

DANIELS LEAVES OFFICE TO BECOME PRIVATE CITIZEN

Little Formality Observed In Transferring Job To Edwin Denby, of Michigan.

OUTGOING SECRETARY RETURNS TO RALEIGH

Only One Other Secretary of The Navy Held Office For Two Terms; Edward E. Britton Will Acquaint Incoming Secretary With Ropes; Lin- ney Does Some Talking

The News and Observer Bureau,
603 District Nat. Bank Bldg.
By JOE L. BAKER

Washington, March 5.—Joseph Daniels, formerly Secretary of the Navy to Edwin Denby, of Michigan, this afternoon, and shortly thereafter left the State, War and Navy building a private citizen, after eight years of public service.

The transfer of the secretaryship was accompanied by very brief ceremonies, at 3 o'clock, at the residence of Secretary Daniels, when the secretaryship was transferred by Wm. D. Bergman, the Navy Department appointment clerk, who is a notary public. Mr. Daniels was present, as were Mrs. Daniels and Mrs. Denby and the principal officers of the Navy and Marine Corps, also several other Department attaches, members of the Michigan congressional delegation and other personal friends of the two secretaries.

Bids Washington Goodbye
Members of the Marine Corps sent two handsome baskets of roses, one for the retiring and the other for the incoming Secretary. Mr. Denby also received a handsome bouquet from Boston friends. Secretary and Mrs. Daniels bade farewell to Washington tonight, leaving at 8 o'clock for Raleigh. A number of friends went to the station to say goodbye.

When he turned his office over to his successor this afternoon, Secretary Daniels completed two full terms as Secretary of the Navy. But once before in American history has a Secretary of the Navy served for eight years, this being Hon. Gideon Welles, who served from 1861 to 1869. However, Mr. Daniels has the distinction of having served a few days longer than any previous Secretary, for Mr. Welles' actual time of service was 7 years, 11 months, and 28 days, while Mr. Daniels has served his full eight years.

Britain Continues on Job
Another interesting fact in this connection is the number of times similar posts among the allied powers have changed hands. Since 1915, when Mr. Daniels became Secretary of the Navy, Great Britain has had six first Lords of Admiralty, France has had seven Ministers of Marine, Italy has had seven Ministers of the Navy, and Japan has had three Ministers of the Navy.

Edward E. Britton, private secretary to the Secretary of the Navy, tendered his resignation to the new Secretary this afternoon, but Mr. Denby asked him to withhold it for a few days, and Mr. Britton will continue to act in that capacity for probably a week or ten days. Usually the retiring Secretary's private secretary is retained a few days after his chief goes out because of his familiarity with files, office routine, etc., and Mr. Denby is observing that custom.

Linney Attends Inauguration
Frank Linney, chairman of the North Carolina State committee, declares that he is more interested in honest elections than in who shall sit at the pie counter. Linney returned to North Carolina tonight after attending the inaugural exercises. Before leaving Linney went to see Representative Slomp, chairman of the sub-committee of the Republican National committee, which is investigating southern conditions with a view to furthering the interests of the Republican party, and is also considering the matter of reduction of southern representation in Congress for failure to allow negroes to vote. Mr. Linney urged upon Slomp that the Federal election laws be amended so that the Federal government take cognizance of election frauds.

"Just now," said Linney, before leaving tonight, "I am chiefly interested in perfecting the Federal laws so that the Federal government may prevent the stealing of elections. That is more important than patronage, to my mind. I have urged Mr. Slomp to get an amendment to the Federal laws so that the Federal courts can take cognizance of a situation where a citizen and a voter is counted out" by any party.

SWAPS SEAT IN PRESIDENT'S CABINET FOR EDITORIAL CHAIR



JOSEPHUS DANIELS

Naval Sub-Chaser Opens Fire To Prevent Landing of Cable

Work of Connecting Western Union Miami-Barbados Line Abruptly Halted

ENTIRE CREW IS PLACED UNDER ARREST BY NAVY

Cable Ship Disregarded Signals Hoisted By Naval Vessel Four Miles Off Coast

Miami, Fla., March 5.—(By The Associated Press.)—Work of connecting the Western Union Miami-Barbados cable begun again today, was abruptly halted late this afternoon when the United States sub-chaser 154 appeared and opened fire on the cable ship Robert C. Clowry and placed the entire crew under arrest.

