

## LIVELY FIGHT ON PLAN OF HARDING TO REFUND DEBTS

Scrapping Ahead For Backers of the President's Program in Congress

### SOLDIER BONUS BILL DUE TO COME UP ALSO

Newberry Scandal Another Irksome Subject For Republican Legislators; Four Great Powers Reported To Have Reached Agreement On Far East Problem

The News and Observer Bureau, 603 District National Bank Bldg. By EDWARD E. BRITTON (By Special Leased Wire) Washington, Dec. 3.—Lansdale signs fails in Congressional weather there is to be a lively fight in the big building on Capitol Hill when the regular session gets down to business after the call to order is heard on Monday. That there is scrapping ahead between those who would rush through President Harding's program and those who will oppose it is clearly manifested in the events of the special session and in the remarks made by members of both House and Senate.

The storm center in the Senate is expected to be for a while about the bill by which plans are proposed to be set for the refunding of the \$11,000,000 foreign debt. President Harding at a dinner he gave at the White House last night with Republican leaders as guests gave the word to take up the foreign debt matter immediately. This is not pleasing to Senator Lodge, whose position has been that there ought to be no talk in Congress about the money that is owed us by European countries while the Arms conference is on, that the subject might be personal non grata to the delegates at the conference, for he realizes that there is to be some lambasting going on, and that things will be said that might provoke a row.

But President Harding has overridden the Lodge opposition and has given the order for "full steam ahead" on the foreign debt business. Open hostility to the proposition has been manifested among Senators despite the fact that Secretary of the Treasury Mellon has declared that refunding proceeds in this country and in Europe must be held up with increased financial troubles until the bill is passed.

Will Take Up Bonus The soldier bonus bill is likely to have another hearing soon after the session begins. It is said that several Senators, among them Senators McMillan, of Tennessee; Simmons, of North Carolina, and Walsh, of Massachusetts, are considering the advisability of pressing for action on bills to make the soldier bonus payable out of the interest on the foreign debt. That this subject will be interjected into the debate on the debt refunding bill goes without saying. It has been unofficially given out that President Harding will say nothing in his message to Congress about soldier bonus, but whether he opens his mouth on the subject or not it is going to make its appearance before the Senate. And it does the men who have been backing the proposition will make themselves heard. The delay of the Republicans in living up to the promises made to former service men to pass the adjusted compensation bill will be the theme of many speeches by advocates of the bill, especially from the advocates on the Democratic side.

The Newberry scandal in the purchase of a Senatorial seat will have another speech-making airing early after the Senate meets, and there will be no let up among the Democrats in letting the country hear about that malodorous affair. The Republican Senators backing Newberry are doing all that is possible to put on the so-called "Newberry scandal," but they are not letting away with their purpose. There will be a fight around that matter, as also a live time about the tariff when it gets to the Senate from the finance committee. Senate Republicans talk of having the measure enacted into law by the end of January, which means a scrapping time of some weeks. But the outside feeling is that it will be way after the close of January before President Harding gets a chance to sign that measure. There is also scrapping ahead on the railroad funding bill, and the President's subsidy position on the merchant marine.

## SHIPBUILDER SAYS HE WILL COME BACK

Charles W. Morse, shipbuilder, has been requested by Attorney General Daugherty to return from France on the next steamer in connection with the federal investigations of transactions between Morse and the Shipping Board. Morse was detained at Havre, France, but was later allowed to leave the ship when he promised to return to the United States voluntarily. Latest dispatches state he will sail for home Monday. The French are reported to have refused him permission to remain in that country.



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## MORSE WILL SAIL FOR U. S. MONDAY

Shipbuilder Notifies Attorney General of Intention To Return

Washington, Dec. 3.—Charles W. Morse, shipbuilder and financier, who sailed for France a few days before it became publicly known that his ship contracts were to be made subject to grand jury inquiry, notified Attorney General Daugherty late today that he would return to the United States, sailing from Havre Monday night. Mr. Morse was directed by the Attorney General to sail Monday from Havre. The Attorney General also sent a cablegram to the American embassy at Paris requesting that steps be taken to bring about the return of Morse on the steamer Paris.

