

The Daily Advance

War Finance Corporation Was Successful Business

Check for \$199,000,000 Just Paid to Treasury Department—Possibly the Largest Check Ever Drawn in Financial History of World

By DAVID LAWRENCE
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Washington, Jan. 6.—The largest check ever drawn in the financial history of the world—at least nobody in the Treasury Department here remembers hearing of anything bigger—has just been deposited in the Government archives.

It amounts to \$499,000,000 and was paid to the Treasury by the War Finance Corporation after one of the most amazing financial operations in the history of the United States Government.

Congress had authorized \$500,000,000 to be used as capital stock for the War Finance Corporation which was to give financial support to industries necessary or contributory to the prosecution of the war.

Later on it was authorized to make advances to the extent of one billion dollars to American exporters and to American banking institutions. The authority was exercised until the corporation's activities were suspended in May, 1920, and after a considerable controversy and over the veto of President Wilson.

Altogether the corporation has made advances since its beginning of about \$690,000,000, half of which was under its war powers, and the remainder for agricultural and livestock purposes. The aggregate amount advanced, only \$23,533,000 is outstanding as loans. This means that the War Finance Corporation not only will have received back the \$500,000,000 worth of capital stock it had but will earn in addition more than \$62,000,000. This is, however, not a profit but simply the return to the Government of an amount equivalent to the interest cost. In other words if the Government could have used the same \$23,533,000 to pay off the public debt, the interest charges which the Treasury has to pay on that amount of Liberty bonds for a certain period would have been saved. Actually the entire \$500,000,000 was rarely in use at one time and in many years the amount that the Treasury has had to advance has grown smaller and smaller.

So all in all, the Government liquidates with not only every cent of capital stock assured but with a fair return on its investment. The outstanding loans are all declared to be good and more than cover the interest on the Government debt. Even the Democrats who opposed the revival of the War Finance Corporation now admit that it did a great work but some of them say the idea of Government aid to finance private enterprises in peacetime is bad in theory and never would have worked if not for the extraordinary ability of Eugene Meyer, Jr., managing director. Mr. Meyer modestly gives credit to the 300 or more bankers and leading citizens throughout the United States who acted on advisory committees and helped to pass on the local loans issued. Their services given free to the Government could not have been duplicated except at a tremendous cost for they were all busy executives whose time meant money.

Mr. Meyer himself is one of the few war-time officials who has stayed on to give his services to the Government. Being financially independent himself he is not beholden to one and is as sure-footed a financier as the Government has ever had. He is known to have the absolute confidence of the late President Harding and holds an equally confidential relation to President Coolidge.

But apart from the personnel of the corporation which is generally efficient the principle involved in the War Finance Corporation's brief career is one that will again and again be raised in cases of agricultural distress. It has proved possible for the Government to lend a helping hand to agriculture with Government funds and to get back all of it and to earn interest besides. Mr. Meyer's own statements in recent reports indicate that he does not believe however that the War Finance Corporation idea should be applied except in real emergencies. The impression prevailing now is that private institutions like the Agricultural Credit Corporation recently organized in the Northwest with capital from New York and other cities will be able to function in place of the War Finance Corporation.

The work of the corporation from now on will be one of collection and liquidation and it has been left with a capital stock of \$1,000,000 to conduct its operations. Mr. Meyer's term expires on March 14th next and it would not be surprising if he were drafted by the Government for some other great financial enterprise either in connection with the settlement of allied debts or some other special task of economic or financial importance.

HIGH SCHOOL TO ISSUE OWN PAPER

First Number Due to Appear Next Week and Enthusiastic Support of Student Body Looked For.

The plan to give Elizabeth City High School a newspaper of its own is now an accomplished fact, and the first issue will be off the press the latter part of next week. While primarily a project of the senior class in English, just beginning the study of journalism, the paper is expected to represent the student body as a whole, and the enthusiastic support and co-operation of all classes is looked for.

Only five members of the executive staff have been selected so far; others will be chosen on the basis of meritorious work in English and their names published later. Elizabeth Thompson is editor-in-chief; William Perry business manager; Eunice Richardson, managing editor; Catherine Hathaway and Herman Sawyer, associate editors.

The financial end of the project, ordinarily the chief obstacle in the way of a high school newspaper, seems practically assured, since nothing elaborate or expensive is planned. A four page paper carrying four columns to the page and coming out twice a month will not involve a very heavy outlay of funds. Business Manager Perry having just landed a contract for a quarter page ad for the ten issues, is very optimistic and expects to have no difficulty in disposing of the rest of his space to the business men and firms of the town who have always shown great readiness to support the school in worthwhile undertakings of this sort. The subscription rate will be so low as to put the paper within the reach of every pupil, and a large circulation seems certain.

