on the part of reformed guards at the mine were responsible for the riot that culminated in the killing of three union miners and 20 non-union workers June 21 and June 22.

Hope Fades for Developments Which Would Permit American Aid in Reparations Deadlock

Administration Sees No Opportunity to Suggest Way to Reconciliation.

AMERICANS PREPARE FOR DEBT-FUNDING MEETING MONDAY

Views Are in Accord on General Policy For Funding the British War Debts.

GOVERNOR NORMAN CALLS AT TREASURY

WASHINGTON, Jan. 6.—Members of the American debt funding commission prepared at a three hour conference this afternoon for the opening Monday of formal discussions on an arrangement for funding Great Britain's war-time debt to the United States. Their views, members said upon leaving, were in accord in "general policy."

While the commission was in session, Governor Norman, of the Bank of England, a member of the British delegation, was a caller at the treasury. To newspaper correspondents he expressed the hope of an early agreement on British funding questions, adding that if it so happened it would be a great step toward solution of existing world problems.

The official attitude still is friendly to all parties in the crisis and with American good offices and economic strength available at any time to allied leaders if they can find a way of reaching out for American helplessness. It is certain that no move will be made here prematurely to embarrass a later director of American help.

But while official activities are thus quiet, officials of the chamber of commerce of the United States, it was learned today, are considering renewing their attempts to work out new reparations proposals. These activities were halted temporarily while the statesmen debated and agreed to disagree in Paris.

The foreign affairs committee of the chamber will meet here January 1 at the call of President Julius Barnes and will attend a dinner given by Mr. Barnes, in honor of Albert Thomas, director of the international labor offices at Geneva and formerly French minister of munitions. That the reparations crisis will be the foremost topic of discussion is not doubted. What immediate plans may result, officials now so seriously disturbing the peace and prosperity of the world shall be settled upon sound economic principles—principles which will promote the peace and welfare of mankind rather than the popularity of international or political parties—leading business men throughout the world will meet at Rome for the purpose of discussing frankly and seriously some of the most pressing issues.

The reparations situation is specifically allowed space on the preliminary program which the American delegation will urge at Rome. Inter-allied debts in among the sub-topics as well as "financial measures necessary for the restoration of international trade."

Among members of the chamber foreign affairs committee is A. C. Bedford, of New York, an official of the Standard Oil company and chairman of the American delegation to the second general meeting of the international chamber of commerce which will be held in Rome, March 13 to 24. The preliminary program for that meeting carries a statement signed by Mr. Bedford, which is at least illustrative of American business throughout. It reads: "Believing that the time has now come when business men should assert the right, based upon their knowledge and experience and their interest, to come forward and state in no uncertain terms that the vital problems now so seriously disturbing the peace and prosperity of the world shall be settled upon sound economic principles—principles which will promote the peace and welfare of mankind rather than the popularity of international or political parties—leading business men throughout the world will meet at Rome for the purpose of discussing frankly and seriously some of the most pressing issues."

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Belgian Troops To Assist in Occupation

BRUSSELS, Jan. 6.—Two Belgian divisions will assist seven French divisions in the occupation of Esen and the Ruhr districts, says a cable from Brussels. It adds it has been agreed that the French and Belgian troops will be in the Ruhr by the end of the week.

The President entirely agrees with the Secretary of Commerce that the present time is of the utmost importance, not only because of the necessity of buying up a department that will really meet the service needs of the whole community, but also in view of the economic problems growing out of the war."

Liability Insurance May Be Required on All Automobiles

Star's News Bureau, 312 Tucker Building.

By BROCK BARKLEY. RALEIGH, Jan. 6.—Legislation requiring all commercial passenger and freight carrying motor vehicles to carry liability insurance will be sought in the general assembly by the North Carolina Automobile club and other interested organizations in co-operation with the legislative committee of the state highway commission. The following other features will be also embodied in a bill to be presented in the assembly with the support of numerous house and senate members, including R. A. Doughton: To require all vehicles, both motor and horse-drawn, to carry lights at night to require all automobiles to stop at a railway crossing, to require a certificate of title to an automobile as a prevention against stolen cars, and to require the use of legs on all machines that will meet certain specifications.

