

HARDING ADVISES STOPPAGE OF WORK

THE RESERVE BOARD PRESIDENT WOULD WAIT ON PENDING LEGISLATION.

HOOVER AND HARDING DIFFER

Attention of the Twelve Chairmen of Regional Reserve Banks is Called to the Harris Amendment.

Washington.—Chairmen of all federal reserve banks were advised by Governor Harding of the federal reserve board to stop all construction work for which have not yet been let, pending the outcome of legislation before congress to require congressional authorization for building operations by federal reserve banks.

This action, Governor Harding said, will stop building operations planned in St. Louis, Minneapolis, Cincinnati, Baltimore, Nashville, Jacksonville, Detroit, Louisville, Denver, Oklahoma City and Salt Lake City.

Action of the board in stopping proposed building operations was conveyed to the 12 chairmen of the reserve banks by Governor Harding in a letter made public which called attention to the amendment to the federal reserve act proposed by Senator Harris (democrat of Georgia, which would forbid the federal reserve board to erect any building without the express consent of congress.

Governor Harding explained, however, that the action of the board would not affect building contracts already let for construction by reserve banks in various districts.

Building operations planned but for which no contracts have yet been let and which will be affected by the board's instructions were outlined by Governor Harding.

Governor Harding also made public a letter from Secretary Hoover to the board, calling attention to the recommendation of the national conference on unemployment that all federal agencies and the federal reserve board should expedite as far as possible public works in an effort to provide work. In reply to Mr. Hoover, Governor Harding stated the reserve bank's building program would have to await the action of congress upon the proposed regulatory legislation.

De Valera Resigns.

London.—News of Eamon De Valera's decision to resign as president of the Irish republic was received at Prime Minister Lloyd George's official residence Downing street. It was considered there as a good sign in the sense that it indicated Mr. De Valera's recognition that his cause was lost and that the supporters of the Anglo-Irish treaty would prevail. A telegram was immediately dispatched to Mr. Lloyd George at Cannes.

Newberry Fight in Final Stage.

Washington.—The senate began its final discussion of the Newberry case precipitated by the contest of Henry Ford against the seating of Senator Truman H. Newberry of Michigan, his republican opponent in the 1918 elections, and was told by Senator Spencer, republican, Missouri, chairman of the senate privileges and elections committee, that Senator Newberry himself would take the floor Monday and defend himself against the charges which involve his campaign expenditures. The subject, under a unanimous consent agreement, will remain continuously before the senate until disposed of. A vote is expected some time next week.

Byrnes Attacks Reserve Board.

Washington.—An attack was made in the house by Representative Byrnes, democrat, of South Carolina, on the federal reserve board, which he said planned to construct at a cost of \$25,000,000 an elaborate headquarters in New York city with a gymnasium, club, auditorium and other "extraneous" features.

Such a building will do more to incite bolshevism than anything else," Mr. Byrnes declared.

Another Bid Against Ford.

Washington.—Another offer for the private lease and operation of the government's nitrate and water power properties at Muscle Shoals, Ala., was received by Secretary Weeks. It was presented by Marion Butler, former United States senator, acting as attorney for Frederick E. Engstrom, president of the Newport Shipbuilding Co., of Wilmington, N. C., and was accompanied by a lengthy statement explaining the offer in detail and comparing the offer in detail with that submitted by Henry Ford.

Opie Enters Sweeping Denial.

Washington.—Sweeping denial of charges that he had shot two of his men while his command, part of the Twenty-ninth division, was in the thick of the Argonne fighting, was made before a senate investigating committee by Major H. L. Opie of Staunton, Va., and nearly a dozen men serving with his overseas.

At an all day session only one voice was lifted against Major Opie—the voice of a shell-shocked victim of war, now a patient in a Virginia hospital, for the insane.

Steamship Company Cuts Wages.

New York.—Wage reductions of 15 per cent and upwards will be put into effect immediately by the American Steamship Owners' association. Wages of officers, Mr. Marvin said, would be cut 15 per cent with higher reductions for some other classes of employees. These cuts were necessary, he added, to meet the competition with foreign vessels.

It was pointed out that there is no wage agreement now existing between the Ocean Boatmen's union and the steamship owners' association.

