

HINES TURNS OVER ALL RAILROADS TO PRIVATE CONTROL

Government Ceased To Operate Transportation Systems At Midnight

TWENTY BILLION DOLLARS INVOLVED IN THE DEAL

Only Remnant of Gigantic Organization Created by Former Director McAdoo Remains; Director General To Continue in Office To Complete Settlements

Washington, Feb. 29.—America's rail transportation systems, operated as one great public utility since December 28, 1917, again will be divided among their 230 respective corporate owners when the government releases control at midnight.

Director General Hines, as the agent of the President, will turn over the properties and equipments, valued at approximately \$20,000,000,000 to their old direction free except for the jurisdiction retained by the government in the new railroad reorganization bill.

While all arrangements for formal restoration of the carriers to their own management were completed yesterday by Mr. Hines, instructions went out today to operating representatives of the railroad administration, informing them that they would report to the proper officials of the corporations which resume control at 12:01 a. m., March 1.

Of the gigantic organization, created by former Director General McAdoo as a war-time expedient, only a small part will remain. Regional officials, Federal managers and treasurers and many high officials, comprising the director general's staff, will cease to function as such at the designated hour.

Hines Continues in Office. Mr. Hines will continue in his present capacity until about May 1. Although without any railroads to direct, he still faces the settlement of literally thousands of claims, contracts and grievances.

Only 147 of the 230 compensation contracts with the corporations actually were signed during government control and the remainder will continue to be subject of negotiations.

No Reply To President. There was no indication tonight as to sentiment among the leaders who had read the President's statement in answer to their request that he withhold his approval of the bill.

With the lines again under private control, there will be almost immediately a resumption of the "days of competition." Corporation heads have been preparing for this for several months.

The various roads will attempt to divide again the business which has been handled jointly during Federal control, representatives indicated.

Have Public Sentiment. In resuming operation of their properties, the corporations have a particularly valuable psychological asset bequeathed them in the opinion of Director General Hines.

As for finances, Mr. Hines has asserted that the corporations would have had difficulty obtaining the necessary credit had the government not extended its care to them during the war.

To Develop Water Lines. Development of water transportation, facilitated by the Railroad Administration

NEGRO TROOPS MAKING SEARCH FOR MEXICAN BANDITS IN ARIZONA.

San Antonio, Tex., Feb. 29.—Troop A of the Tenth Cavalry with headquarters at Fort Huachuca, Ariz., is scouring the country around Ruby, Ariz., seeking the trail of the bandits who yesterday killed Alexander J. Frazer, postmaster, and wounded his brother, Jack Frazer, Col. W. A. Holbrook, Southern department chief of staff, said tonight.

GRISSOM WANTED PARKER ENDORSED

Morehead Lieutenant Working For Monroe Lawyer But Gets Sat Upon

Greensboro, Feb. 29.—Final plans for the holding of the State convention of the Republican party here on Wednesday March 3, are being prepared by Gilliam Grissom, secretary of the executive committee of the party in this State.

The executive committee and the other committees of the party will gather here on Tuesday afternoon and will be in session during the afternoon and night preparing the platform for the party campaign in the State, all getting the program for the convention cut and dried.

This uneasiness among the few that were manifest at the county convention here yesterday is causing the old gang some worry as before the convention met yesterday, it was decided that John J. Parker should be endorsed and the Guilford delegates instructed to vote for his nomination for Governor.

Grissom made a strong effort from the chair to have Parker receive the backing of the Guilford delegation by stating that he was the only man that had announced his intention of making the race and the only one in the race for the nomination, therefore, it seemed that no harm could be done by instructing for the only candidate in the ring.

Absolutely no mention was made of the candidacy of Judge Jeter C. Pritchard, for the nomination on the presidential ticket, as the leaders had foreseen that the Pritchard sentiment here was not any too strong.

Speculation is rife as to the fight between Jake Newell and John M. Morehead here when the convention meets. Some say that the difference will have been patched up and apparently forgotten, so that the party may be welded together, but those that say this are henchmen of Morehead and men that are alleged to have lived on his bounty even before the time when he became the dominating factor in his party councils in this State.