MORSE DENIED PERMISSION TO LAND BY THE FRENCH Paris, Dec. 3.—(By the Associated Press.)—The French Ministry of the Interior today issued an order denying Charles W. Morse the right to land in France and requiring him to return to the United States on the first available steamer, which would be the Paris, sailing Monday from Havre.

Issue of this order was confirmed in a letter from the French foreign office to the American embassy. The interior department has the right to refuse entry to any foreigner whom it judges undesirable.

MORSE WANTS TO REMAIN ABROAD UNTIL JANUARY Hayre, Dec. 3.—(By the Associated Press.)—Charles W. Morse tonight was awaiting further word from United States Attorney General Daugherty regarding the shipbuilder's request to be allowed to remain in Europe until January 5 for medical treatment. Mr. Morse, who arrived here from New York yesterday on the steamer Paris, has been ordered to return on the first boat by American federal officials who are investigating his shipbuilding contracts during the war.

Earlier in the day he had received a cable message from the American Attorney General instructing him to return to America as soon as possible, but before this message had arrived Mr. Morse had sent a second cable message, requesting he be allowed to remain in Europe until January 5 for medical treatment. Mr. Morse, who arrived here from New York yesterday on the steamer Paris, has been ordered to return on the first boat by American federal officials who are investigating his shipbuilding contracts during the war.

## SPECIAL SESSION OF LEGISLATURE TO MEET TUESDAY

Only Two Definite Matters of Legislation Placed on Calendar

### MUNICIPAL FINANCES AND SCHOOL DEFICIT

Indications That No General Legislation Will Be Undertaken, Although Measures for Australian Ballot, and Abolition of Capital Punishment Ready

With but two definite tasks laid out for it, the one correcting the Municipal Finance Act and the other to make provision to take care of a \$700,000 deficit in the public school fund for 1920-21, most of the members on record for making their stay in Raleigh as brief as may be, the General Assembly will convene Tuesday morning for what may go down in history as one of its shortest sessions.

Six days as a minimum and ten for a maximum duration of the session in the expressed views of many members of the Assembly, it is believed that the Saturday week following the opening will see the adjournment of the session. Both of the measures that are to be passed upon require full six days for roll call and two days for organization of the session are regarded as substantial.

But there is no accounting for legislatures. While leaders are expressing hope for a short session, there is no definite assurance for one. Both branches of the General Assembly have already considered the Finance act that will be offered for the cities. It was passed in due form at the regular session last February, but technical defects developed later that resulted in its being declared inoperative by the State Supreme court. The deficit in the school fund can be taken care of in a resolution authorizing the State Treasurer to sell bonds to take care of the amount.

Other legislation has been suggested by various members, much of it entirely local in nature, and requiring no extended attention at the hands of the Assembly. Measures of State-wide importance have been prepared, and will be submitted on the opening day, but it is thought unlikely that any serious effort will be made to put them through. Abolition of capital punishment, and the provision of a State-wide Australian ballot are included in bills that have been prepared.

The deficit in the Municipal Finance act developed in the Senate after it had passed the House, and had negotiated in third reading in the Senate. Senator Sams, of Forsythe, asked that the vote by which it passed its third reading in the upper house be reconsidered, and it will be brought back for an amendment effecting Winston-Salem. It will be brought back, the amendment adopted, and then action seems to have stopped.

Bill Was Recommended Examination of the Senate Journal some months after the session disclosed the fact that the measure's third reading on roll call in the Senate had not been recorded and, under the constitution, it was held to be invalid. A test case was prepared by the Raleigh City Commissioners and the Supreme Court asked to pass upon its validity. The Court held that the law was defective in its passage, and the municipalities of the State were without machinery for conducting their finances, and without law for levying taxes, except under the obsolete statute intended to have been repealed in the defective act.

## REQUEST DISCHARGE OF JURY IN ARBUCKLE CASE NO VERDICT REACHED YET

San Francisco, Dec. 3.—The jury in the Roscoe Arbuckle manslaughter case must reach a decision or continue its deliberations at least until 10 o'clock tomorrow, Judge Harold Louderback, the trial judge, indicated after he had received a request of counsel for both sides late today that the jury be discharged.

