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To Assure Officials That It is the State's Property.

DRAINAGE SEEMS CERTAIN

Five Autos at Bottom of Lake Yet, Is Claim; Rumor Says

12 Cases of Whiskey. Charlotte Observer Bureau,

BY R. E. POWELL. RALEIGH, July 25.—An inspec-tion of the rock quarry property to-day by Secretary of State Bryan Grimes and Treasurer Lacy, the only two members of the public buildings and grounds commission in the cit resulted in an order of a survey don in the city call, as suggested by the governor, a meeting of the commission upon the return here from Asheville of the attorney general. These were the outstanding developments today in a tri-partite mystery that seems to have caught the whole state by

The state shows formidable signs right now of calling the bluff and another week may see the revels-tions thousands are clamoring for. If a way can be found-meaning legal authority—the state will order the drawing of its property in an effort to locate evidence sufficient to lay before a grand jury. There is a fund of \$600 appropriated annually to the buildings and grounds commission from which \$500 is available. Whether the state has available. Whether the authority to convert its legal aid contingency for the purpose of the ligation has not been decided and in the meantime the more deeply interested folk are busy adding to the private fund of \$100 offered insurance department for defraying the expense of pumping

Rumor of Whiskey.

Apart from the developments about the capital today, there is nothing new in the quarry mystery unless it be a well circulated rumor that 12 cases of high grade whiskey are at the bottom of the lake. This report has been traced to the same source from which the first infor-mation of the automobiles came

and is given some aredence.

It has even been suggested that

So far there have been nothing but veiled suggestions of prosecuof the two cars, thought to have been "stolen." Some evidence Some evidence. though hardly enough to act upor has been gathered to connect the 'disappearance" of the quarry autooblies with the recent wholesale thievery of cars charged to the gang headed by Kelly, of Sanford. He is now under bond awaiting trial in

federal court. The owners of the cars that have been recovered, a King and a Hudhave not offered explanations. So far as is known, they were the last to suspect their cars buried in the lake. Insurance agencies, who have brought special detectives here to ferret out the supposed crime mystery, claim there are still five cars under the water. Having reserved police protection of property to the city, according to of State Bryan Grimes, the com nissioners are guarding the property

Colonel Grimes has no doubt bu that the quarry in question is state property. A second quarry, somewhat distant from this one, is or A second quarry, somecity property, but no suspicions at-tach to this lake. The survey is to confirm, however, the opinion the secretary of state entertains now as

Judge Manning having indicated to belief that the state ought to help the probe along, there is no opposition on the part of either Treasurer Lacy or Mr. Grimes. Both want it pumped dry but for the state to spend the money they want legal authority lest the treasurer's bond

become liable.

Highway Commissioner Frank
Page has the high powered electric
pump ready for work, Solicitor Norris says he will probe if the state
drains its lake dry and things are official action in the

next day or two. THUGS ROB MAN ON

ROAD NEAR SALISBURY

SALISBURY, July 25.—A man named Correll was badly treated on the National highway near China Grove Saturday night according to a story he related after he had regained consciousness. He was walking from his work at Salisbury to his home at China Grove hoping to director of the war finance corporation. pick up a ride and did get in with two men who were passing in a car. According to the story they grabbed him and took his money for his past week's work, and then pitched him out of the car while it was running, leaving him to be picked up later unconscious. Salisbury and Rowan officers were not informed of

WASHINGTON LAD IS NAMED TO WEST POINT

WASHINGTON, July 25.—William W. Studdert, of Washington, North Carolina, has been designated for appointment to West Point, with Clyde F. Gregson, Elizabeth City, first alternate, and Carroll R. Holmes, second alternate, Farm-

ARRANGE TO FINANCE

WASHINGTON, July 25 .- Euof the war finance corpo announced tonight he department of agriculture by which the representatives of the bureau of markets will supervise the corporation the warehous-and classification of the coton pledged as security in connecion with the recent loan of \$5,-100,000 to the Staple Cotton Co-

He also announced that the dis pursement of the funds to the asocation as the cotton is inspected lassified and warehoused will be nade through the New Orleans ranch of the Atlanta federal reserve bank, the Memphis branch of the St. Louis federal reserve tank acting as fiscal agent of the

Overman Fails to Challenge Committee Report.