C. W. Roberts, manager of the legislative committee of the highway commission, representing the automobile traffic men; W. L. T. P. A.; Mr. Griffin, representing commercial automobile association; R. A. Doughton, secretary of the North Carolina Municipal association; R. A. Doughton, and others. The committee will confer with the legislative committee of the highway commission in the preparation of the bill, which, it was announced, will have the support of the commission. Representative Doughton will be one of the champions of the measure.

BLACK-HOODED MOB MUTILATED BODIES OF LOUISIAN MEN

Device of Torture Used in Dealing Death to Daniel and Richards.

THIS IS SHOWN BY EXPERTS' TESTIMONY

Bodies Found to Have Been Badly Mutilated; Bones Used as Evidence.

BASTROP, La., Jan. 6.—That Watt Daniel and Fletcher Richards, put to death on a rack of torture, according to deductions made by pathologists who examined their crushed and mutilated bodies, were victims of a black hooded band, was indicated by testimony put into the record today in the state's investigation into masked band outlawry in Louisiana parish. Exhibiting crushed and broken bones as visible evidence, Dr. Charles Duval and Dr. John Lanford, pathologists, testified that scientific examination of the bodies of the two men showed that they had been tortured on a device "especially constructed for inflicting punishment."

That the men who halted the automobile party of which Daniel and Richards were members were black hooded, was asserted by witnesses who felt the wrath of raiders, but were allowed to return to their homes after being flogged.

"The father of Watt Daniel, one of the alleged victims of the kidnaping last August, today testified that several days before the kidnaping several men had halted him and several companions, and taken Daniels' pistol. The father testified that he recognized among these men, who later returned the pistol, as Dr. B. M. McKoin, former mayor of Mer Rouge, and Capt. J. K. Skipwith, exalted cyclops of the Mer Rouge parish, and various other men who were members of a day of sensational testimony in the investigation undertaken under direction of Gov. John M. Parker to fix responsibility for the slaying of Daniel and Richards and several other persons whose masked band depredations which the governor has laid at the door of the Ku Klux Klan.

Describing in minute detail the crushed and mutilated condition of the bodies of the two men, pathologists testified that the men had been subjected to torture in a way which had been described by their bodies as "cut-throat interests" and "other operations performed before he was dead."

Two witnesses, J. L. Daniel, father of Watt and W. C. Andrews, described members of the mob which halted them on the route from Bastrop to their homes in Mer Rouge on the evening of August 24 last, as black hooded.

Both Daniel, a man nearly 70 years old, and Andrews, 25, declared they were flogged by the hooded men, but the older man declared he was not given more than four or five blows.

For the first time during the inquiry, which began yesterday afternoon in the chamber of the legislature, Andrews said: "I believe it was some members of the Klan, may be not the action of the Klan as an organization, but by some members of the Klan," Andrews said. He declared, however, he could not name any man whom he suspected of being implicated.

The testimony of the two men was along much the same lines. They said they were returning from Bastrop where they had attended a barbecue and baseball game and were halted by an automobile parked across the road.

"We were stopped at a cross road," Andrews testified, "by a man who was wearing a black hooded. One came to the car in which I was riding, covered me with a gun and ordered me to the road. I was blindfolded with a red bandanna handkerchief, my hands were tied, and I was taken to the side of the road. Soon after the elder Daniels was taken prisoner and seated beside me, I heard a voice which I recognized as that of Watt Daniel saying 'Wait a minute, don't go on, we are going to do something to you.'"

"Then I was questioned as to an attempt which had been made to assassinate Dr. McKoin. I told them I knew nothing of it; that I was in another part of the parish at the time," Andrews said. "They said they knew I had something to do with it and were going to whip me and make me tell."

"Next old man Daniel and I were taken to a woods, where I was laid on the ground and whipped until I was numb. They told me if I couldn't talk they were going to hang me."

"Then they whipped old man Daniel," Andrews said after the flogging the two men, with "Tot" Davenport, another of the Mer Rouge party who was taken prisoner, were taken in an automobile. Collington, where they were released and told they might catch a train back to Mer Rouge. Davenport was not mistreated, Andrews said.

"I was told to go back home and be a good boy. Andrews said he was struck on the head, and he was there when I said I did not, I was told I ought to be glad I did not."

