

Fair tonight and Friday, with rising temperatures tomorrow.

Liquid banks never got that way by dealing in water stock.

22 MILLION DOLLARS TAX PAID IN 3 YEARS

Business Of Nation Shows Upswing In May

IMPROVEMENT IN SOME MAJOR LINES BROAD

Stock Turnover Exceeded Only Five Times in History

RAILWAY EARNINGS DECLINE IS HALTED

By MAX BUCKINGHAM United Press Financial Writer (Copyright 1933 by United Press)

NEW YORK, June 1.—(UP).—American business swung forward steadily as May books were closed yesterday.

There was nationwide improvement in some major industries, such as the steel trade, to the point where operations may be profitable for the first time in two or three years.

As business stepped up, interest in commodity and security markets increased. The New York stock exchange for the month of May had the greatest trading activity since April, 1930, and the month's business was exceeded by only 5 months in history. In all there were 104,213,954 shares exchanged in sessions which saw trading at a maximum of more than 7,000,000 shares and the new high speed tickers operating well behind the markets.

On the basis of an average price ranging between \$10 and \$25 per share, the month's business on the exchange totaled more than \$2,000,000,000. Of this stock brokers gained more than \$25,000,000 in commissions. This increased business was indicated in bonuses to employees—two stock exchange houses today declaring bonuses—and additional employment. Estimates were made that employment in "the Street" was the highest yesterday of any day in more than two years.

Other markets enjoyed boom days as business improvement joined with speculative fever.

Wednesday's list of business improvements included: All non-ferrous metals advanced in the spot market. Lead prices advanced 20 points to 4-10 cents per pound. Zinc prices advanced to 4.35 to 4.40 cents per pound east St. Louis as against 4.15 to 4.20 cents per pound Midwest. Wire companies advanced prices on bars and waterproof wire by 1-8 cent per pound and on magnet wire 1-4 cent per pound.

The United Press index on cash prices for 30 commodities advanced to a new high for the year at 91.79, which is approximately 32 per cent greater than the level on March 3, the day preceding the bank holiday.

Steel output advanced to more than 40 per cent—the figure at which many companies can operate at a profit. Iron age estimated the output at 41 per cent and said May bookings for several companies were greater than any month since 1929 with tin-plate production at 90 per cent. Wages may increase. American metal market estimated ingot production at 42 per cent of capacity.

The Worth Street (New York) cotton market showed tremendous activity with many traders refusing quotations. R. H. Macy and company, New York department store, reported that June merchandise purchases will be \$1,000,000 greater than any month since June, 1928, and the company will use 10 per cent more daily newspaper advertising. (Continued on page four)

EVERY ORR IS LAID TO REST

Brother of City Police Officer Passes Away at Oteen Hospital

Avery Orr, age about 35, died at the government hospital at Oteen yesterday. World war veteran, a member of the local police force, was a member of the local police force. He was in charge of J. M. Stapp & Son and was being held at Pacolet, S. C., this afternoon at 3 o'clock.

A group of ex-service men and several city officials from here were in attendance. The deceased is survived by a son, Billy, about two years of age; also one brother, Everette Orr, a member of the local police force; two sisters, Mrs. Arthur Stanton and Mrs. Lillie Morris, both of the Tracey Grove section.

Widow Is Slain; Son, 17, Sought



Balf MacDonald, above, 17, is sought on a warrant for the murder of his wealthy widowed mother, Mrs. Grace MacDonald, below. Mrs. MacDonald was found slain in her home at Flint, Mich.

11 FUGITIVES ARE AT LARGE

Run Gauntlet in Bad Lands; Search Today Is Futile

MIAMI, Okla., June 1.—(UP).—Posses searching for 11 fugitives from Kansas state penitentiary combed known hideouts in Osage badlands without results today.

Eleven escaped convicts ran a gauntlet of police and volunteer possemen last night, seeking the shelter of the Ozark badlands.

One man had been killed, two wounded, seven persons kidnaped and dozens of robberies committed since the convicts escaped from the state prison at Lansing, Kas., during a Memorial Day baseball game.

Trap after trap had failed today to catch the outlaws and they were reported to have been seen at widely scattered points apparently heading for the hills where they might elude capture for years. Peace officers were re-enforced by posses of armed cowboys and aroused citizens.

NEGRO SENTENCED

DURHAM, June 1.—(UP).—Theodore Cooper, negro, was sentenced to death in the electric chair yesterday after conviction in the "insurance murder" of J. N. Lasater. Will H. Hesse, Durham furniture dealer, accused as an accessory, was sentenced to life imprisonment.