Nomination, However, Is Subject to Consideration at

Later Sessions. Special to The Observer

WASHINGTON, July 25.-The enate judiciary committee today reported out the nomination of Frank Linney, for United States attorney for the western district of North Carolina. Senator Overman did not protest the report but let it go unchallenged to the senate, where it came up for confirmation at the executive session this afternoon, but upon objection the case went over.

Linney's nomination will now be subject to consideration at any subsequent executive session of senate, where there will be an effort made to prevent his confirmation. Senator Simmons has already indicated that he will vote against Linney o uthe grounds that he either deceived the people of North Carolina

not be confirmed. the case comes up for settlement. sion that the respective nominations stuck to his story that the same mon-of Frank A. Linney and Henry ey, Midden by his wife all duging the incoln Johnson, ought to be considered together or at the same lost in speculation.
time. The impression he made is The officer also that he regards them as being tarred with the same stick and they are birds of a feather. Johnson's nomination went over just as Linney's

son upon which will be based the fight against his confirmation. Senator Overman will read the ONE PARDONED, THREE Burleson open letter to President Harding in which the President is asked how he would like for a daugh Henry Lincoln Johnson.

CONGRESS TO RECEIVE SPECIAL MESSAGE FROM THE PRESIDENT TODAY

Will Recommend Broadening of Powers of War Finance Corporation. To Discuss Finances.

WASHINGTON, July 25 .- Broadening of the powers of the war finance corporation, making it the great governmental agency for bringing about the necessary economic eadjustments of the nation, will be suggested by President Harding tomorrow in a special communication to Congress, according to forecasts

tonight in high administration cir-The special letter from the President, it has been announced, will deal primarily with the propo financial settlement between the government and the railroads, but ac-cording to statements by administration leaders, it probably will go fur ther and recommend not only that the war finance corporation take charge of the railroad settlement but also that it be placed in direct and practically sole charge of farm

credits and export financing. Secretary Hoover said today that

had convinced him that the broad-ening of the finance corporation's powers through legislation permitting it to handle adequately the triple problem was the proper

course to pursue. Funds for speeding up of business, the commerce secretary asserted, could be made available by the cor-poration without a great drain on the treasury. The corporation is empowered to issue bonds up to six times its capitalization of \$500,000,

MISS STEWART BURIED.

Congressman Wants Treasury

INVESTIGATION IS ENDED

Ordered to Find \$105,000.

Charges Against Major Campbell Left Open; His Statements Corroborated.

WASHINGTON, July 25 .- The Bergdoll investigation ended finally oday—and ended peacefully.

There was no statement from the mmittee, which has been directed fix responsibility for the escape Grover Cleveland Bergdoll, the draft dodger, while hunting last year for a buried tub of gold, as to disposition of the case of Major Bruce R. Campbell, an army officer accused by Mrs. Emma C. Bergdoll, of accepting five thousand dollars to help Will Have to Be Consider get her son out of the cituches of the

An unexpected turn at the las moment was a demand by Represen- Details of Tender for Taking tative Luhring, of Indiana, a republican member of the committee, that the alien property custodian be cover \$105,000 of the gold taker from the treasury a year ago, and aalleged to have been buried. Mr. Luhring insisted that the evidence developed by the committee indi-cated that the gold was obtained from government vaults for bribery purposes and that if still buried, as the woman asserts, it ought to be dug up and put back in the govern-

hands. The committee deferred action on the gold question until its report is formally presented to the house, about ten days or two weeks hence. Campbell's Father Heard.

Members of the committee refused to say whether they would recommend that the Campbell charges be dismissed or turned over to the war department for such investigation as the inspector general might sugges

Major Campbell's seventy-year-old deceived the people of North Carolina in his public declarations as chairman of the republican state committee or is trying to deceive the senate now as to his interpretation of those declarations. It will be contended that he is indiscere and guilty without a word of explanation, was set of depute dealing and that he should surroad over the content of the senate word of explanation. Senator Overman declined to state money, some of which was in thou-what attitude he would take when sand-dollar bills, was deposited with a Wall street firm last year about the Senator Hiram Johnson said to- time Mrs. Bergdoll swore she had day at the close of the executive ses- given him \$5,000. Major Campbell

war, was taken to Wall street and The officer also corroborated his earlier statement that he had more than \$5,000 on deposit with the Seaboard National bank, in New York, in 1917, by presenting to the committee a telegram from the bank stating that in December of that year the sum of \$5,037 was deposited there by Mrs. Laura E. Campbell, his wife. made on both. Charges of a serious

nature will be made against John-DENIED, BY MORRISON

ter of his to work under the negro Freedom Is Granted Wake County Man Reported Nearing End of His Days.