SEEK TO IDENTIFY UNKNOWN LANGUAGE

Norfolk Stranger Will Speak Over Radio Tonight to See if Any Can Interpret It

Norfolk, Jan. 7.—The radio tomorrow night will be put to an unusual test. It will be attempted to identify an unknown language and the man who speaks it. A man found here several months ago who spoke a language that none have been able to interpret will broadcast to see if some ear will recognize it.

ANOTHER STRIKER SHOT AND KILLED

Seranton, Pa., Jan. 7.—Steve Frely was shot and killed while standing with a group of men in front of a store in Old Forge, near here, early today. Police have arrested Michael Zoha in connection with the shooting. Frely was one of 11 striking employes of the Pennsylvania Coal Company and was the second striker to be slain within 24 hours.

FACTORY DISMANTLED WHEN WORKERS REFUSE WAGE CUT

Lynn, Mass., Jan. 7.—(Special)—After much dickering the John R. Monson Company has finally decided to dismantle its shoe factory here and move to Salem, since the Sitchers Union has refused to consider a wage cut. The company employs 500 workers and turning out 5,000 pairs of shoes a day.

GASTONIA BE HOST TO JUNIOR ORDER MASONS

Gastonia, January 7.—Plans are now underway for Gastonia to be host to the first state meet of the Order of DeMolay, Junior Masonic order throughout the entire world, in the early part of March next. Officials of the local lodges of the senior Masons and the Junior Masons are making efforts to have the state meet held here, and hope to have a large attendance from throughout North Carolina. The Gastonia lodge of the Order of DeMolay was organized on January 10, 1924. It now has 70 members. It was stated, it is understood that the Charlotte lodge will assist the Gastonia lodge in getting the state meet which would be for two or three days, according to present plans.

SAM Y. BRYSON TO LEAVE STATE

And Former Mayor of Hendersonville Agrees to Pay Costs of Alienation Suit

Hendersonville, Jan. 7.—Under the terms of agreement reached by opposing counsel today, Sam Y. Bryson, former mayor here agrees to leave North Carolina for a two year period and to pay all court costs and attorney fees in the alienation suit for \$50,000 brought by B. L. Brooks, a local barber.

SAVING ASSEMBLY MORALLY BOUND COMPLETE PROGRAM

Asheville, Jan. 7.—The Gentlemen's agreement entered into during 1921 by the General Assembly for the allotment of \$20,000,000 to the various charitable and educational institutions over the state during a six year period should be fulfilled, was the opinion expressed by Secretary of State W. N. Everette, president of the Alumni Association of the University of North Carolina, in speaking before the Buncombe County Alumni Association of the University at its annual banquet here.

The Secretary declared that the General Assembly was "morally bound to complete the six year building program for charitable and educational institutions." He added that each institution should be given its originally allotted amount.

Creecy Will Case Continued To June

The Creecy will case, in which the validity of the will of the late Miss Hennie P. Creecy, daughter of Colonel R. B. Creecy, senator of North Carolina journalism a generation ago, is being attacked, scheduled for trial Wednesday of this week, was continued by consent Wednesday morning to the June term of Superior Court in Pasquotank County. Under the will Miss Creecy's entire estate, valued at \$25,000 is left to her sister, Mrs. F. F. Coburn. The caveators are a number of Mrs. Coburn's brothers and sisters, of whom the only one appearing in court in the first trial, last September, when the jury failed to agree, is Prof. R. B. Creecy of this city.

SAYS OCCUPATION VIOLATES TREATY

Paris, Jan. 7.—The German note in reply to the Allied communication on continued occupation of the Cologne area was received in Paris today. It declares that the action of the Allies is a reprisal and violates clauses of the Versailles Treaty. French official circles regard the communication merely as a note of protest which does not call for a response.

Stork Fluttering Over Chaplin Home

Los Angeles, Jan. 7.—The stork is fluttering about the home of Mr. and Mrs. Charles Chaplin, the Los Angeles Times said this morning, quoting as its authority Mrs. Chaplin who, until her marriage to the film comedian in Mexico last November, was Lita Grey, his 16 year old leading woman. "I want a girl," said Mrs. Chaplin, when the relative desirability of boy and girl babies was brought up, "and so does Charlie, though of course we'd be satisfied either way. I think the time will be this summer."