Publications Are Guessing. In fact the whole situation seems to be very much up in the air as the old politicians are not saying anything, that is they are talking as much as ever but still are not saying anything.

Reports from the various textile centers about Greensboro seem to indicate that Newell is the favored man in the party though not so strong as might be supposed from his recent letter to Morehead.

Sam Gompers in Miami. Miami, Fla., Feb. 29.—Samuel Gompers, president; Frank Morrison, secretary, and other members of the executive council of the American Federation of Labor, arrived in Miami today to continue the conferences begun in Jacksonville last week.

Confederate Veterans Die. Palatka, Fla., Feb. 29.—Gen. John A. Rosborough, 78 years old, commander of the Stonewall Jackson Camp, United Confederate Veterans, died today at his home at Winslow, Fla.

FRENCH RAILROAD STRIKE STRETCHES TO OTHER UNIONS

Subway and Employes With Taxicab Drivers Ready To Join the Workers

PARTIAL INTERRUPTION IN TRAFFIC REPORTED

Dismissal of Employee for Attending Union Meeting Relegated to Background and Workers Now Demand Nationalization; Premier Millereand Issues Statement

Paris, Feb. 29.—The subway and tramway employes and the omnibus cab and taxicab drivers unions held several meetings today and adopted in principle a proposal to call a sympathetic strike in favor of the railway men, provided they are invited to do so by the General Federation of Labor which has assumed direction of the present strike movement.

Delegations of the Parisian unions of Railway men have requested Premier Millerand to receive their delegates. Apparently the dismissal of the railway man Campanas for absence from duty to attend a union meeting has been relegated to the background and the railway men's claims are now headed by a demand for nationalization of the railroads.

The price of bread, which was scheduled to advance from 20 to 30 per cent tomorrow will remain stationary, the government deciding to postpone the increase until March 15.

Premier Millerand this morning convened the heads of the ministries affected by the railroad strike and the directors of the companies, who submitted reports of conditions on their lines.

The conferees were agreed that the reports of the directors of the railroads showed the situation as a whole to be rather favorable with provisions being entered in order to maintain the present stocks of coal several economies in the use of fuel have been ordered.

Only Partial Stoppage. Premier Millerand, receiving representatives of the press after the meeting, said that henceforth the Minister of Public Works would issue an official statement on the situation each morning and evening.

"This morning on the Paris, Lyons and Mediterranean there was a general relaxation in the situation except at Lyons," the Premier continued. "All through trains on the State line started. The Northern is normal except at Amiens. The Southern is satisfactory except at Bordeaux. On the whole, twenty-four hours after the general strike was proclaimed there is only partial stoppage on any system, not even on the Paris Lyons and Mediterranean. In fact, a general strike does not exist."

No Professional Demands. "This situation is easily explained. It must be remembered the origin of the strike was the suspension of Campanas (a railroad employe discharged for being absent from duty to attend a union meeting), which measure of discipline was followed by an offer of arbitration by the government. There was absolutely no question in the present strike of professional demands, such demands having been put forward only after the event. A special commission is actively studying the question of a scale of wages and statutes for railroads, whose representatives failed to attend yesterday's meeting of the commission. The strike has no connection with the question of establishing a new regime for the railroads."

The government has received numerous offers of private initiative in providing. The situation offers no uncertainty. The Paris reserves are fully sufficient and an automobile transport service is ready to operate, while the postal service continues normal.

The Premier affirmed the government's determination to repress any incitement to violence with the greatest coolness and firmest resolution.

Paris, Feb. 29.—The strike appears to be making little headway, judging from the reports received tonight in Paris. In the provinces the number of strikers has not increased and on some of the roads it is said they even have decreased. No untoward incidents of any kind have occurred.

A warrant has been issued for the arrest of Leon Middel, secretary of the Paris, Lyons and Mediterranean Union, on a charge of inciting soldiers to disobey orders. It is not known whether the warrant has been served.