Andrews said that the flogging he received made it necessary that he undergo medical treatment and while he was lying on the ground he was there when he was kicked. The elder Daniel, like Andrews, declared that he was unable to recognize any of the members of the mob either by their voices or by their faces. He said that he was struck on the side of the head by the hooded man, a 15-year-old girl, exclaiming "oh, Watt, oh Watt."

SENATE PASSES RESOLUTION FAVORING WITHDRAWAL OF U. S. TROOPS FROM RHINE

WASHINGTON, Jan. 6.—A resolution favoring immediate withdrawal of the American forces on the Rhine was adopted by the senate today at the moment when administration forces were organizing for a fight against another proposed expression of senatorial opinion regarding reparations.

The troops' resolution approved by a vote of 56 to 7 after a day of debate and private consultation regarding American relationship to the crisis in Europe, was supported on the final roll call by the Republican leaders despite an earlier effort by them to ward off action.

There was an indication tonight that the senate's action would affect any change in the present policy of the administration, or that any plans were being made for the return to the United States of the small American force still in Germany. As originally introduced by Senator Reed, Democrat, Missouri the resolution would have "requested" withdrawal of the troops but it was modified before passage so as to merely embody an expression of opinion.

The reparations resolution, which would authorize American representatives on the reparations commission was debated during the day but there was much private maneuvering again on the part of administration senators after Chairman Lodge, of the foreign relations committee, had sought and obtained the views of Secretary Hughes regarding it. Returning to the capitol after a long talk with the secretary, Mr. Lodge said it was his own opinion that the time was inopportune for senate action.

It was indicated that the resolution which was introduced by Senator Robinson, Democrat, Massachusetts, would remain in the foreign relations committee for a week at least, while the committee waited for Secretary Hughes to compile a report on the activities of the American unofficial observers, attached to the reparations commission. Senator Lodge also called at the white house after his talk with Mr. Hughes but he did not see President Harding.

FORMALITIES OF LEGISLATURE ARE OVER AND ASSEMBLY WILL BUCKLE DOWN TO BUSINESS

Actual Consideration of Measures to Get Under Way With Reconvvening Monday.

TUESDAY'S SESSION TO HEAR GOVERNOR

Executive Expected to Deliver His Annual Message at Joint Session.

Star's News Bureau, 312 Tucker Building.

By BROCK BARKLEY. RALEIGH, Jan. 6.—The legislature will get down to serious business next week when the committees go to work and actual consideration of measures on the floor of the two houses begins. The first week has been devoted to making, advocating, and organizing a general lining up of the forces for action. That is over now and the senators and representatives are giving the week-end their preliminary part of legislation. Big movements will be launched with the settling of the legislative mill and the issues of the assembly will start toward the surface.

Speaker Dawson is expected to name the full list of house committees early in the week and Lieutenant Governor Cooper has already named the senate committees.

Governor Morrison's message will be heard Tuesday and likely will be followed by a flow of the bills that will develop the big subjects of conversation and interest. His steamship line bill will closely follow his message, bills covering the executive will go in, and the various departments of the state will have their ideas presented for the assembly's consideration through their legislative representatives. Bills, the many organizations, associations and federations will begin dumping their proposals into the senate chamber, and the house and senate champion of a multitude of state-wide bills will begin to stir.

New legislative proposals and bills are coming to light as the result of the cooperation between the members and their constituents and between groups of law-makers. Time for thought, with their friends all gathered, legislative offices filled, and general announcements from members of new proposals that will be made when the general assembly really gets down to business.

Senator D. F. Giles, of McDowell, in his proposal to form a farm loan commission for the purpose of aiding the small farmer to buy land, is one of the most significant pieces of legislation among the proposals announced today. He proposes to introduce the bill Monday and it will get early committee consideration.

Briefly, the bill provides for loans from the state to small farmers in their effort to purchase land. The amount of the loan will be 20 years in which they repay the loan and the state will see that improvements compatible with proper agricultural developments are made on the property. Its chief purpose is to give tenants an opportunity to buy their farms, thereby eliminating farm tenancy in North Carolina. (Continued on Page Two)

Mother and Son, With Negro Nurse, Perish in Raleigh Fire

Star's News Bureau, 312 Tucker Building.

By BROCK BARKLEY. RALEIGH, Jan. 6.—Mrs. I. W. Simpkins, her four-year-old son, I. W. Simpkins, Jr., and Caroline Hill, a negro nurse, burned to death early this morning in flames which destroyed the two-story Simpkins garage building. The husband leaped to safety with a two-year-old daughter, but the other two children were killed.