> ASHEVILLE, July 25.—Richard Blackwell, Wake county man serving a chaingang sentence for selling whiskey, was today granted a par-don by Governor Morrison. Physiclans informed the governor that Blackwell has only a short time to live and in view of the fact a part of the sentence has been served and of the physical condition of the prisoner the full pardon was

Governor Morrison today denied to give pardons for the following: Robert Greer, Wake county, stealing automobile; Vick Williams, Union county, serving seven year sentence for second degree murder and John Knight, Wake county, selling whiskey. In the cast of Knight, whose mother is reported very Ill, Governor Morrison said he would grant the prisoner a 60-day parole if the mother's condition is as serious as reported.

MAID BURNED TO DEATH IN FIRE IN HOSPITAL

SPARTANBURG, July 25 .- A fire was discovered in the supply room at the Spartanburg City hospital last Saturday afternoon, and at first it was thought but little damage was It developed today that Anna Robertson, a negro chamber maid was burned to death.

The firemen did not know that the woman had been burned until this morning, after the woman had been buried. It appears that the woman smelled the smoke coming from the room and opened the door to make an investigation and when she did a container filled with alcohol exploded and enveloped her

KOHLOSS INSTALLED AS PROHIBITION CHIEFTAIN

SALISBURY, July 25.—R. A. Kohloss has taken charge of his new present he will occupy the same quarters Colonel Vanderford has had in the federal building in Saligbury and temporarily will have the same office force. The transfer was made by Divisional Superintendent Muraby.

ASHEVILLE TO BE CONSIDERED FOR MEET

lent Harding has written, Grove Park inn for the disarratement conference. The Presiden

rour gracious note of July 28. and heard of the offer of Ge Park inn for the disarm onference. It was mighty fine of the proprietors to make the ler and it is good of you to g t to my attention. I do not he what our plans will be, but if enis consistent to go on the city of Washington, I a juite sure Asheville would very worthy of favorable co

Modified, Says Weeks

Over Muscle Shoals Projects Given Out.

WASHINGTON, July 25 .- D of Henry Ford's proposals for ing over the Muscle Shoals bama, power project and plant were given out today at the war department, and Weeks said Mr. Ford's tender would have to receive considerable modification before they could be accept-

Muscle: Shoals, which can not go his tender is being studied. Though tial and Mr. Ford requires a cial and engineering experts. There is a possibility also, Mr. Week ties would be made from another

ried out into detail, involve same value. Mr. Ford asks further expenditures os \$28,000,000 to complete the power and nitrate plant. agreeing to make additiona I payents on the same basts.

Proposing to use the plants for the manufacture of nitrates, he agrees to hold it in readiness turning over to the government in case of war, and to allow his profits to be limited to 8 per cent on lizers produced in peace time, with the establishment of a board of representatives of farmers' organizations to supervise accounts and see that the limitation be made effec-

tive.

The specific proposal of Mr. Ford was as follows: "I-if the United States will promptly resume construction work on the Wilson dam and as speedily as possible complete the construction of the dam, and progressively install hydro-electric facilities and equipment for generating 600,000 H. P., then the company (to be formed by Mr. Ford) will agree to lease from the United States the Wilson dam, its powerhouse and all of its hydro-electric and operating ap-purtenances, together with all lands and buildings owned by the United States, connected with and adjacent to either end of the Wilson dam. for a period of 100 years from the date of the completion of the dam and its powerhouse facilities; and the company will pay to the United States six per cent on the remaining cost of the locks, the dam and por erhouse facilities, taken at \$40,000,-

000 in payments of \$1,200,000 and Mr. Ford's letter described alternative proposals for the payment of the annual rental, and arranged for proportionate amounts in case complete generation of the 600,000

"If the United States shall accept the above proposal," Mr. Ford's let-ter continued, "then the company will ask that the United States proceed to construct and fully complete dam Mo. 3 as designed and proposed the power installation to be taker at 250,000 h. p. When the insalla-tions at dam No. 3 are completed the company offers to lease it for a period of 100 years from the date pay to the United States six per cent on the cost, taken at \$8,000,000 in payments of \$480,000 annually.