EARLY SIGNING OF 4-POWER TREATY STILL ANTICIPATED WITH NEW REVISION CLAUSE

By THOMAS B. MORGAN United Press Staff Correspondent

ROME, June 1.—(UP).—An article calling for early revision of the treaties ending the World war was included Wednesday in the four-power pact designed to assure peace in Europe for ten years, subject to French approval. The drafters, working on a new copy of the pact to be signed by Italy, France, Germany and Great Britain, restored this article, despite definite opposition to it by France and members of the little entente—Roumania, Jugoslavia and Czechoslovakia. Article 3, dealing with disarmament, was removed, it was learned, because this subject will be dealt with in another agree-

DELEGATION TO ECONOMIC PARLEY SAILS

Hull and Associates Have Task Much Like Wilson's 15 Years Ago

PREPARATIONS FOR MEETING ELABORATE

By JOSEPH H. BAIRD United Press Staff Correspondent

ABOARD SS PRESIDENT ROOSEVELT. June 1.—(UP).—The American delegation to the world economic conference departed for London yesterday with high hopes of shaping order and prosperity from the chaos into which the world's trade and money has fallen.

Secretary of State Hull, chairman, and his colleagues sailed from New York at 3 p. m. after a fast journey by rail from Washington.

Stacked away in bulging brief cases in the cabins of delegates was a store of economic data, gathered painstakingly over many months. This was the ammunition with which the delegation plans to attack its three-point objective:

1. To stabilize the world's currencies so that the dollar, pound, franc and other units will have a constant value in terms of each other. By so doing, the American buyer or seller of merchandise abroad may be relieved of the uncertainty of whether he will lose or gain money on long-term transactions due to sharply fluctuating currencies.

2. To lower tariff barriers, thus permitting goods to flow more freely from one country to another with a gain in world trade and shipping.

3. To raise prices throughout the world, so the producer may make a profit, pay his debts and buy goods from others.

The delegation expects to arrive in London June 8, four days before the gathering of more than 50 nations there for a frontal attack on the depression.

With Hull and his four colleagues of the delegation were a group of experts—"the stagehands of diplomacy"—whose specialized knowledge of finance, tariffs, and trade will be summoned to solve the intricate problems arising at London. They have spent many weeks at the state department in Washington preparing for their work.

Further preparation for the task at London will be made by the delegates and advisors in conference. (Continued on page 4.)

Naming of Hoover At Morgan Probe Said 'Outrageous'

NEW YORK, June 1.—(UP).—Appearance of Herbert Hoover's name in the Morgan inquiry at Washington was characterized as "outrageous" yesterday by Edgar Rickard, reputed business representative of the former president.

"Information from Washington," Rickard said, "states that I had a participation in the United corporation. This is true. My participation was entirely a personal matter of my own, and it is outrageous to attempt to capitalize my association with Mr. Hoover to drag his name into this matter."

SENATORS HEAR REDUCTION COMPENSATION WILL RESULT IN MANY VETERANS' DEATHS

Jelke Fails to Divorce Wife

ANGRY DEBATE BOILS OVER AND JOHNSON OF CALIFORNIA, POURS WRATH UPON VETERANS ADMINISTRATION

WASHINGTON, June 1.—(UP).—Death stands on the doorstep of many veterans whose compensations were reduced by President Roosevelt's economy act, it was charged in the senate yesterday, as angry debate boiled over the independent offices appropriation bill.

The measure carries a \$490,000,010 appropriation for veterans' compensation, a figure which is about one half of what the ex-service men were allowed before President Roosevelt and budget director Douglas began lopping expenditures off of the federal budget.

In the van of yesterday's rally against the administration was Senator Johnson, Rep., Calif., a progressive who bolted the Republican ranks last fall to support Mr. Roosevelt's candidacy for president. He execrated the president of personal responsibility for what he called the injustices to veterans, but he poured out wrath against the veterans bureau in the most angry speech he has made since he led the fight against America's entrance into the League of Nations.

"A wrong has been done to many of these men and you know it," Johnson shouted to the senate, his face reddened with rage. "Let's right this wrong before the remaining nine days of the session of Congress end. If not, we will know that after July 1 we have killed many of these men."

"I make this protest because I have received mail such as I never want to read again in my life. A law consists of words and phrases and clauses, but when it comes to interpretation it must be read with a heart. And that has been the trouble with this measure. There has been no heart in the reading of it."