The entire action took place on the high sea about four miles off the coast of Miami Beach, near the buoy that had been attached to the end of the cable when it was laid from the three-mile limit of the United States to Barbados by the British cable ship Colombia, last summer.

Disregards Naval Signals
The Robert C. Clowry arrived off Miami today from Jacksonville, to start work on connecting the cable, and had picked up the loose end when the sub-chaser arrived on the scene. Signals hoisted by the naval vessel, it is said, were disregarded by the cable ship, after which a shot was fired by the sub-chaser across the bow of the Clowry, which promptly dove to.

Captain Smith, of the Clowry, was ordered to desist from the cable work and both vessels entered the port of Miami this afternoon. When the Clowry tied up at the municipal dock the entire crew was placed under arrest by local naval authorities.

It is said that late tonight the crew was released from arrest by Lieutenant Murray, aide for information for the seventh naval district.

NEW PROHIBITION BILL IS TABLE

Monday Promises To Be Big Day of Senate Session

A bill having the two-fold object of placing the enforcement of the prohibition laws of the State in the hands of the Attorney General and bringing North Carolina laws into conformity with the Federal laws was yesterday tabled by the State. A similar measure had already been laid to rest in the House, and when the bill was called Senator Burgwyn promptly moved to table, insisting upon his motion despite the desire of some Senators to prolong the funeral ceremonies by debate.

All other important measures were laid over until Monday, which promises to be the last big day of the Senate session. Upon the insistence of Senator Stubbs and Senator Burgwyn of Northampton, both of whom are opposed to the senatorial apportionment bill passed by the House, that measure was not taken up, but was made a special order for Monday morning. According to Col. A. D. Watts of Asheville, who has made a deep study of the matter, the bill, if passed, will cut the forty-fourth senatorial district in the Senate from eleven to six, unless final results from the 1920 are upset by future elections.

Two other important measures to come up Monday are the machinery act and the proposal for submission of a constitutional amendment, pledging the credit of the State to pay its bonded indebtedness and limiting that indebtedness to five per cent of the total valuation of property. The amendment has already been introduced in the Senate by Senator Varnor, who stated that he did so at the request of leaders in the lower body.

Six Hour Session.
Nearly all of yesterday's session of the Senate was broken only by a forty-five minute recess for lunch was taken up by consideration of a large mass of local bills coming over from the House. However, the House apportionment bill, taking one representative each from Union and Iredell counties and giving them to Forsyth and New Hanover, was passed as were the four general education bills.

The Senate resolved itself into the committee of the whole for consideration of the educational measures and Dr. E. O. Brooks, State Superintendent of Public Instruction, was called upon to act as clerk, and explained in chief. He and Senator Woodson, chairman of the committee, piloted the measures through without amendments. The bills provide for raising the funds for the State Equalization Fund, for a bond issue to raise a \$5,000,000 building fund, for the selection of text books for elementary schools and for certain minor amendments in the school law.

HALT ORDERED IN FIGHTING BETWEEN WARRING STATES

Secretary Charles Evans Hughes Dispatches Notes To Panama and Costa Rica

PEACEFUL SOLUTION OF DISPUTE IS SUGGESTED

No Official Information Re- ceived That Either of Little Republics Intends To Submit Question To League of Na- tions; Harding Keenly In- terested in Situation

Washington, March 5.—(By The Associated Press.)—Cessation of hostilities between Costa Rica and Panama is demanded in identical notes which it was learned tonight the State Department had dispatched today to the governments of those two countries by Charles Evans Hughes, the new Secretary of State.

This action was the first of the Harding administration in the realm of foreign affairs and was said to have been based on the grounds of broad expediency as the dispute between the Central American Republics has become a national zone.

A peaceful solution of the dispute over the territory of Coto on the basis of the White award is understood to have been suggested. The notes did not suggest mediation by the United States, but were understood to have conveyed the impression that this country stood ready to enforce, if necessary, a peaceful solution.

Extended Conference Held.
Dispatch of the notes followed extended conferences between President Harding, Secretary Hughes, John W. Weeks and Edwin Denby, the new Secretaries of War and Navy. Mr. Hughes took up the subject of the dispute with Under-Secretary Davis immediately after his induction into office and later spent nearly two hours with Mr. Harding at the White House.