FEDERAL RESERVE PREDICTS EARLY END OF EXPANSION

Upward Movement of Prices Has Not, However, Met With Any Check

CONSERVATIVE POLICIES URGED FOR CREDITS NOW

"Orgy of Speculation" Not Yet Over But Banks Are Exercising Greater Degree of Discrimination and Judgment in Complying With Demands of Their Customers

Washington, Feb. 29.—Early ending of the general expansion which has characterized war and immediate post-war periods were forecast in a statement summarizing February business conditions issued tonight by the Federal Reserve Board.

Financial and banking authorities everywhere were asserted to be looking more seriously at the general situation in credit and beginning to urge the adoption of conservative policies. While the review asserted that this could not be accepted as meaning that the "orgy of speculation" had been absolutely checked, there was said to be the indubitable evidence that banks were exercising a "greater degree of discrimination and judgment in complying with the demands of their customers."

Credit Facilities Strained. "Throughout practically all of the reports of Federal Reserve agents," the statement said, "there runs plainly a recognition of tendency toward speculative operations. High living costs and the upward movement of prices have apparently not been checked although there is a decrease in prices in certain lines and a tendency toward restricted trade in others. Interest rates are rising in most districts while banks are exercising a greater degree of discrimination and judgment in meeting the demands of their customers."

The increase in interest rates has had the effect of lowering security offered by the market. It also has had the effect of forcing a shrinkage of contraction in the volume of trading in all classes of securities, the making of which was regarded as alarming by the Federal Reserve districts there were indications of a reduction in the volume of speculation in commodities.

More Conservative Alliance. "The effects of the increase in discount rates," the statement continued, "made themselves evident in a more conservative attitude on the part of member banks with respect to industrial expansion and in the cutting of commitments on speculative account. "Contraction of bank credit was not, however, exactly general throughout the country but the reduction reported in the New York District was partially offset by an increase elsewhere. A decline in bank deposits, both in the financial centers and elsewhere has occurred, a part being due to the withdrawal of government funds. Very great difficulty is placing both commercial and conservative investment securities in satisfactory quantities is reported by dealers."

Active Spring Season. General prospects at the close of February were for an active and prosperous spring season in all lines, the statement said. Agricultural prospects were said to be "promising" and the curtailment in exports due to the exchange situation while undoubtedly beginning to make itself felt were believed by many of the banking authorities soon to be of benefit to the consumer here rather than injurious. It was pointed out also that there was a tendency to resist the advance in prices and that greater care was being exercised in purchasing all of which were regarded as "favorable symptoms."

General manufacturing was reported very active all over the country. Wholesale trade conditions were said to be prosperous almost throughout the country. In reporting individual lines, the statement remarked that the demand for good grades of shoes, regardless of price seems to continue and shoe price lists for the new season are higher than ever.

Labor Conditions Improved. Some improvement was noted in general labor conditions. There was an "unfavorable aspect," however, a tendency reported from various districts toward a restriction of output. Even in those cases, it was shown, the opinion was occasionally expressed that the effect of the restrictive policy is beginning to be understood by those practicing it as injuring them as much as any other class.

The most serious situation in the labor field is that of farm workers. A genuine scarcity is noted which, the board feared, might result in a reduction of the farm acreage. This was said to be particularly true of the Southwest and some apprehension was felt as to the solution of the problem in that region with the spring season on in many communities.

NO INDICATION YET OF SETTLING DUTCH STRIKE

Rotterdam, Feb. 29.—Today saw the end of the second week of the dock workers' strike and there is no sign of an amicable adjustment at the moment. There have been no disorders. A total of 129 ocean-going ships are being held in the harbor here, and there are many others in port at Amsterdam, including nine American vessels. Twenty-three vessels, including one American, were able to sail during the past week.