"If the United States shall accept the above proposals in their entirety, then the company offers to purchase property at nitrate plant No. 2, nitrate plant No. 1, the Waco quarry

(Centinued on Page Two.) TOBACCO PRICES 30 TO 50 PER CENT HIGHER

i.UMBERTON, July 25.—While sales were light on the Lumberton tobacco market today, prices were from 30 to 50 per cent higher than last week. Very little good tobacco has yet been offered and there seems to be a demand for the better grades.

Senate Finance Committee Takes Up Fordney Tariff.

HEAR PAGE AND BURGESS Views of Members of Tariff Commission Differ Widely on

Valuation Plan Proposed.

WASHINGTON, July 25 .- Disareement of experts as to the practicability of American valuation ovisions, proposed in the Fordney ariff bill, marked the first consideration given the measure today by the senate finance committee. The committee heard statements by Thomas Walker Page, chairman,

and William Burgess, a member of the tariff commission, but their views differed widely as to what effect the suggested basis of levying import duties would have on the consumer on one hand and on the manufacturer and merchant on the

Mr. Page contended the new plan meant higher prices on American commodities which compete with while his colleagues on the commission held that pyramiding of prices was no more likely to result under the home value basis than under the present system of assessing duties on the foreign value. signedly, the American valuation plan is to defeat the under-valuation of imports and therefore gather more revenue, but the object, Mr. Page said, was phantom in charac ter for the reason that little fraudulent valuation had taken place. Burgess submitted figures which he declared showed undervaluation of imports in 1920 to have been discov ered in 25 per cent of all shipments subject to ad valorem rates. No Other Method.

Mr. Burgess told the committee there was no other method by which the government justly could levy assessments on imports in view of the fluctuating rates. He said it presented the only possibility of cus-toms officers obtaining accurate that such were vitally important be-cause of their effect on the ultimate amount of revenue collected. It al-so would avoid discrimination in the tariff rates against countries whos money has not depreclated and in a low ebb compared with Americas

Objection to the proposed change was voiced by Mr. Page because, he said, it meant disturbing further an

already chaotic commerce. He felt that the element of doubt and uncertainty which would enter into business transactions for the next few years warranted that the change be deferred until conditions are more favorable. The international economic situation, Mr. Page explained: should be given an opportunity to right itself before this government should attempt what he called a radical departure from proven methods at the customs

Page's Contention. "There is no other way of meeting the exchange situation except by this American valuation provision." Mr. Page added, but I do not believe it will accomplish what is claimed for it. I think it will fall far short of what it is supposed to do and at the same time will keep business moving in the dark, for no one knows what its effect is going to be and no one can tell what effect it will have on different com-

Mr. Page said, however, that the plan could be developed and he be-lieved that if goven time it could be made practicable, but his personal objection was to putting it in effect at this time. He mentioned as another "danger" the extension of "so much responsibility and power" to

customs appraisers. The power opposed by Mr. Page would be turned to the account of Mr. Burgess, who declared that unof the imports for the first time rested fully with the American government. He added that, for same reasons, dipromatic entanglements would be avoided and questions of enforcement of the law would be disposed of without delay or difficulty.

JO JO SAYS



ARDING IS ALARMED BY REPORTS OF THREATENED SEMI-FAMINE AND PLAGUE

Estimated 10,000 May Die H-A Of Pellagra During Year

WASHINGTON, July 25 .- (By the Associated Press.)-Latest reports received by the public health service were said to indicate that pellagra this year in the cotton belt would claim about 100,000 victims whom it was estimated 10 per cent would die. "That pellagra would show a heavy increase this year was fore-seen last fall when the cotton market failed," said a statement issued

by the health service. "Most American cotton is raised on shares by enant farmers, who are 'carried' by the land-owning planters for about lothes for themselves and their families to be paid for when their crop sold in the fall. Last year's crop, however, is still unsold a enant nor planter has received the money on which they had depended The planters are almost moneyless and are unable to obtain further credit from the banks, which also are hard pressed. Nevertheless the enants must be carried till next fall with no assurance that the cotton market will come back even then.