WORK RESUMED AT ARMS CONFERENCE

SEVERAL OF THE MOST TROUBLOUS PROBLEMS NEARLY SWEEP AWAY.

CHINESE TARIFF AGREED ON

Final Disposition of Technical Details of Naval Limitation Plans is a Question of Hours Only.

Washington.—After a five-day New Year's breathing space the arms negotiations were resumed with an impetus that swept some of the most troublesome problems of the conference almost to the point of decision. Upmost among the separate discussions which appeared to be approaching a conclusion was the controversy between the Japanese and Chinese over Shantung. It was indicated that the conversations might end, one way or the other, and that the predominant belief was that the result would be an agreement rather than a final deadlock.

A final agreement also was in sight on the question of a revised Chinese tariff. After a long argument, the tariff sub-committee came together on a proposal to increase China's tariff schedules under an international commission plan and the Far Eastern committee of the whole is expected to ratify the decision.

Among the naval experts so much progress was made with technical details of the naval limitation plan that in quarters it was declared final disposition of the subject was only a question of hours.

Preparations for scrapping ships and replacement were numbered among the day's agreement.

Miners' Families in Distress.

Washington.—West Virginia coal miners, who say their families are starving, have appealed directly to President Harding for government aid. Letters the miners have sent to the President are contradictory of the statement issued by Governor Morgan of West Virginia, that there is no starvation among the families.

Hays Has Accepted Offer.

New York.—Postmaster General Will Hays has signed a contract to become director general of the National Association of the Motion Picture Industry at a salary of \$150,000 a year, according to the New York World. The contract, which runs for three years, the newspaper says, was signed more than a week ago.

No Senate For Spraul.

Philadelphia.—Governor William C. Spraul announced that he would not resign to take the senatorship made vacant by the death of Senator Penrose.

Farm Conference January 23.

Washington.—The national agricultural conference, suggested several days ago by President Harding to consider means of relieving distress among the farmers, was called by Secretary Wallace to meet in Washington January 23.

Wage Dispute Settled.

New York.—Settlement of the wage dispute between 11 large independent paper manufacturers and their employees was announced by a board of arbitration named to pass on the companies' proposal for a 25 per cent reduction.

Tariff is Detrimental.

New Orleans.—At a special meeting of the Interstate Cottonseed Crushers' Association here, 80 per cent of the membership went on record in a resolution declaring a tariff on foreign vegetable oils to be detrimental to the best interests of the southern farmer and to the cottonseed producing industry.

American Legion Protests.

Washington.—Departmental commanders of the American Legion from every state in the union protested against the proposal of the president's personal physician, Dr. Sawyer, which would have disenrolled reserve officers of the public health service charged with the medical treatment of disabled men.

The treasury department, prior to the protest, had prepared an executive order for the signature of the President. That order is now held up and may be presented.

To Reopen Shoals Project.

Washington.—Negotiations between the government and representatives of Henry Ford for the purchase and lease of the government's nitrate and water power projects at Muscle Shoals, Ala., will be resumed January 11. J. W. Worthington, one of Mr. Ford's advisers, notified Secretary Weeks that the Detroit manufacturer would be here in person on that date to renew the discussion or would authorize his engineers to carry the negotiations forward in the event he personally could not attend.

Business Failures Increase.

New York.—Business failures in the United States during 1921 numbered 19,652 with a total indebtedness of \$627,491,883 as compared with 8,881 defaults in 1920, involving \$295,121,805, according to a report made public by R. G. Dun & Co.

The number of failures last year ranked next to the 1915 total of 22,000 and the indebtedness was the heaviest of record. Banking suspensions and personal bankruptcies were not included in the figures.



JUDGE EDWARD P. PIERCE, of the Massachusetts Supreme Court, who was accused of conspiring to obstruct the administration of justice by procuring Charles S. Hill, as master, to make a report contrary to the facts he had found while acting in a case.

FOREIGN U. S. FEDERAL BANK

SENATOR OWEN URGES ESTABLISHMENT OF BRANCH IN ENGLAND.

Should be Linked Inseparably With American System—Outlines Plan of Organization.

Washington.—The establishment of a European federal reserve bank, providing a gold-backed currency and linked inseparably with the American reserve system from which it would draw its resources and reserves, was advocated by Senator Owen, democrat, Oklahoma, as a basic move toward the restoration of stable economic conditions throughout the world.

