

## SIX OF MORGAN'S PARTNERS IN DEBT TO HIS BANK

### Committees Vote For Gold Repeal By Heavy Margin

House Group 12 to 4 and Senate Committee 9 to 3 In Favor of Roosevelt Proposal  
FAVORABLE VOTES EXPECTED SHORTLY  
Roosevelt Signs Securities Regulation Bill, and Senate Committee Votes Favorable Report for Arms Embargo, Which Has Already Passed House



Greeted by Riot  
Hans Wiedeman, official representative of the religious art section of the German Nazi propaganda committee, shown as he arrived at New York, en route to the Chicago World's Fair. A riot of Communists marked his arrival, necessitating nightstick work by the police.

Washington, May 27.—(AP)—Committees moved quickly today to speed along the administration's latest proposal—cancellation of the gold clause in public and private obligations—while Congress worked on other parts of the Roosevelt program.

The House Banking Committee approved the measure to make all obligations payable in legal tender money by 12 to 4, and a little later the Senate Banking Committee gave its approval by 9 to 3.

Steps were taken at once to bring the gold bill up in the House on Monday.

President Roosevelt signed the securities regulation bill at the same time as the Senate was plunging into debate on another of his proposals, the railroad reorganization measure.

The House was standing by to receive conference reports on some of the Roosevelt bills which have passed on both sides, but which need an adjustment of changes.

The Senate Foreign Relations Committee favorably reported the arms embargo resolution already approved by the House, with an amendment to preserve American neutrality by applying any ban on arms shipments to all parties in conflict.

Driving ahead toward the June 10 adjournment date, Speaker Rainey said that the House "very likely" will take up the administration's new farm credit bill on Tuesday.

### Will Block Fight Upon Gold Repeal

Senator Glass Is Opposed to Abandonment of Monetary Standard, However

Washington, May 27 (AP)—Possible attempts to challenge and break down the country's abandonment of the gold standard are to be forestalled by legislation formally cancelling the gold clause in billions of dollars worth of government and private bonds and mortgages.