The attack—joined by such staunch administration supporters as Senator McAdoo, Dem., Calif.—came at a time when the White House had just announced it would appoint an independent commission to study the veterans cases and make adjustments where clear instances of injustice were found. McAdoo said the reason he voted against the measure was that he was brought up and defeated in the Senate recently was that he was trying to (Continued on page six)

GENERAL KING ENDS SERVICE

Official Ceremony Entirely Lacking as Professional Career Closes

FORT BENNING, Ga., June 1.—(UP).—With no official parade and no ceremony whatever, Major-General Campbell King, commandant of the infantry school at Fort Benning, bade farewell to the members of his staff late yesterday prior to his retirement from active military life at midnight last night.

Closing the desk from which, for over four years, he has controlled the activities of the world's largest school of arms, General King told his staff he did not want to interfere with the duties of the camp, where thousands of civilian conservation corps men are assembled now.

It was believed to be the first time that a U. S. Army general had retired from active duty without a ceremony of some nature.

General King left Fort Benning early today by automobile for his home near Charleston, S. C.

French Chamber Takes a Recess

No Early Prospect of Paying Debts to U. S.

PARIS, June 1.—(UP).—The chamber of deputies adjourned until June 9 after passage of a budget indicating there is no early prospect of France paying her war debt installments.

The government of Premier Edouard Daladier survived a parliamentary crisis in the chamber of deputies last night during debate on the oil monopoly question.

Daladier, who has fought for a compromise on the monopoly question, posed the question of confidence in his regime and was accorded a favorable vote of 359 to 203.

The Daladier compromise calls for the appointment of a commission to study the features of the monopoly question.

PAPER IS SOLD

WASHINGTON, June 1.—(UP).—The Washington Post was sold at auction today for \$825,000. Geo. E. Hamilton, Jr., lawyer, declined to disclose whom he represented in submitting the highest bid.

ROOSEVELT IN PLEA AGAINST CASTE VIEWS

Pride of Profession Necessary to Making of a Good Officer

IS HINDRANCE, SAYS, IF PUSHED TOO FAR

ANNAPOLIS, June 1.—(UP).—An appeal that they break down the traditional barriers of professional caste and look eye to eye with the nation on its vital problems was delivered to the graduating class at the Naval Academy today by President Roosevelt.

"Esprit de corps pride of the profession is a delightful and important element in the making of a good officer as it is in the making of a good professional or business man, but when it is carried to the point of assuming that only the holder of an Annapolis commission or a diploma or the possessor of a college degree is a valid member of the aristocracy of life, it becomes a hindrance instead of a help to your fellow citizens. So I ask you to avoid an exclusive relationship to your own clan—to the clan of the navy or some other special government service or clan of your profession or of your civil life."

"This barrier of caste exists not alone in your own class or profession—but in the average run of folks—the folks you would have known, liked and would have affiliated with had you not been chosen to enter and graduate from a highly specialized institution of higher learning."

Find Two Bombs in Mukden Today

One Aimed at Jap "Good Will" Mission

MUKDEN, Manchuria, June 1.—(UP).—Two crudely-fashioned bombs exploded on the grounds of the British consulate here and another bomb was found at the railroad station, apparently timed to explode on the arrival of the Japanese "good will" mission.

An armistice between the Chinese and Japanese forces designed to restore peace in China and halt the invading Japanese armies outside Peiping and Tientsin was signed Wednesday at the meeting of representatives of the Chinese and Japanese military high command and civil authorities at Tangu.

The terms of the armistice were understood to include:

1.—The Chinese agree to the establishment of a neutral, demilitarized zone between Peiping and Tientsin on the south and the Great Wall on the north.

2.—Protection of the Japanese army of occupation during the interim.

These terms were unofficial, and reported from the Japanese. The Chinese indicated that while they were willing to sign an armistice assuring peace in the north, the discussions on the status of the occupied areas and the status of Chinese troops would be among the major points prolonging negotiations.

The Japanese were understood to be demanding that China recognize Manchoukou, formerly Manchuria and now a puppet state controlled by Tokyo.

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JAP GOOD WILL ENVOY SAYS HE FINDS MUCH IN COMMON FOR STRONGER FRIENDSHIP

NEW YORK, June 1.—(UP).—Destruction of treaties must be forbidden by the League of Nations if the league is to function adequately, Viscount Kikujiro Ishii, chief of the Japanese delegation to the world economic conference said in an address yesterday.