SECRETARY LANE BIDS WASHINGTON ADIEU IN LETTER

Cabinet Member Gives His Impressions of the Capital of Nation

RETIRE AFTER TWENTY YEARS OF PUBLIC LIFE

Official Washington Is Combination of Political Caucus, Drawing Room and Civil Service Bureaus, He Declares; Too Many Statesmen Who Are Politicians

Washington, Feb. 29.—(By The Associated Press.)—Official Washington, "a combination of political caucus, drawing room and civil service bureaus," containing "statesmen who are politicians and politicians who are not statesmen," is poorly organized for its task which "fewer men of larger capacity would do better."

Such is an epitome of the views of Franklin K. Lane, retiring Secretary of the Interior, expressed in a characteristic parting report to the President on the occasion of leaving public life today after more than twenty years service—the last seven in the cabinet.

"Washington," says the retiring Secretary, "is rich in brains and character. It is honest beyond any commercial standard. It wishes to do everything that will promote the public good. But it is poorly organized for the task that belongs to it. Fewer men of larger capacity would do the task better. Ability is not lacking but it is pressed to the point of paralysis because of an infinitude of details and an unwillingness on the part of the great body of public servants to take responsibility. Everyone seems to be afraid of everyone. The self-protective sense is developed abnormally, the creative sense atrophies. Trust, confidence, enthusiasm—these simple virtues of all great business are the ones most lacking in government organization. We have so many checks and brakes upon our work that our progress does not keep pace with the nation's requirements."

Words Increase Responsibility. "We could save money for the government if we had more discretion as to how we should use that given us. For the body of the civil servants there should be quicker promotion or discharge and a sure insurance when disability comes. For the higher administrative officers there should be salaries twice as high as those now given and they should be made to feel that they are the ones responsible for the work of the department; the head being merely an adviser and a constructor of policies. As matters are now devised there are too few in the government whose business it is to plan. Every man is held to details to the narrow view, which comes too often to be a determined view or some sort of parochial view. We need for the day that is here and upon us men who have little to do but study the problems of the time and test their capacity at meeting them."

"In a word we need more opportunity for planning, engineering statesmanship above, and more fixed authority and responsibility below."

Describing the Interior Department as "an abiding place for a group of unrelated governmental agencies" the retiring secretary characterizes it none the less as "the most distinctly American of all the departments" and reviews briefly the aims and accomplishments of his administration, some of the former unrealized. Construction of the Alaskan Railway, opening of Alaskan coal lands by a leasing system, water power development legislation and a leasing system of oil and mineral lands on the public domain are enumerated among the latter.

Alaska Needs Help. Alaska, the secretary thinks, is hampered by too much "red tape" in Washington, which is "a static policy" in many of the government bureaus. Alaska, Mr. Lane says, should be administered by a Federal board of the territory, be policed by a constabulary as was Northwestern Canada, should have her coasts made safe for navigation and have Canadian musk-ox crossed with the native reindeer to furnish a new meat supply to the Pacific coast.

Americanization, the development of the capital as an educational center, for the country, farms for soldiers and development of natural resources are among the projects Mr. Lane leaves behind him, and his report argues for the wisdom of their prosecution.

SHERIFF RETURNS FROM SEARCH FOR MEXICANS

Posee Travels Below International Line But Finds Nothing of Bandits

Nogales, Ariz., Feb. 29.—Sheriff R. R. Eckhart's posse returned to Montezuma camp tonight after a fruitless search below the international boundary line for Essequiel Lara and a companion, alleged Mexican bandits, charged with the killing of Alexander J. Frazer and the serious wounding of his brother, John A. Frazer, during a raid Friday at Arivaca, Pima county, Arizona.

A second posse went out in search of the first, was recalled. Sheriff Eckhart said he followed a "hot trail" to the border, but after he crossed he lost all trace of the bandits. Col. E. C. Gorsham, commander of the Nogales military district, emphatically denied tonight that men of his command had gone into Mexico in pursuit of Lara and his companion.

TEN POSSIBILITIES FOR PRESIDENT FOR SUFFRAGE

Washington, Feb. 29.—Five Democrats and five Republicans, who have been mentioned as possible Presidential candidates, in statements to the National Woman's Party, made public today, join in urging ratification of the suffrage amendment in time for women to vote for President next November.