The husband leaped to safety with a two-year-old daughter, but the other two children were killed. The fire started in the garage, where the family was sleeping. The fire spread rapidly, and the family was awakened by the heat of the blaze burning the top of the machine. He rushed out to turn in the fire alarm. Sixty-two automobiles were destroyed in the fire.

HARDING CONCERNED OVER THE FAILURE OF PARIS MEETING

This Information is Given Out By Senator-Elect Fess in New York Speech.

DOOR TO AMERICAN ASSISTANCE CLOSED

Former Ambassador Morgan-thau Defends Policy of Former President.

NEW YORK, Jan. 6.—President Harding is deeply concerned over the grave turn of events in Europe resulting from the collapse of the conference of premiers in Paris, Senator-Elect Simeon D. Fess, of Ohio, told the National Republican club today at a discussion of the present foreign policy of the administration.

His address was interpreted by many as an intimate revelation of the administration's position in the critical period, particularly an assertion that "we should not foster the feeling of an economic conference." We thought a commission of experts to pass on the facts in relation to reparations might be welcome," he said, "but the suggestion was not welcome, and it seems to me the door is now closed. Therefore, what we may now do is not very encouraging."

Senator Fess drew fire of Henry Morgenthau, former ambassador to Turkey, when he said: "We believe that the financing of Europe should not be done by any action of the government, but by American business."

Speaking as a Democrat, Mr. Morgenthau termed the proposed non-official reparations commission "a deliberate attempt by the Republican administration to pass the buck to the critical period in the world's affairs to the business men of America."

Mr. Morgenthau spoke frankly to the Republicans in defense of former President Wilson's policy. He predicted his party would return to power in two years and would find a way to participate actively in European affairs.

"The Republican party," he said, "is attempting to poison the minds of the American people against the league of nations and the peace treaty in 1919, until it has become the foothold of a policy to an extent that has tied the hands and feet of the nation so that it is powerless now to act, though its own safety and the fate of civilization are at stake in the present crisis through which western Europe is passing."

Albert W. Ketchum, president of the Equitable Trust company, another speaker, held the view that permanent peace in Europe could be established only by putting the currencies of all European nations on a gold basis in direct ratio to the present purchasing power of their existing currencies.

Apparently interpreting a change in the administration's policy, he said: "It seems to me the voice of Hughes in the New Haven speech is to be regarded as a voice from the wilderness proclaiming 'prepare the way.'"

Mr. Fess said no country felt the failure of buying power more than Great Britain and because of that, her overseas commerce did not return to normal.

All that England is concerned about, he said, is the world's buying power, and she wants it restored at all costs for her own preservation.

"France," he said, "sees financial bankruptcy in case of German default, and worse than financial collapse, she sees a social revolution in case she agrees to the default when the treaty gives her the authority to collect it by military force."

Young Man Arrested On a Serious Charge

(Special to The Star)

LUMBERTON, Jan. 6.—W. H. Haywood, young white man of Mt. Gilead, was arrested here this afternoon on a charge of passing a worthless cashier's draft drawn on the Bank of Mt. Gilead at a Fairmont bank. Haywood has been in Lumberton for several days and married only a few days ago.

The draft was upon the Independent Trust company of Charlotte and bore the signature of the cashier of the Mt. Gilead bank. The prominent family at Mt. Gilead, according to a Lumberton citizen who formerly lived there. He is trying to raise the money to make good in the sum of \$1,000, but has not been successful to date. The Fairmont bank has received the money paid to Haywood for the draft.

IN THE LEGISLATURE

Governor Morrison was finishing the text of his biennial message to the general assembly to be delivered on next Tuesday.

But few members of either house were in the city Saturday night. Those who were able to get to their respective homes from the time of adjournment early Saturday until Monday night have taken advantage of the opportunity.

The state fire commission expressed regret over three lives lost in a garage fire here Saturday, and announced that the new legislation which they sponsor to prohibit living quarters to be maintained over garages or other structures which house gasoline cars for storage, has been strikingly set out by the disaster.

Other branches of the assembly were in session less than 30 minutes, having convened an hour earlier than usual. No bills were introduced in the senate, and but two—both local measures—came before the house.