The judge said he would consider tomorrow, if no verdict had been returned by that time, whether he would hold the jury longer. The request for its discharge was made on the ground that the jurors were "tired out and that it would be coercion to keep them halting further." It was made at approximately 6 p. m. after the jurors had been out of the court room more than 25 hours and had spent nine hours in balloting or discussion.

The jury was given a recess of two hours for dinner at 6:30 p. m. Corridor gossip said 17 ballots had been taken, all 11 to 1 in favor of acquittal.

## ACCEPTS RAILWAY RATE REDUCTIONS

I. C. C. Issues Orders Allowing Roads to Reduce Rates 10 Per Cent

Washington, Dec. 3.—Voluntary railroad proposals for inauguration of a 10 per cent decrease in rates on practically all farm, range and orchard products in United States outside of New England, were accepted today by the Interstate Commerce Commission. Orders were issued allowing the railroads to disregard all usual restrictions in making up the new rate schedule as well as such violations of the long and short haul clause of the Interstate Commerce Act as might be brought about by percentage reductions. The orders also permit the rates to be put into effect on one day's notice "on as early a date and in as inexpensive a manner as possible," for a six months' experimental period.

Lets Order Stand. At the same time, the commission left standing its order of October 29 requiring an approximate 16.2 per cent rate decrease on grain, grain products and hay throughout the entire trans-Mississippi district, which the railroads were later instructed to put into effect by December 27. The railroad executives, in applying to the commission last week, suggested that the general 10 per cent decrease on agricultural products which they contemplated should apply to the Western grain and hay as well as to the other commodities for the 16.2 per cent cut. No mention of this point in the railroad procedure was made by the commission today except that grain, grain products and hay in Western territory were omitted from the permissive orders accepting the general decrease.

New England Rates. Reductions in New England territory, where the financial status of the roads is held not to justify a full 10 per cent decrease, were also contemplated in the voluntary application last week, and in the commission's orders today, the roads concerned were given permission to make such decreases as they found possible, effective after a five-day notice period.

While the commission swept away all administrative barriers to the 10 per cent decrease, it was pointed out that further steps would have to be taken by the railroad managements to bring the decrease into effect. The commission's failure to consider the 10 per cent decrease on grains and hay as a substitute for the greater reduction it previously had ordered it was said might bring about further proceedings and conferences.

At the same time, the commission's investigation into a reasonableness of the general level of transportation rates in the United States will begin next week, and if the railroads are disposed to withdraw their voluntary decrease, the matter will be referred to the commission for adjudication in that proceeding.

## FORD AND EDISON INSPECT ALABAMA NITRATE PROJECT

Detroit Manufacturer Also Accompanied By Large Engineering Staff

### FORD DECLARES HE IS AGENT OF GOVERNMENT

Purpose of Inspection Trip Is To Allow Mr. Edison Opportunity To Visualize Power Possibilities of Great Plant at Muscle Shoals, Alabama

Florence, Ala., Dec. 3.—Henry Ford and Thomas A. Edison, late today inspected the great Wilson dam which constitutes the nucleus around which Ford proposes to build an industrial empire in the South.

On arrival here, Mr. Ford and Mr. Edison proceeded to Wilson dam, driving through the streets of Florence where they accorded a tremendous ovation. En route to Florence, Mr. Ford talked freely to newspaper men who were on his special train. He emphasized the fact that he had not in any way changed his original bid for the Muscle Shoals project and that his visit was mainly to allow Mr. Edison to visualize the project in its entirety and to verify the original figures submitted by Ford's engineers.

Point of Difference. The main point of difference between Ford and the government, Mr. Ford said, lay in the cost of completion of Wilson dam. Estimates of army engineers range from forty-two million to fifty-five million dollars and Mr. Ford contends that his original figure of twenty million is ample for the work. The automobile manufacturer declared that his sole interest in Muscle Shoals was not commercial.

"We want Muscle Shoals," he said, "because we want a job—and we want to help provide cheap fertilizer for the farmers of the nation."

When asked what he knew about nitrates, Mr. Ford said: "I don't know a thing about nitrates. Mr. Edison is here to take care of that. We might make aluminum, we might make cloth, we might make steel or we might make automobile parts—we won't need nearly all the power we will have to make nitrates."