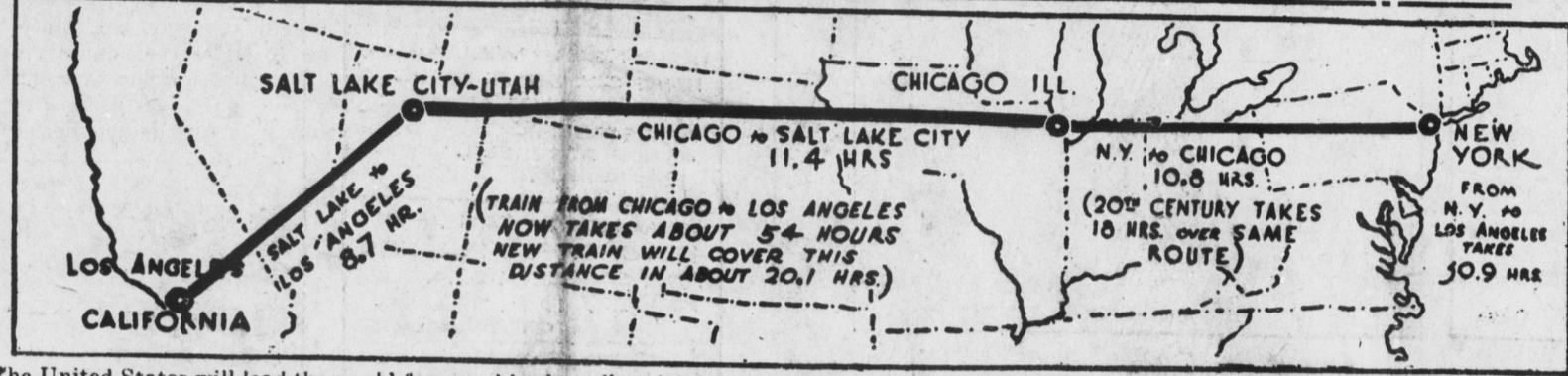
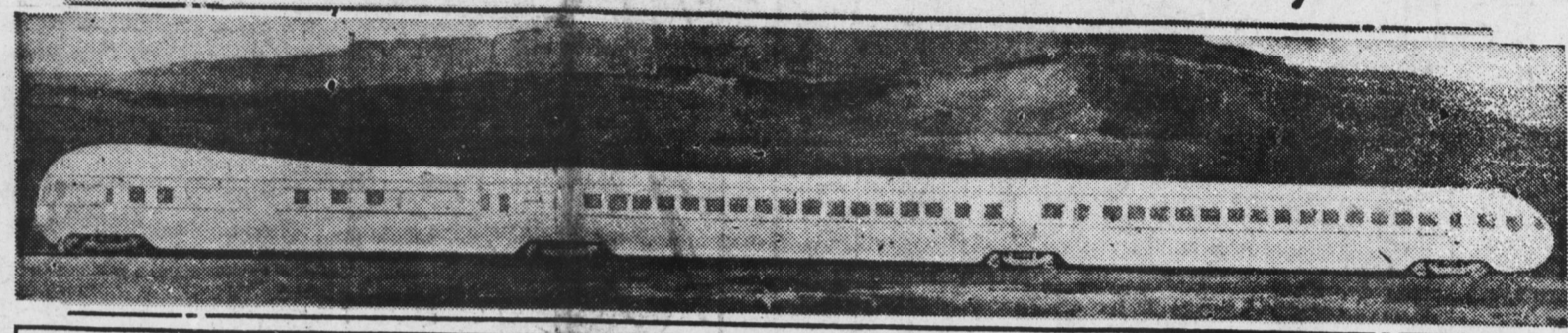
The new bill declares that, regardless of demand in any contract, past or future, for payment in gold, any and all coin and currency of the realm shall be legally usable in payment.

It was submitted to Congress by the Treasury yesterday.

Banking committees of the Senate and House arranged immediately to take up the proposal today and Chairman Steagall, Democrat, Alabama, of the House committee, announced the representatives would pass the bill Monday.

In view of past votes on gold, Senate passage is likewise assured. Senator Glass, Democrat, Virginia, staunch defender of the gold standard, protested immediately, saying if there is any integrity left in the counts with regard to the sanctity of contracts they will hold the bill unconstitutional.

### Train Will Cross Continent in Thirty Hours



The United States will lead the world for speed in the railroad field when this strange-looking train goes into operation on the Union Pacific Railroad in about six months. Low-slung and streamlined, the train is capable of doing 110 miles an hour, with an average speed of 90 miles an hour.

### SENSATIONAL RISE SCORED IN STOCKS AND COMMODITIES

Measure Reaction of Financial Traders to American Abandonment of Gold Clause  
STOCKS GAIN \$1-\$8 AND COTTON \$1.10

Wheat Rises Three Cents a Bushel in Chicago, and Most Tops Are Held Through Close of Record-Breaking Saturday Volume of Excited Trading

New York, May 27.—(AP)—A smashing rally in stocks and commodities and a sharp dip by dollar exchange today measured the reaction of financial markets to proposed erasure of the gold clause from public and private debts totalling roughly 100 billion dollars.

Trading on the New York Stock Exchange, where prices rose \$1 to about \$8, reached record-breaking volume for a Saturday.

At 12 o'clock noon, closing time, the ticker was half an hour behind the actual market, but advices from the floor said final prices were strong and that most issues had finished near their high despite late profit-taking. Sales exceeded 5,000,000 shares.

### Many New License Taxes To Be Applied Thursday

New Business and Professions To Feel Levies Not Imposed Heretofore While Many Others Have Been Changed or Raised In Their Application

General Assembly, a large number of changes were made in those already taxed, Commissioner Maxwell pointed out. The tax on outdoor advertising was materially broadened to include all who resort to this type of advertising, while in the past it has applied only to commercial outdoor advertising companies. The tax on peddlers was also broadened.