In an extensive speech in the senate, in which he dealt comprehensively with post-war conditions, the Oklahoma senator suggested, in connection with the proposed reserve bank, the following proposals for American aid in world rehabilitation:

1. That we should postpone the final payment of the world's war debt in the United States by extending the payment over 50 years; that we should not for ten years collect any amount under the sinking fund.
2. That in arranging the payment of Europe's war debt to the United States we should extend time to Europe necessary to enable them to re-adjust their affairs and regain their productive power and that we should not for ten years demand of them the payment of interest due, but allow it to merge with the principal.
3. That we should put the interest rate at 3 per cent on Europe's debt to the United States.

Mr. Owen at the same time submitted to the senate a bill to amend the federal reserve act so that establishment of the foreign banks would be possible. He proposed that the European bank should be owned by the reserve system of the United States and that from the 12 banks here it should draw a total of \$500,000,000 in gold as a reserve.

This, he claimed, would in no way impair the reserves of resources of the American institutions, yet it would enable the foreign banks to issue \$2,500,000,000 in notes backed up by gold as well as 100 per cent commodity bills.

Many Injured in Smashup.

Cleveland, Ohio.—Between 15 and 20 persons were seriously injured, two probably fatally, and a score or more badly shaken up and bruised when the first car on a double-header of a southbound Cleveland and Akron-Canton interurban limited was derailed and went into a ditch three miles south of Bedford, near here. The accident is said to have been caused by a broken flange on the first car.

Cut From Railroad Revenues.

New York.—Freight rate reductions on farm products made voluntarily by the railroads and ordered by the interstate commerce commission, will cut down revenues throughout the country by approximately \$80,000,000. It is estimated here. The commission's order, calling for a decrease of freight rates on hay, grain, grain products and alfalfa for trans-Mississippi territory, will go into effect and will add 6.12 per cent to the 10 per cent voluntary reduction of rates.

Mrs. Mitchell Palmer Dies.

Washington.—Mrs. A. Mitchell Palmer, wife of the former attorney general of the United States, died suddenly at her home here.

Mrs. Palmer, who was Miss Roberta Bartlett Dixon, of Easton, Maryland, had been ill for some time, but her death was unexpected.

She was married in 1898 to Mr. Palmer, who was attorney general during the last two years of the second Wilson administration. She is survived, in addition to Mr. Palmer, by a daughter.

\$60,000 Worth of Candy Burned.

Atlanta, Ga.—Fire of undetermined origin practically destroyed the three-story brick candy factory of the Willey company here. Loss to the stock of the candy concern was placed at \$60,000, irrespective of damage to the building.

\$14,289,960 Tons Mined.

Fairmont.—Coal production in the northern West Virginia field was 14,289,960 tons during 1921, according to figures issued by the Northern West Virginia Coal Operators' Association.

CANNOT ATTACK MERCHANT SHIPS

U. S. PROPOSAL RESTRICTING U-BOAT WARFARE ACCEPTED BY FRANCE.

PROHIBITION ON SUBMARINES

British Acceptance Already Given; Tokio and Rome Not Expected To Fight It.

Washington.—The American proposal to prohibit the use of submarines against merchant vessels, now the predominant issue of the arms negotiations, has been accepted in principle by France, but her delegates have reserved final approval pending a discussion of the precise language of the declaration.

British acceptance previously has been given and, although neither the Italians nor the Japanese had received final instructions there were indications that neither Rome nor Tokio would interpose serious objection if the proposal received France's full approval.

The exact nature of the French reservation was not revealed, but the impression was gathered in some quarters that it might concern such a definition of the terms of the declaration as would make it clear just what conduct would be expected from merchantmen in view of their immunity from submarine attack.

Should that point be raised, an interesting and many-sided discussion might result for in several quarters there has been apparent a tendency toward the opinion that the term "merchant ship" should be strictly defined with express stipulations as to whether merchantmen are to be permitted to arm and whether it is to be permissible to disguise warships as vessels of commerce.

The French delegation, however, making known their acceptance in principle, has emphasized that they not only agree to the original proposal of Eliber Root that the new prohibition on submarine warfare become effective when all nations have agreed to it, but also to the amendment of Arthur J. Balfour which would make the prohibition immediately effective as between the five great powers.