They include: Major General Leonard Wood, Gov. Lowden of Illinois, Senators H. A. Ding of Ohio, Postmaster of Washington, and Johnson of California, Republicans and Senator Owen of Oklahoma, Attorney General Palmer, William G. McAdoo, James W. Gerard and W. J. Bryan.

Thirty-three of the necessary, thirty-six states, have ratified the amendment by which it is estimated approximately 25,000,000 women would become eligible to vote.

SERVE ULTIMATUM ON SENATOR LODGE

"Irreconcilables" To Block Modification of Article Ten Reservation

Washington, D. C., Feb. 29.—Republican Senators irreconcilably opposed to the peace treaty took vigorous measures today to block any modification of the Article 10 reservation which was adopted last November and which has since proved the greatest barrier to all compromise negotiations. Feeling that the Republican leaders, unable to obtain enough votes to ratify the treaty with the reservation unchanged might consent to some modification, the irreconcilables served notice through Senator Borah, Republican, of Idaho, that unless the provision were kept as it stands they would reserve liberty of action when consideration of the treaty is resumed tomorrow.

The new ultimatum, similar in nature to one laid down by the irreconcilables during the bi-partisan compromise negotiations was presented directly to the party leader, Senator Lodge of Massachusetts, who is expected to confer with his colleagues on the subject tomorrow. The votes of the irreconcilables have been counted on to insure a majority for the Republican reservation program, as was the case in November, and the move today is expected to receive very serious consideration.

Just what the irreconcilables might do to wreck the plans of the Republican leaders was not revealed. It was suggested in some quarters, however, that if they chose to do so the irreconcilable group might easily debate the treaty at such length that action could be blocked until the assembling of the National political conventions. That result, in the opinion of many Senators, would preclude any possibility of ratification until the issue had been fought out in the campaign.

When the Senate takes up the treaty again tomorrow it will have before it a reservation relating to settlement of domestic questions under the League of Nations. By the unanimous consent agreement reached Saturday a vote on this provision is to be taken at 2 p. m., and unless the plans of the leaders miscarry it will be adopted in the same form as at the last session of Congress.

Many Senators predicted tonight that if no actual filibuster developed the entire list of reservations would be disposed of and a vote taken on the treaty itself within the next ten days.

BOOM DR. J. P. MUNROE AS SUCCESSOR TO HOEY

Mecklenburg and Charlotte People Get Busy Boosting Physician For Job

Charlotte, Feb. 29.—Friends of Dr. J. P. Munroe, for many years prominent in the public life of this community, are booming him for Congress as the successor of Congressman Clyde R. Hoey, since the latter decided to get out of the race. Dr. Munroe was formerly president of the North Carolina Medical College at Davidson, and since his removal to Charlotte has been prominent in the operation of the Charlotte Sanatorium.

The boom for Dr. Munroe is gaining ground rapidly, and it is predicted that he will be elected to the race that he will make a good run. It has been expected that J. D. McCall would enter the race again if Hoey got out, but it is not known just now what he expects to do. The political field is expected to clear up in a few days as to possible or probable candidates.

JAKE NEWELL LETS CAT OUT REPUBLICAN BAG

Charlotte, Feb. 29.—Jake Newell let another cat out of the Republican bag today when he explained how J. Motley Morehead is grooming himself as a candidate for the United States Senate against Senator Overman this year. It was expected that Morehead would get into the race for the job but Newell gives the inside of how the Republican Mark Hanna of North Carolina is getting things cut and dried for the job. Jake has been hob-nobbing with Morehead long enough to get acquainted with his habits of thought and is prepared to speak authoritatively as to the Morehead ambitions.

British Ship Sinks. Miami, Fla., Feb. 29.—The British steamer A. Soper was sunk at Governor's harbor, Bahama Islands, last Friday, according to word brought here today by the gasoline boat Mystery J. The Soper, an old vessel, broke a crankshaft and lost her propeller, sinking at her Soper was employed in the Miami-Nassau route about 15 feet of water. The sea trade as a cargo boat.