Secretary Weeks was called in soon after the conference began and presented latest dispatches from the Canal Zone as to the situation. Mr. Denby discussed the question later with the President. Replies from Panama and Costa Rica to the notes dispatched several days ago by former Secretary Coby were received today at the State Department. From Panama was a note in which the government expressed a willingness to accept the offer of the good offices of the United States in attempting to settle the dispute, but the one from Costa Rica was described as unsatisfactory. It was received contemporaneously with reports that that government still was sending troops into the disputed territory.

No Official Information.
It was said that the American government had no official information that either Panama or Costa Rica intended to submit the dispute to the League of Nations as reported in press dispatches from Central America and Paris. Today's action of the State Department, it was added, was taken without reference to such reports.

President Harding and his advisers were said to have given their approval of the steps already taken to protect American interests in the bone of hostilities and indicated that unless the two American warships now on their way south proved adequate to accomplish that purpose a larger force might follow them.

President Harding has taken a keen personal interest in the situation and was said to be anxious to see everything possible done to restore peace. Because of his recent visit to Panama and the Canal Zone, it was said, he feels that he might be in a peculiar position to re-establish concord.

GERMANS WILL STAND BY THEIR REPLY TO ALLIES

Instructions Sent To Foreign Minister Simons in London To Stand Firm

Berlin, March 5.—After conferences by members of the cabinet, Reichstag leaders and technical advisers tonight, it is authoritatively stated instructions were sent to Dr. Simons at London, in which he was told that the German government would not permit him to exceed the counter-proposals already made.

Chancellor Fuhrberg informed the reichstag today that the cabinet did not propose to interfere with Dr. Simons, the German foreign secretary, and his fellow delegates to the London reparations conference. He declared that the foreign secretary would make every effort to negotiate within the limits set.

The chancellor made his announcement in the course of a carefully formulated statement upon the reassembling of the Reichstag.

Tax Of One Cent On Gasoline.
Little Rock, Ark., March 5.—A tax of one cent per gallon on all gasoline sold in the State is provided in a bill passed today by the legislature. The money will be used exclusively for road building and maintenance.

HARDING SPENDS BUSY DAY MAKING PLANS FOR FUTURE

Besides Dispatching First Dip- lomatic Note, Inquires Into All Departments

PRESIDENT SETS FAST RECORD FOR ACTIVITY

Canvasses Situation In Con- gress, Considers Reorgani- zation of Republican Poli- tical Machinery, Dictates Many Letters and With Mrs. Harding Holds Big Reception

Washington, March 5.—President Harding's first day in the White House set a fast record of presidential activity and about covered the whole range of experiences to which Chief Executives ordinarily fall heir.

Besides dispatching his first diplomatic note, he found time to inquire into the condition of every one of the government departments, canvass the situation in Congress, consider the reorganization of the National political machinery of his party, dictate a big volume of correspondence, inaugurate a new White House mascot, and attend the theatre.

While he was at work an order he issued yesterday, opening the White House gates to the public gave a new touch of life to the executive offices and grounds. For the first time in months, visitors flocked up in hundreds to the White House doors and into the receiving room of the President's office, presenting a picture in striking contrast to the quietude of the closing days of the Wilson administration.

Mr. Harding's work day began early. Before 9 o'clock he was at his desk and was waiting through the first hours of mail to come to his attention as Chief Executive. After an hour's dictation he began a succession of conferences with his newly installed cabinet officials, and kept to an unbroken schedule of appointments with members of his official family and others until 1:30, when he took an hour for lunch with members of his family. In the afternoon he and Mrs. Harding held their first reception in the East room, standing for more than two hours while guests, invited and uninvited, passed by in lines.

Tonight the new President and first lady of the land chose a musical comedy from among the theatrical attractions of the Capital. It was their first public appearance since the inauguration.

Confers With Hughes.
The cabinet member with whom Mr. Harding conferred longest was Charles E. Hughes, his new Secretary of State, with whom he discussed the note to Panama and Costa Rica. With most of the other department heads he merely talked over general conditions and problems of organization, asking for information about any problem that seemed likely to become troublesome. The conversation noted him several pages of closely written memoranda, jotted down for future attention during his talk with the men he had called to his official circle of counsellors.

The coming reorganization of the Republican national committee he discussed with Elmer Foster of Tacoma, Washington, former secretary of the committee and now prominently mentioned for the post of chairman, which soon is to be vacated by Will H. Hays, the new Postmaster General. The conference gave rise to much speculation in regard to the possible part Mr. Harding will take toward the choosing of the new chairman, but there was nothing to indicate that he had made a decision regarding it.