The new taxes imposed by the 1933 General Assembly for the first time under Schedule B are on athletic contests, boarding houses, loan companies and agencies, omticians and embalmers, toll bridges and tourist camps. For holding athletic contests the promoters must pay a tax of \$5 for each location and three per cent per cent on the gross receipts. Boarding houses with 15 boarders or more must pay a tax of \$2 a room, with a minimum of \$10. The license tax on loan companies is \$500 a year in advance, while that on embalmers and morticians is \$5 if the gross receipts

While not more than half a dozen new business and professions were added to the license tax lists, by the

### Century Of Progress Exposition Formally Thrown Open At Chicago

Chicago, May 27.—(AP)—A Century of Progress international exposition, Chicago's second World Fair, opened its gates today.

### REPEAL IS OPPOSED BY PRESBYTERIANS

Assembly Session In Ohio Thinks Enforcement Is the Solution

Columbus, Ohio, May 27.—(AP)—By an overwhelming vote, the General Assembly of the Presbyterian Church of the United States today voted confidence in its board of foreign missions, which had been attacked repeatedly by the extreme fundamentalist faction of the church.

Reaffirmation of "unaltered opposition" to repeal of the eighteenth amendment was recommended to the assembly by its committee on social welfare.

In presenting its report, Dr. Harry L. Reed, president of Auburn Seminary, Auburn, N. Y., said, "We believe enforcement, not repeal, is the solution of the problem."

### Raleigh Side Show

Shorts About the Political Situation In the State Capital

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE

Raleigh, May 27.—State department heads, employees and people here in Raleigh generally are more interested in whether or not Henry Burke, unofficial head of the Budget Bureau, is going to resign, as has been rumored, and in who will succeed him than in any of the other appointments. Many of the other appointments are more important from a Statewide standpoint and from a political point of view. But the question all those who work for the State would like to know the answer to right now is "What is Burke going to do?" or "What is the governor going to do with Burke?"

MOST HATED OFFICIAL The reason for this unusual interest in Burke is because he undoubtedly is the most hated State official in Ra-

\$37,500,000 has been expended in its building. The gates were flung open at 8:30 a. m., and the vanguard of what is hoped will be an eventual attendance of 50,000,000 began to stream through the roads the streets and the paths of a city-made out of the waters of Lake Michigan.

The fair will close November 1. The actual opening was without ceremony. The slicking of the turnstiles, however, was followed by a day of pageantry, including an official dedication by Postmaster General James

### Makes Beer Pier In Potomac River

Fredericksburg, Va., May 27.—(AP)—The legal status of a "beer pier" in the Potomac river at Fairview Beach remained a subject of uncertainty today as preparations went forward for the opening, advertised for tomorrow.

Otto E. Sonnenberg, proprietor of the hotel resort, who has designated his pier as "Fairview Cove Md.," plans to return from Baltimore today with a load of 32 beer kegs which he claims can be sold without interference from Virginia's rigid State dry law. The beer garden is on a pier extending out 75 feet from the Virginia shore, and broken by an eight-inch aperture which keeps it from being physically connected to Virginia soil.

### HOLLYWOOD MAN IN MYSTERIOUS DEATH

His Wife and Another Man Questioned in Strange Case of J. W. Hey

Hollywood, Cal., May 27.—(AP)—A man identified as Captain J. W. Hey and said by his wife to be an extensive land owner in Peru, and a former explorer of South American countries, died today under mysterious circumstances, which caused police to order a thorough investigation.

His wife and a friend, D. J. Hergung, a herb specialist, said Hey had died in their presence after announcing he had taken poison.

No reason could be given by Mrs. Hey or Hergung for Hey's act. The woman told police the three of them were seated at a table when Hey excused himself and went into the bath room. A few minutes later he returned.