Viscount Ishii spoke first at a luncheon given in his honor by Japanese Consul General Herinought. In another speech last night before the Japan Society of New York, the former ambassador stressed the traditional friendship between his country and the United States and paid tribute to President Roosevelt.

The league, Viscount Ishii said, must forbid treaty breaking just as the league covenant forbids military aggression. Japan withdrew from the league over the Sino-Japanese dispute over Manchuria.

The economic boycott, such as that directed against Japan by China, should be branded as an act of economic aggression and punished as such, he said.

He pointed out that the league covenant does not prevent nations from breaking their treaties, tho it provides for punishment of military aggression. Destruction of treaties, in Viscount Ishii's opinion, should be outlawed by the Kellogg pact. (Continued on page 4.)

MIDDIES' CHEERS WERE FOR HER



Middies at the U. S. Naval Academy at Annapolis, Md., gave three cheers of approval when Miss Virginia Thompson, of Baltimore, stood beside Midshipman Ernest Lee Jahneke, Jr., who chose her for "color girl" at pre-graduation ceremonies as pictured here. Jahneke is the son of the former assistant secretary of the navy.

STATE DRIVER LICENSE URGED

Lieut. Beck Tells Kiwanis It Is Principal Hope to Cut Accidents

A state-wide drivers' license is perhaps the only legislative measure that could be employed to reduce materially the number of traffic accidents in North Carolina. Lieutenant R. H. Beck of Marion, divisional head of the state highway patrol, told the Kiwanis club in an address Thursday at the Skyland hotel.

"In cases of conviction for reckless driving, the judge must now suspend the driver's right to drive a car for at least 30 days, but he can with comparative safety from re-arrest go to another county and again drive a car," Lieutenant Beck said. "Under a drivers' license law, his card would be taken up and he could not obtain another for use anywhere until the period of his suspension had ended."

The program was under the direction of Edw. R. Sutherland, chairman of the public affairs committee, who cited North Carolina figures showing that of 303 automobile accidents in March, 25 female drivers and 303 male drivers were involved.

"You can't kid the women for being careless," he said.

H. R. Frymoyer, state patrol (Continued on page four)

MORGAN FIRM PARTNERS TAX IS ESTIMATED

Pecora Reveals His Program to Senate Committee in Closed Session

SENATOR REYNOLDS AIDS IN QUESTIONING

WASHINGTON, June 1.—(UP).—Paper profits of \$152,568,000 to J. P. Morgan and Company and his individual partners in securities of the United Corporation was revealed today in the Senate Morgan inquiry.

This figure represented paper profits on common stock and option warrants of the United Corporation.

George Whitney, Morgan partner, was a witness at the time. He estimated the cost of the securities at \$30,000,000. L. A. Keyes, Morgan office manager testified that partners of the firm paid more than \$22,000,000 income taxes in the years 1927-28-29.

Secretary of the Treasury William Woodin, whose resignation has been demanded in congress, again topped a "preferred list" of prominent persons who were given an opportunity by Morgan & Co. to purchase stock at \$75 which later sold for \$99 a share, revealed by the hearing on Wednesday.

The stock was that of United Corporation, mammoth Morgan holding company which controlled 22 per cent of the nation's electric power.

Revelations yesterday included: 1. J. P. Morgan & Co. made a profit of \$8,290,045 from sale of 200,000 of 1,714,000 option warrants issued thru it for \$1 per warrant when the United Corporation was organized. The warrants sold on the market at a top price of \$47.

2. Ferdinand Pecora, committee counsel, figured that J. P. Morgan & Co. would have made a profit of \$68,000,000 had it sold all the warrants it received, to which estimate George Whitney, Morgan partner, agreed.

3. J. P. Morgan, by a verbal agreement effective in June 1928, purchased for \$23,683,975 from the General Electric Co. on January 10, 1929, securities of the Mohawk-Hudson Power company which on the date of purchase had a market value of \$35,533,200 or nearly \$12,000,000 more than the sale price. This was preliminary to organization of the United Corporation.

Committee members and spectators followed with interest in attempt by Senator Edward P. Costigan, Democrat, Colorado, to identify the name of Edgar Rickard, who was on the list of "preferred" purchasers of United Corporation submitted yesterday.

"Is that the Mr. Rickard who is reported to be a representative of ex-President Hoover?" Costigan asked.

"I don't know," Whitney replied, adding that he did not know Rickard personally.

Another senatorial name was added yesterday to the "preferred" customers when the United Corporation submitted yesterday.

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THREE GUESSES



For correct answers to these questions, please turn to page 6.