"Inevitably there is pressure all down the line and the tenants whose credit has been reduced to the disappearing point, are obliged to ive on the cheapest foods possible. These foods, salt pork, corn meal and molasses, valuable as they are when balanced by other foods, lack certain elements that are absolutely essential to the maintenance of health. And the other foods are beyond the purses of the tenants.

Conditions have been getting steadily worse for months and the this particular kind of a semi-starvation before pellagra begins to mani fest itself, but after that it does so with appalling rapidity. The second stage is now well under way."

The public health service in its statement, issued prior to receipt of President Harding's letter, suggested two remedies: to help the victims directly and to help them to help themselves, the former of which was said to be the only one immediately applicable

National Independence Or Nothing Sinn Fein Demand

Organ of Irish Republican Par

Harding Hears Details of Tax Plans From Fordney.

Form-Hearings Begun.

WASHINGTON, July 25 .- Plans for building a new tax law took more definite form today as preparations were completed for the actual beginning tomorrow of revision of the revenue laws by the house ways and means committee.

President Harding heard details of what house leaders propose to do committee, during the day and information leaked out indicating that ducer. The return to the three-cent stamp was understood to have been discussed at the conference Saturday between Secretry Mellon and Mr. Fordney and other republican would be a revival of the graduate of the state of the proposals are unsatisfactory so far as southern Ireland is concerned. Resentment is expressed at hints in the British newspapers that there and to what you already have made public—and especially for suggesting the state of the graduaters. be resorted to as a revenue pro-Mr. Fordney and other republican members of the ways and means committee. The suggestion will be taken up with the postoffice department before any further moves are made, however, it was stated.

In the search for methods raising funds around \$4,000,000,000 year, members of the committee were declared to have talked also of a stamp tax on bank checks, but that suggestion was understood to have been frowned on by the treasury. Other stamp tax proposals may get some consideration in the com mittee but members said candidly

they feared the reaction from them Mr. Mellon, it was said, had told the committee that he was opposed to the use of any kind of sales tax to supplant the excess profits levy which, it is conceded, will be aban doned. He was represented as being tions, believing that such a tax would offset losses due to the contemplated repeal of the profits and

some miner assessments.

Committee leaders declared they believed the corporations tax would take the form of a 15 per cent levy on incomes with the exemption of \$2,000 now in effect abolished. Representative Longworth, republican. of Ohlo, who has a bill making such provisions, said the corporation tax would yield around a half billion Mr. Longworth's bill also would reduce the higher in this respect was said to have the treasury secretary's approval.

The opening session of the hearsion of about all phases of revision according to the calendar poste tonight by the committee. Mr. Fordney said he would insist on cluding the open session in

days. ASK CAVEATS TO THE NEAL WILL BE DISMISSED

WINSTON-SALEM, July 25 .- The

Wachovia Bank and Trust company.

through its attorneys, today filed in the superior court a motion to dismiss the caveats to the will of the late John Neal, who died in Nebras ka more than a year ago and who left about \$250,000 of his estate to the Methodist children's home here and the same -amount to Oxford orphanage. The caveats were filed by a local administrator and attorneys for the University of North Carolina Judge B. F. Long consultation have been employed as counsel by Sidney Kincaid, of Chesterfield, who is charged with wife murder. The lawyers were in consultation have today, visiting the scene of the murder and talking with

liament Has Outburst.

Any Wish to Coerce Ulster Repudiated by "Bulletin."

LONDON STILL HOPEFUL

Cabinet British Proposals. Contents Not Disclosed.