EDISON SAYS PLANT HAS UNLIMITED POSSIBILITIES. Florence, Ala., Dec. 3.—The industrial possibilities of Muscle Shoals are practically unlimited, Thomas A. Edison said here tonight.

It was at the end of a busy day spent with Henry Ford in a survey of the government property.

Mr. Edison said, "I don't know anybody else would bid. The government should accept it."

Stop at Nashville. Nashville, Tenn., Dec. 3.—Henry Ford, accompanied by Thomas A. Edison, enroute to Muscle Shoals, stopped here for a few minutes this morning being greeted at the station by a large and enthusiastic crowd which called loudly for speeches when the two industrial captains appeared on the platform of their special car.

There was no speech making, however, and after a short stop the train went South. A special car carrying a Nashville delegation headed by Governor Taylor and Mayor Wilson, was attached to the train here.

## MCASKILL SWORN IN TO COLLECT CUSTOMS

Cumberland Republican Receives 'No Warm Welcome' in Wilmington

Wilmington, Dec. 3.—Alexander L. McAskill, well-known Cumberland county Republican, who was for 13 years postmaster at Fayetteville, officially became collector of customs for the customs district of North Carolina when he took the oath of office here this morning. Although this is his first visit to Wilmington since he was appointed, he received no warm welcome from the local Republicans, as practically none of them favored his appointment.

## THREE POWERS WILLING TO GIVE UP CERTAIN OF THEIR RIGHTS IN CHINA

### Need Binding Alliance To Relieve Antagonism

H. G. Wells Presents "The Plain Facts of the Case" in Quarrel Between France And England And Submits That America Can Take Initiative in Bringing About Effective European Alliance

By H. G. WELLS (By Arrangement with the New York World and the Chicago Tribune)

If we are to get any fundamental improvement in the present relations of nations, if we are to achieve that change of heart which is needed as the fundamental thing for the establishment of a world peace, then we must look the facts of international friction squarely in the face. It is no good pretending there is no quarrel when there is a quarrel. This business of the world peace effort, of which the Washington Conference is now the center, is not to smooth over international difficulties; it is to expose, examine, diagnose and cure them.

Now here is this Franco-British clash, a plain quarrel and one very disturbing to the American audience. The Americans generally don't like this quarrel. They are torn between a very strong traditional affection for the French and a kind of liking for at least one or two congenial things about the British. They would like to hear no more of it, therefore. They just simply want peace. But there the quarrel lies. Was it an avoidable quarrel? Or was it inevitable? Perhaps it is something very fundamental to the European situation. Perhaps if we analyze it and probe right down to the final cause of it, we may learn something worth while for the aims and ends of the Washington Conference.

## BURLEY GROWERS RECEIVE CHARTER

Association Controlling 190,000,000 Lbs. Tobacco Incorporated Here

The Burley Tobacco Growers' Cooperative Association, controlling nearly 190,000,000 pounds of burley tobacco and with 50,000 members, the largest co-operative association ever organized in America, has been incorporated in the State of North Carolina. Charter was filed with the Secretary of State by W. T. Joyner of Raleigh, atorney. As soon as it is made legal to do so, which is expected to be at the coming session of the general assembly, the Association will be re-incorporated in Kentucky.

Arnon Sapiro, who drew the marketing contract, will return to Kentucky December 9, to advise in other matters of detail in connection with the permanent organization and the elections, which will be held December 12, and which will be followed by the district meetings of delegates, which will choose directors for the twenty-two districts. These directors will handle the affairs of the 50,000 members of the association and the sale of their tobacco. Mr. Sapiro probably will remain in Kentucky until the association has named its directors and is actually ready for business.

Notice has gone out to every tobacco grower who signed the contract that the association had been "duly and legally incorporated" and that each grower would receive instructions in due course telling him where to deliver his tobacco to the association. The notice is signed by Robert W. Bingham, chairman of the organization committee, and Joseph Passoness, organization manager.

## KEY TO THE ALAMO IS STOLEN BY BURGLARS

San Antonio, Texas, Dec. 3.—A cordon of police guarded the Alamo last night as city detectives searched for the man who stole the key to the historic old building. The key was stolen from the purse of the matron of the Alamo. A gold watch, the body of an American soldier who died in France, to his mother, the keeper, was also taken.