Suggestions about the special session of Congress were heard by the President from Senator Lodge of Massachusetts, and Representative Mondell of Wyoming, Senate and House Republican leaders. They came together to present their views on the date Congress should be called together and to inform the Chief Executive about the situation that will confront his tariff program at the special session. It was said afterward that no date would be set until there had been further conferences, although it was said a decision probably would be reached in time to permit issuance of the call next week.

Holds Afternoon Reception.
Mr. Harding's afternoon reception began with a pre-arranged call of members of the Republican National Committee, which has been in session here and developed into a function recalling the public receptions of by-gone administrations. Many personal friends had been invited to call and pass along the receiving line, and scores of sight-seers who had congregated about the East entrance took advantage of the opportunity and trooped up the steps to shake hands with the President and Mrs. Harding.

The President's mascot, a blooded Airedale pup, named "Caswell Laddie Boy," was brought into the executive offices as a gift by Charles W. Quetsch, of Toledo, Ohio. The dog arrived in the midst of the cabinet conferences, but Mr. Harding had given orders that he was to be seen as soon as it was delivered. With many manifestations of pleasure he took his new pet into his office, where it made itself at home during the morning.

Later the President brought "Caswell Laddie Boy" out and proudly exhibited him to a group of newspaper correspondents gathered outside his office.

NINE-YEAR-OLD BOY IN WILMINGTON ACTS HERO

Wilmington, March 5.—When a rabid dog attacked his two small sisters while the children were on their way home from school at Burgaw, near here, Lon Carr, aged 9, grasped the animal about the neck and threw it to the ground, and although bitten in five places, refused to let go until help came, and his sisters escaped unharmed. The boy is under treat- ment and is doing nicely, accord- ing to reports from Burgaw tonight.

JUDGE BOYD WILL PROBE VARNER CASE

Four Members of Jury Alleged To Have Asked That Ver- dict Be Set Aside

Greensboro, March 5.—There will be complete investigation of the Varnor case, and if alleged "improprieties" on the part of jury are proved, or if new evidence is found, the verdict will be set aside and a new trial ordered, according to reports from Greensboro tonight.

This announcement was made by Judge James E. Boyd in Federal court today, when attorneys for Mrs. Florence C. Varnor presented arguments that Mrs. Varnor had been guilty of improper relations with Baxter McFay and, therefore, was not entitled to recover "reasonable subsistence" from her husband, H. B. Varnor, prominent Lexington business man and publisher.

O. I. Sapp, attorney for Mrs. Varnor, who offered motion that verdict be set aside and a new trial ordered, read a letter alleged to have been signed by four members of the jury that convicted asking that verdict be set aside on the ground that it was unfair because it was accepted by the jury because of sickness in one jurymen's family and also because they understood that a verdict must be reached. The names given as signing the letter were: T. E. Hodgin, H. Starnier, M. C. Brasovos and L. H. Langley. Judge Boyd ruled that members of the jury could not impeach their own verdict.

A telegram was introduced in evidence, which was said to have been signed by an aunt of Mrs. Varnor, stating that the latter was in Salt Lake City last summer and also in the early fall of 1917.

It was also alleged in an affidavit that Miss Mildred Anderson, a telephone operator who testified in the case, had been heard to say that she did not have to work as she was in the pay of Mrs. Varnor.

It was also alleged that F. J. Thomas, one of the jurors, had been heard to say last fall that Mrs. Varnor was guilty and another affidavit, signed by two negro barbers in Greensboro, declared that Deputy Marshal C. T. Bonne who had jury in charge, remarked in their presence that Mrs. Varnor was guilty.

E. T. Candler, attorney for Mr. Varnor, declared that the defendant wanted a full investigation, so that the matter may be finally cleared up.

RAILWAY WORKERS STRIKE ON RAILROAD IN GEORGIA

Approximately 1,500 of The 2,000 Union Workers On A. B. & A. Out

Atlanta, March 5.—With approximately 1,500 of the 2,000 union employees of the Atlanta, Birmingham and Atlantic railroad out on a strike called at 11 o'clock today in protest against a reduction of wages, Judge S. H. Sibley in the United States district court laid today handed down an order debaring in effect that the wage reduction order of February 28 would be given "no other or further effect than it ought to have by law under the facts which may be established at the hearing already set for March 26."