At the same time the French have accepted the additional Root declaration under which any submarine commander violating the rules of international law would be liable to trial for an act of conspiracy.

In regard to this also acceptance still are awaited from the other foreign governments. It is possible the delegates' instructions will be sufficiently complete, however, to permit a meeting of the naval committee of the whole.

The French acceptance was communicated to Secretary Hughes by Ambassador Jusserand, while the formal proceedings of the conference were passing through another period of outward inactivity, but while developments that touched on several other important issues of the Washington negotiations were stirring behind the scenes.

German Flag Flies in New York.

New York.—Germany's flag reappeared among those of other nations which fly from the tall buildings of New York's financial and shipping districts. It was unfurled from the same flagpole, atop No. 11, Broadway, from which it was hauled down in the spring of 1917, and marked the location of the re-established consular offices of the new German republic.

For more than a week representatives of Consul General Karl Langs, temporary charge d'affaires of his government in Washington—had been preparing for a reopening of the offices.

Szecheny is Hungarian Minister.

Budapest.—Count Laszlo Szechenyi has been appointed Hungarian minister to the United States. He now is in Washington. Countess Szechenyi was formerly Gladys M. Vanderbilt, of New York.

School For Soldiers Delayed.

Washington.—Action of the proposed establishment of a vocational training university for former service men in the south, may be delayed for a week or more, it was said at the veterans' bureau.

Camp Johnston, at Jacksonville, Fla., is understood to have been given favorable consideration as a site for the proposed institution, which it is planned to put into operation in one of the former army cantonments of the south.

Fletcher To Succeed Whitlock.

Washington.—The nomination of Henry P. Fletcher, under secretary of state, to be ambassador to Belgium, was announced at the White House.

Fleet Off For Practice.

New York.—Units of the Atlantic fleet, which have their winter base at the New York navy yard, sailed for Guantanamo, Cuba, for their annual target practice maneuvers. The maneuvers this year will be limited, due to restrictions in the appropriations for fuel.

King Alfonso Not Coming.

Washington.—The Spanish embassy denied formally that King Alfonso plans a visit to the western hemisphere which, according to reports, was to have included a tour of the United States.

Canada to Mint Nickel.

Ottawa.—Canada is to have a new five-cent piece, similar to the American nickel. The old coin has been withdrawn because of its resemblance in size to a dime. Minting of the new coin will be started this week.

IRISH TREATY IS RATIFIED BY DAIL

ACTION OF THE DELEGATION AT LONDON IS APPROVED BY CLOSE VOTE.

DAY OF INTENSE EXCITEMENT

The Future Control of the Irish Republican Party Continues to be Subject of Speculation.

Dublin.—The treaty creating the Irish Free State was ratified by the Dail Eireann. By a majority of seven votes, 64 to 57, the Dail gave its approval to the document signed by its delegates at London.

Coincidentally, Eamon de Valera announced his resignation from the presidency of the Irish republic. The news was received with the greatest enthusiasm, and the patient crowds, which had waited for hours outside the university building, in anticipation of a decision, burst into cheering, even before the official figures were announced.

Ratification of the treaty came after a day of intense excitement and heated controversy. Although the result was as had been expected, the majority in favor of the agreement was greater than had been counted on almost up to the last minute.

A tense, strained silence prevailed while the vote was being taken, and a snap of relief went up from the supporters of the treaty when the result was announced. A dramatic scene ensued, when de Valera stood up and in a broken voice, which vibrated with emotion, declared that "the republic" must be carried on.

After voting, ratification of the treaty the Dail Eireann adjourned until Monday. Before adjournment was taken Eamon de Valera, having announced his resignation from the presidency, asked that the members associated with him should meet him at the Mansion House.

Michael Collins protested against the calling of such a partisan gathering, whereupon Mr. de Valera rose to insist on it, but broke down and resumed his seat amid hearty applause.

The situation at the adjournment of the Dail appeared to remain chaotic. The Dail will meet on Monday and there is no disposition revealed by de Valera and his followers to abandon the factional struggle.

The future control of the Irish republican army is the subject of anxious comment and speculation, as Charles Burgess, who strongly opposed the treaty, is the minister of defense.