Mrs. Hey said her husband then ordered her to take a note, which he would dictate. She did as instructed. The note purportedly read: "I, J. W. Hey, have just taken four poisons. If I die it is my own fault."

After dictating the note, Hey signed it, his wife stated, and dropped dead.

### WEATHER

FOR NORTH CAROLINA. Showers and probably thunderstorms this afternoon and tonight; slightly cooler tonight in central portion; Sunday generally fair except local thundershowers in extreme west portion.

### Charge On Pecora Now Discounted

Merely Attempt To Discredit Morgan Prober, Senator Couzens Declares

Washington, May 27 (AP)—Asserting that charges had been submitted to him intended "to discredit" Ferdinand Pecora, counsel of the Senate Banking Committee in charge of the Morgan investigation, Senator Couzens, Republican, Michigan, said today he had demanded the proof be submitted, if there is any.

### PIRATES IN CHINA FAIL TO LOOT SHIP

Ground Norwegian Vessel at Hong Kong and Escape Without Booty

Hong Kong, China, May 27 (AP)—Fourteen Chinese passengers who seized the Norwegian steamer *Prominent* at 2 a. m. Thursday, shot the captain in the leg and held the other officers prisoners on the vessel aground last night in Mirs Bay, near this city, and escaped as police fired on them.

The ship was seized while near Parcel Island and reefs in the China Sea.

Second officer George Jensen was on the bridge when one of the pirates covered him with a revolver. He grappled with the man and threw him to the deck, but was immediately surrounded and overpowered by the pirates.

Captain J. H. Jensen heard the commotion, and thinking it a coolie

NEW YORK COTTON (By John F. Clark and Co.)

	Open	High	Low	Close
May	9.88	9.87		
July	9.02	9.11	8.98	9.10
Oct	9.30	9.38	9.22	9.38
Dec	9.48	9.51	9.38	9.50
Jan	9.55	9.60	9.47	9.60
March	9.75	9.75	9.62	9.75
Spot	9.15	up	15	points

### Presbyterians Reiterate Support For Prohibition

Montreal, May 27.—(AP)—The General Assembly of the Presbyterian Church in the United States voted today without debate to send down to the presbyteries the question of affiliation with the Federal Council of Churches of Christ in America.

The Southern Presbyterian church withdrew two years ago after a Council committee had advocated teaching of birth control.

The assembly passed another controversial subject without debate when it re-affirmed its action for last year on prohibition. It approved the following declaration: "We believe the times call for a fresh educational crusade against the evils of the drink curse and call upon our churches Sunday schools and young people's societies to be tireless in their efforts to combat the use of alcoholic liquors as a beverage."

### MORE SENSATIONS LOOKED FOR WHEN HEARING RESUMES

Senators Favor Making House of Morgan Amenable to Banking Laws of the Country

### COMMITTEE FACES SOME DISSENSIONS

Some of Its Members Opposed To Method of Proceeding Being Pursued and May Try To Block Continuation of Testimony During the Coming Week

Washington, May 27 (AP)—Though the Senate investigation of the Morgan banking house was suspended for the week-end, the inquisitors today gave to the public fresh news—that half a dozen of the 20 partners of the firm are in debt to it.

The names of the six were withheld, but the information was considered of importance by some of the senators who, pointing out that national banks are not permitted to make loans to their own officers, maintained private banks such as J. P. Morgan's should be under government regulation and subject to similar restrictions.

The intimation about the partners was given to the committee in executive session yesterday by John W.

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Pecora, aggressive counsel of the committee was the storm center of a row that broke during the investigation yesterday when Senator Glass, Democrat, Virginia, demanded to be informed where the inquiry was headed.

The Michigan Senator said he had obtained a communication today from New York making charges against Pecora. He also had been told, he added, "by an administration official" whom he would not identify, that there were some things about Pecora that should be investigated.

Couzens said he regarded it as "a subtle campaign" against the committee counsel.

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