The judge's order was taken to mean that the question of wage reduction on the A. B. & A. is dependent on the outcome of hearings before him set for March 26. Meanwhile reports indicated that no trains were being operated on the road, which serves many Alabama and Georgia towns between Birmingham, Atlanta and Brunswick.

POWER BILL DIES IN LOWER BRANCH BY SINGLE VOTE

Darden, of Halifax, Assures Its Defeat By Changing Ballot

DECLINES TO ADOPT MINORITY REPORT

Constitutional Limitation For General Assembly Expires at Midnight With Many Bills Still Pending; House Ratifies Educational Bill, Machinery Act, and Finance Act

The oldest member of the General Assembly, Representative Darden, of Halifax, assured defeat for the Power Contract bill when it went to a vote in the House yesterday afternoon by changing his ballot from "aye" to "no." The motion to adopt a minority report on the bill failed to pass by a 40 to 51 vote.

Proponents of the bill withheld any statement as to whether motion would be made to re-consider the vote, when at 2 o'clock, but the "consensus" of opinion in the lobbies of the House favors the motion, the fight is not over. A careful canvass of the probable voting strength was made by each side, and opponents of the bill are making ready for a counter attack.

Neither side has demobilized its lobby, and attorneys for both the cotton mills and the power companies are still in the city. Representatives of both were in the lobbies of the House last night during the night session, and discussion of the fight overshadowed even the consideration of the appropriations bill in progress on the floor.

More than a score of members left for their homes with the expiration of the constitutional limit of the session, and not more than two-thirds of the membership will be present tomorrow. A two-thirds of the vote cast, under the rules of the House, is required for reconsideration, but proponents of the bill declared that the rules could be abrogated if there was a majority in favor of that course.

With another of the major questions behind it, the General Assembly passed out the last of the constitutional limitation of its session with nearly 400 public bills waiting on the calendar for action, and adjournment finally set for some time after midnight Wednesday morning. The Appropriations, Finance and Machinery acts still remain for final disposition Monday and Tuesday.

In Continuous Session.
Sitting in almost continuous session yesterday the House passed the second reading of the Revenue act as amended by the Senate, passed the Machinery act on its final readings, and the bond issue measure for State institutions at the morning sitting, disposed of the Power Contract bill in the afternoon, and returned at night for consideration of the General Appropriations bill.

The measure to reorganize the Tax Commission and name a commissioner of revenue, set for a special order yesterday morning got crowded out during the day and goes over until Monday morning for further consideration. The moving picture censorship bill, by agreement, went over until Monday night for final argument. With these larger measures out of the way, the Assembly will have the remainder of the time for the consideration of the residue of bills remaining, and clear the way for dissolution.

Popular interest in the session yesterday centered around the Power Contract bill and crowded galleries and lobbies watched the battle that raged most of the afternoon with Representative Martin leading the fight for the measure, and Pharr, of Mecklenburg, and Bowie, of Ashe, the opposition to it. The proponents of the measure were at times demonstrative, and broke into cheers, but the opposition was grimly silent, watching every move that was made, but with no hint of the numerical strength that was behind them.

Debate Is Limited.
Half an hour was dissipated in a wrangle over points of order and suspension of the rules limiting debate before Pharr and Martin finally agreed that an hour would be allotted to each side to be used as the leaders saw fit to use it. Speaker Orier held the watch on the speakers, and guided them into silence upon the second of them time in speaking.

A point of order raised by Grant, of Davis, calling attention to the fact that the question before the House was not the consideration of the bill, but consideration of a motion to remove it from the unfavorable calendar and put it upon its passage was sustained by the speaker, but the leaders claimed the right to discuss even that. After it had got under way the leaders of the debate were powerless to confine the discussion to the point, but debated nothing but the merits of the bill.

Graham of Orange led the attack for overturning of the 11 to 6 vote of the committee on the bill, scorning the power companies for their alleged efforts to break contracts. Bowie of Ashe declared that it was not fair to discuss that issue, since the sole matter before the House was the upholding of the committee which had by a decisive vote reported the bill unfavorably.

Cowles of Wilkes took the angle that only the question of common honesty and the integrity of contracts and agreements was at stake and that the General Assembly ought to hold corporations to the agreement. Hendricks took the position that the power companies in the State had been held to public service corporations, and that the matter of fixing rates ought to be left to the Corporation Commission. Madison of Wayne was also present.