So far as the public is concerned, Dublin seems delighted over ratification. Arthur Griffith and his colleagues on emerging from the parliament were wildly cheered and the city was in jubilant spirits.

Churchmen Drink Varnish.

Grand Rapids, Mich.—Ten elders of the Seventh Reformed Church here were poisoned when they drank varnish that had been poured into a communion cup in the belief that it was sacramental wine. Two of the elders were said to be in a critical condition.

The church had been repaired and in the storeroom where the sacramental wine is kept in a jug several jugs of varnish used in the re-decorating had been stored. One of the officials of the church is said to have mistaken the varnish for wine when he filled the communion cup during the church service.

Pepper to Succeed Penrose.

Philadelphia.—Appointment of Geo. Wharton Pepper, of Philadelphia, as United States senator to succeed the late Boise Penrose, is expected to come from Governor Sproul unless a last minute change is decided upon.

Three Killed in Collision.

Wichita, Kan.—Three persons were killed and one probably fatally injured as the result of an automobile collision here. A seven-month-old baby was hurled 100 feet, but was uninjured.

Forestry Congress to Meet.

Jackson, Miss.—Means of promoting the interests of the forestry in the South, taxation of timbered and cut-over lands, forest fire protection, will take the foreground at the fourth Southern Forestry Congress, to meet here February 6, 7 and 8. It was learned.

A number of well informed speakers have been asked to outline the needs for the best protection of forestry in the South. Their talks, branching from the usual technical angle, will be presented in simple and brief manner.

Prisoners Escape Through Sewer.

Frankfort, Ky.—Eight of the most desperate prisoners in the Kentucky state reformatory, including one who was serving a life term for murder, escaped from the main prison through a sewer. Seven of the men got outside the walls, but were recaptured within an hour, and the eighth was found two hours later hiding in the shirt factory.

The delivery was planned by George Miller, of Covington, Ky., serving five years for robbery.

Griffith to Head New Government.

Dublin.—It was freely predicted that Arthur Griffith, founder of the Sinn Fein and vice-president of the Irish Republic, will be the first head of the new government of the Irish Free State. His title will probably be president of the cabinet.

Griffith is known as one of the clearest writers of political pamphlets in Ireland. He spent considerable time in jail for his activities against the British in Ireland.

TO FILL CASWELL SCHOOL

Completion of New Building Gives Training School Capacity of Over 400 Patients.

DEPUTIES NAMED TO COLLECT TAX

TWO GENERAL AND NINE FIELD MEN ADDED TO STAFF; OTHERS TO BE NAMED.

Kinston.—With the completion of work on new buildings at the Caswell Training School, state institution for the feeble-minded here, the capacity of the school will be approximately 450 juveniles. It was stated by Dr. C. Banks McNairy, the superintendent. Applications on file total "between 1,000 and 2,000," Dr. McNairy said.

It is evident that the parents and guardians will send the majority of mental defectives in the state to the institution. Human interest abounds in messages being received at the rate of a score a day. The letters and telegrams are cluttering up the office of Dr. McNairy. He had expected relief for a portion of the applicants by now, but the buildings recently erected are not quite ready for occupancy, he stated. "I will notify the public as soon as we are prepared," he said.

Many "patients" have been held at Raleigh and at their homes since a series of fires at the school a year or two ago. When the new buildings have been taken over from the contractor this contingent will be given readmittance immediately. Dr. McNairy said. "Then we will take unfortunates now held in orphanages, jails and county homes. After that we will receive as many as we can care for from the regular waiting list."

Probably more than 1,000 will remain outside the school then, because after the preferred classes have been given accommodation the school will be able to take only two children from each of the counties. Dr. McNairy said. Thus only 200 not previously entered at this or any other institution will find bed and board with the commonwealth here.

Another Offer For Lease.

Washington.—Another offer for a private lease and operation of the government's nitrate and water power properties at Muscle Shoals, Ala., was received by Secretary Weeks of the war department. It was presented by Marion Butler, former United States senator from North Carolina, acting as attorney for Frederick E. Engstrom, president of the Newport Shipbuilding company, of Wilmington, N. C., and was accompanied by a lengthy statement explaining the offer in detail and comparing it with that submitted by Henry Ford, on which conference will be held next week with Secretary Weeks.