DEMOCRATS MEET TUESDAY TO NAME CONVENTION DATE

Officially Only Purpose of Committee is to Arrange for Convention

TO RE-ELECT WARREN AS STATE CHAIRMAN

Revaluation Will Be Considered Informally, It Is Expected, and Equal Suffrage Will Also Be Taken Up By the Leaders; An Epochal Gathering Is Indicated

The News and Observer Bureau, 603 District National Bank Building. (By Special Licensed Wire.) Washington, D. C., Feb. 29.—Nearly a score of Tar Heel politicians who have been sojourning in Washington for the last week were homeward bound tonight in order to attend the meeting of the Democratic executive committee in Raleigh on Tuesday.

Unusual interest attaches to the meeting of the State committee this year, according to prominent Democrats, and there are indications now that the Tuesday meeting will be epochal. Officially the only functioning before the committee is the selection of a date and place for the State convention. Unofficially, there are many big problems to be taken up.

To Consider Revaluation. As an example of the importance of the meeting, it can be stated that members of the committee will seriously give themselves to a study of what action the convention is to take with reference to revaluation. Consideration also must be given to the fact that the women, in all probability, will be voting in the general elections. They may be voting by the time the June primaries roll around and this is not to be overlooked.

Will Re-Elect Warren. Thomas D. Warren, of New Bern, is to be re-elected as chairman of the committee. Mr. Warren will stand for another term, it is understood here, and will make his decision to the committee Tuesday. A great deal of speculation has been indulged in lately regarding his successor but it appears that he is to have none.

According to those who have been here for the past week, Monday evening and Tuesday will be politically significant in North Carolina. Besides the members of the committee, the three candidates for Governor are all scheduled to be on hand with their advisors. National committeeman McLean is leaving Washington tomorrow morning to be on hand.

The different congressional centers in the State will be conspicuously prominent in the discussions. Charles L. Abernethy, of New Bern, John G. Shaw, of Fayetteville, and Homer L. Lyon, of Whiteville, whose battles to unseat Representatives Brinson and Godwin respectively are engaging as much attention as any other political campaign, will be there. The contestants for the nomination in the Seventh will probably be there. Solicitor Walter E. Brock, of Wadesboro, is a member of the committee. District Attorney Hamner usually enjoys any gathering of the boys.

Representative Clyde R. Hoey, who last night announced his intention not to longer garrison Mecklenburg county, is going down tomorrow. Mr. Hoey is a member of the advisory committee. And there will be many others on hand. Representative "Bob" Doughton is in the State making up his mind about running for Congress again. He has almost decided not to try it.

Plenty of Speculation. No one seems to be at all certain about action the convention is going to take regarding the revaluation law. A half dozen different plans have been brewing for some time. The convention, of course, is going to endorse the legislation. It is probably going further than endorse it but how much further is only guessing. Collector Josiah William Bailey has attacked it and promises to keep right on attacking it. The three candidates for Governor are waiting on the committee to say something.

There will probably be rejoicing over the approach of woman suffrage. The committee, in its meeting Tuesday, isn't going to endorse revaluation or prepare any advance greeting to women. These things are going to be talked over informally after the committee fixes a time for the convention. It is generally understood that the convention will be held in Raleigh.

Lieutenant Governor Gardner is a little ahead of his two opponents in the matter of suffrage and his friends will have occasion to smile at the others. The Senate, over which he has presided for two terms, passed a suffrage bill but the House turned it down. When the National amendment was under consideration, the Lieutenant Governor urged Senator Overman to support it but the Senator moved away. The Senator voted in the minority, however, and votes for women are dangerously or happily at hand, according to the point of view.

At least two of several candidates for a congressional nomination are glad that suffrage is almost here. One is Hannibal Lafayette Godwin and the other Charles L. Abernethy. If the women get the vote in time for the June primaries, it will please them. There is a great deal of sentiment according to Tar Heel visitors in Washington the past week, in favor of calling the convention late in April or early in May. Several well known politicians are on the anxious seat respecting the selection of delegates to the National