LONDON, July 25 .- (By the Associated Press.)—Nothing less than not lessen our concern. national independence will content almost foreign to our American the Sinn Fein eladers. The Irish vocabulary, save as we have learn-Bulletin, official organ of the Dail ed their meaning in connection with the afflictions of lands less

the headquarters in Dublin. While nothing is actually known from Chairman Fordney, of the of the nature of the government's ures of amelioration are manifestly roposals, beyond the general outline demanded if conditions even ag of dominion home rule and ilscal proximate the gravity suggested by autocracy, The Bulletin contains an the public health report. It is unthe three-cent postage stamp might outburst against the assumtions of thinkable that we should delay for

in the British newspapers that there would be a revival of the "military terror" unless the so-called "concessions" were accepted. "But." declares the official organ of the republican parliament, "the Irish eople will agree to nothing which denies the ancient unity of Ireland or seeks the ancient unity of Ireland or seeks between his organization and you to impose upon the nation alien do- own might be helpful, having minion of any kind.

the London newspapers than an indi- ments and to know that if full incation of a breach in the negotia-tions. In at least confirms the im-make apparent that legislative acpression generally held here that the oath to eace is likely to prove long showing be prepared to ask the reand difficult.

According to Associated Press dispatches from Ireland, the government proposals include a plan to reorganize the Irish police on a civil basis, eliminating the military element and disbanding the auxiliaries. This would be an important con-

leader, took up with the members of his cabint today details of the Brit-Dail Eireann.

The British cabinet council tonight that there is grave threat of an Dail Eireann. decided to bring the session o fpar- epidemic of pellagra. liament to an end August 22, "un-

umn sessio nnecessary." This provisional decision is taken which they are wont to think of to mean that the government is still hopeful of peace in Ireland. The actually menaced with famine and day was withou ptrogress owards a solution and the public was left to flounder in the realms of conjecture, for the prime minister was able only give it its right name. It is of course a consequence of the to promise the house of commons a course a consequence economic disorganization statement on the situation some time the war, and it demands has in the future and to warn the house and vigorous attention. Our pao

inaccurate. SIDNEY KINCAID HAS ENGAGED THREE LAWYERS

garding the terms of settlement were

President Requests That They Take Immediate Action.

MAY APPEAL TO CONGRESS

Grave Situation in Cotton Belt Rural Districts Reported by U. S. Health Service.

WASHINGTON, July 25 .- Alarmed at reports of a threatened "semi-famine" coupled with an epidemic of pellagra in a large sec-tion of the southern ceiton belt. President Harding today requested both the public health service and the American Red Cross to make immediate investigation and report

what could be done by the fe government to relieve the situs The fullest co-operation of all federal agencies in the relief measures was promised by the dent, who declared that if necessary Congress would be to pass special legislation. urged that no time be lost in certaining the actual conditions applying to them

The threat of "famine and plague," the President wrote to the health service and the Red Cross, seemed to arise from the fact that depressed markets had sell their stocks of cotton. sulting shortage of money, he said, apparently had deprived many

thousands of the variety of lood necessary to ward off pellagra. Harding's Letter. The President in his letter to urgeon General Cum Plans for Building New Tax De Valera Takes Up With His the public health service as to the menace of pellagra and conditions of at least semi-famine in a large section of the cotton belt. That such a condition is obviously a

dislocation following the war can-"Famine and plague are words Ericann, makes this declaration from favored, and toward which our peo

ple have so many times displayed large and generous charity. "Immediate and effective measthe British press concerning the nego- a single day the question of such

This outburst, which incidentally a full survey, and in planning re-reudiates and wish to coerce Ulster, life measures. I wish you both to is taken in certain quarters to be be assured of my co-operation and more of an express of impatience of all aid that can appropriately be with the patronizing air of some of given through the executive depart tion is necessary, I will on a proper

> gress." In his letter to Dr. Farrand, Mr.

Harding said. "Recent reports of a di condition among the rural popula-tion in a large section of the cot-ton belt, are confirmed by a public statement from the public health Eamonn de Valera ,the republican service. They indicate that, due to the depressed cotton market, many thousands of people are unable to ish proposals prearatory, it is un-derstood, to submitting them to the wherewith to obtain a necessary

"It must bring shock les san Irish settlement makes an au- American people to realize that a great section of their own country I nthe future and to warn the house against reliance on unofficial reports. Mr. Lloyd George declared splendid charitableness toward that a li the published statements fe- unfortunates of other lands,

(Continued on Page Three.) MOTHER OF FIVE IS DEAD FROM BULLET WOUNDS