The secretary was asked to give Mr. Engstrom a hearing at his convenience for the purpose of making further explanation than was attached to the offer when it was delivered. The new proposal is the third offer received by Mr. Weeks, that of C. C. Tinkler of San Francisco, being the second. Negotiations between the Secretary and proponents of the various interests involved, it was said, would proceed independently until a final selection was made and the whole transaction submitted to congress in a report by the war secretary for its ultimate decision.

Chief provisions of Mr. Engstrom's bid, which guarantees completion of the dams and nitrate plants, the latter being remodeled to manufacture that product, according to the most approved system for commercial products of the kind, call for an expenditure of \$35,000,000 by a corporation to be formed, operation of at least one plant within a year after the property comes within his possession and covers a contract of production of 500,000 tons.

Another feature of the offer involves the sale of excess power developed and use of the profits derived in a way that is intended to reduce the selling price of fertilizer to farmers and other buyers to a rate equal or lower than that at which the Chilean product could be sold in this country. The price would be fixed by the secretary of agriculture and the government would have two directors selected to care for its interests in the possession of the corporation.

Captures Live Wildcat.

Kinston.—The largest wildcat captured in the tidewater section in several years is reported to have been trapped by J. D. Lockyear in the lower Pamlico river section. The animal, a female, weighs 30 pounds. Offers for its purchase have been made Lockyear, but he has declined them and may attempt to tame the animal. The species is regarded as the most ferocious of mammals in the eastern part of the continent.

Mysterious Explosion.

New Bern.—Residents of Pollocksville reported hearing mysterious explosions there. Four terrific blasts that were heard distinctly and which shook the foundations of buildings there were reported. Considerable excitement has followed the fruitless attempts to determine the nature of the explosions.

Guards Will Be Mustered Out.

Hickory.—The Hickory Home Guard will be mustered out of service as soon as the payroll can be signed by the various members and other details attended to, it was said. The Hickory company did patrol duty at Charlotte during the car barn riots, and this was the extent of its service to the state. The pay won't amount to much but the men must sign up or remain in the reserve militia the rest of their lives or until given a dishonorable discharge, it was declared. They will sign readily.

Dies After Drinking Acid.

Warrenton.—Leaving a note to a woman J. A. Smiley, 22 years old, died here after taking carbolic acid. Two doctors were unable to offset the effects of the poison taken early in the afternoon. Numbers of acquaintances were in the room soon after the news reached the street. Smiley worked in Rivers' cafe. He was known by many persons over the county. His death caused surprise every where for he seemed in his usual spirits and had attended an entertainment.

Biltmore Buys Waterworks.

Asheville.—The famous Biltmore Village, founded by the late George W. Vanderbilt, passed on to the Vanderbilt estate as a privately owned village and less than two years ago purchased by a realty company, experienced another step in its transformation from the most ideal privately owned village in America into a commercial proposition and municipality when the city commissioners, acting upon a petition from citizens, purchased the water, sewer and light systems serving the town.

Accused of Running Drug Joint.

Kinston.—A number of bottles alleged to be morphine and labeled "bromo-seltzer" were found by raiding officers at the home of Essie Hall, in South Kinston. The police held the woman in bond. According to the raiding officers, Leo Kornegay, a plain clothes man, had suspected the house some time. When they entered the house they found several persons apparently under the influence of some drug. The officers seized the bottles and a test of the contents revealed their nature, it was stated.

Hickory Chamber Joins in Protest.

Hickory.—The Hickory Chamber of Commerce has joined in the protest against the proposed new freight rates from Virginia cities and Secretary Van Hetrie has written a vigorous letter to the interstate commerce commission. Hickory manufacturers are always ready to help in freight rate adjustment and they are hopeful that the discriminations practiced exclusively and extensively against Hickory will be removed when the present adjustments are made.

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Frankfort, Ky.—Eight of the most desperate prisoners in the Kentucky state reformatory, including one who was serving a life term for murder, escaped from the main prison through a sewer. Seven of the men got outside the walls, but were recaptured within an hour, and the eighth was found two hours later hiding in the shirt factory.

The delivery was planned by George Miller, of Covington, Ky., serving five years for robbery.