## MANUFACTURERS CLOSE PINEHURST MEETING

Urge Federal Government To Take Steps To Combat Boll Weevil

Pinehurst, Dec. 3.—The Cotton Manufacturers' Association of North Carolina wound up its semi-annual convention at Pinehurst today with a business meeting and an extensive schedule of entertainments. The only resolution of general interest that was passed was one calling upon the National government to increase its activities against the boll weevil and the pink boll worm, which threaten the prosperity of our Southland and a disaster to our whole country.

The lighter side of the day's activities included the final session of the association's golf tournament, a check golf tournament for the women golfers, attendance at the annual North Carolina convention at Pinehurst today with a business meeting and an extensive schedule of entertainments. The only resolution of general interest that was passed was one calling upon the National government to increase its activities against the boll weevil and the pink boll worm, which threaten the prosperity of our Southland and a disaster to our whole country.

Will Visit Niagara. Washington, Dec. 3.—(By the Associated Press.)—Several members of the French arms conference delegation left Washington tonight to visit Niagara Falls. The party included Albert Sarraut, Minister of Colonies, Madame Vivanti, wife of the former Premier, M. Carteron and M. Basse. M. Ponsot will leave the party at Niagara Falls and go to Montreal where he served as counsel general for sometime.

## Japan, Great Britain and France Forming Agreement To Withdraw From Certain Parts of Republic

### NAVAL NEGOTIATIONS APPARENTLY AT THEIR MOST HOPEFUL STAGE

Impression Growing That American, British and Japanese Governments Are Considering An Agreement Which Will Include Acceptance of Hughes' "5-5-3" Ratio and Settlement of Question of Pacific Fortifications; Japan Signifies Willingness To Give Up Shantung Lease; Far Eastern Negotiations Continue Favorable Progress

Washington, Dec. 3.—(By the Associated Press.)—The naval ratio negotiations, apparently at their most favorable stage since the arms conference began, are still on Tokyo today while the representatives of Great Britain, Japan and France were coming together in a conditional agreement for withdrawal from portions of their leased territory in China.

Considering Agreement. Outward developments contributed nothing to the status of the naval discussions, but the impression grew in usually well-informed circles that the American, British and Japanese governments were considering in provisional form an agreement that not only would include acceptance of the American 5-5-3 ratio, but would have to do as well with Pacific fortifications and some of the political problems of the Far East.

Definite action, however, will have to wait for several days while the Japanese delegates feel out the attitude of their home government toward the newest phase of the negotiations as it shapes up from last night's conference between the heads of the American, British and Japanese delegations.

Results Kept Secret. In the meantime what actually occurred at the meeting of the "Big Three" is a closely guarded secret, all authoritative spokesmen refusing to take notice of the resulting crop of guesses, conjectures and surmises as to what "alliances," "understandings" or "compromises" might be in contemplation.

In the Far Eastern negotiations, on the other hand, the developments centering about the Chinese lease were so pronounced a character as to be regarded generally as ranking among the most important of the whole conference. The British, Japanese and French in turn expressed their willingness to give up certain of their holdings in China, and although definite undertakings are yet to be formulated, the move was accepted by the friends of China as promising a substantial modification of the "principles" of spheres of influence.

Would Leave Shantung. The much discussed Shantung lease was among those Japan offered to abandon as soon as China makes satisfactory policing arrangements, but at the same time the conference was reminded that the whole Shantung problem was under consideration in direct negotiations here between China and Japan. A willingness to discuss the South Manchurian lease also was evinced by the Japanese, although they insisted that Japan's treaty rights in that section must be preserved to her.

Tonight the conference and all its subdivisions, after three weeks of continuous work, went into recess until next Wednesday. Many of the delegates, it was said, have important personal affairs pressing for attention and most of them wanted to be present Monday and Tuesday at the opening of the new session of Congress. The interim also will permit the Japanese to advise themselves fully as to the attitude of Tokio, and will make it possible for Arthur J. Balfour and other members of the British delegation to fulfill a series of engagements in New York.