Fought Back



James Webb, who was saved from the jaws by a governor's pardon 12 minutes before he was to die, has fought down the stigma of a death sentence and has become a good citizen of Seattle. Fifteen years ago at Portland, Ore., he was sentenced to be hanged for killing a man, despite his plea of self-defense. Just as the death march started, his pardon came.

If They'd Only Stayed on the Farm! FEW CHANGES IN CITY'S CHARTER



Dale Rowan, 23, who deserted the farm to make his mark in a big city years for the country life again. But it probably will be some time before he can return to it. He is under arrest in San Francisco charged with absconding with nearly \$50,000 from the bank where he was employed. He and Georgina Brown were taken into custody when they dropped in from Utah for a little visit. The girl, seen here with him, says she'll stick to Rowan to the end—and they'll spend their after-prison days back on the farm.

At least City's Governing Body Recommended Only Minor Changes in Special Session Wednesday.

Few changes in Elizabeth City's charter were recommended by the City Council in a special session held Wednesday morning. The Council will be permitted to amend the charter of the City Attorney if the new amendment of the Council goes into law. The maximum salary allowed the City Attorney under the present charter is \$25 per month. The proposed change is to increase it to \$59 a month. Members of the Council indicated that they favored raising the City Attorney's salary to \$25 a month as the proposed salary for the City Attorney. The City Attorney, Leitch had done enough work in the past three months to entitle him to a year's salary, was the opinion of several councilmen. A slight change is recommended by the Council with reference to the payment of city taxes. The Council previously allowed those who paid their taxes before December 1st to be taken off, if the recommendation of the Council is favorably acted upon and a penalty of one per cent is to be added if the taxes are not paid by February 1. With the passing of each month an additional tax of one per cent will be added.

HUGE POWER PLANT WILL BE FINANCED

Project Second Only to Muscle Shoals and Niagara to be Constructed in Maryland

Philadelphia, Jan. 7.—(Special)—A power project second only in size to those at Niagara and Muscle Shoals will be financed through a subsidiary by the Philadelphia Electric Company, which supplies electric power to this city. The Federal Power Commission has authorized the Susquehanna Telephone Company of Belaire, Md., and the Susquehanna Water Power Company of Harrisburg to construct a great dam and power plant at Conowingo, Md., on the Susquehanna. The primary capacity of this plant will be 280,000 horsepower and its ultimate capacity 480,000. The dam, power plant, and lines, and stations for distribution will cost \$52,000,000 and the current will be sold to the Philadelphia Electric Company. Demand for current will be greatly increased by extension of the Philadelphia Rapid Transit Company and the Pennsylvania railway electric lines and probably by electrification of the suburban service of the Reading railroad.

WORLD COURT ISSUE UP NEXT WEDNESDAY

Washington, Jan. 7.—President Coolidge's proposal for American adherence to the World Court will be taken up next Wednesday by the Senate Foreign Relations Committee.

GEORGE W. NORTON TO SUCCEED HIS FATHER

Nashville, Tenn., Jan. 7.—George W. Norton, Jr., of Louisville, less than 25 years old, has been elected treasurer of the Southern Baptist Convention to fill the vacancy caused by the death of his father.

DIAL YIELDS AFTER A TONGUE LASHING

Washington, Jan. 7.—After a tongue lashing by leaders of his party in the Senate, Senator Dial of South Carolina withdrew from the Senate record his speech on the Democratic party's defeat last November.

ASK COOLIDGE OF GUN ELEVATION PROTESTS

Washington, Jan. 7.—President Coolidge was asked by the Senate today what protests had been made by foreign governments against the elevation of guns on American battleships.

DR. I. PEARING CORONER

Dr. I. Peering was named County Coroner at the January meeting of the Board of County Commissioners. Dr. T. S. McMullan was duly elected to this office at the December meeting of the Board, but failed to qualify.

NO PRAYER MEETING AT CANN MEMORIAL TONIGHT

There will be no service at Cann Memorial Church tonight on account of repairs on the furnace, which prevents the heating of the house.

SAY NAVY NOT BELOW STIPULATED RATIO

Washington, Jan. 7.—After examining Secretary Wilbur and other high officials of the Navy department, the Senate Navy Appropriations committee concurred in the view today that "the country need not be alarmed" about reports that the American Navy had fallen below the 6-3-3 ratio.

SHUINE MEETS TONIGHT

There will be an important meeting of the Elizabeth City Club in their club rooms on Wednesday evening at eight o'clock. As there are some very important matters to be brought before the club at this meeting, the presence of members is urgently requested.

COTTON REPORT

New York, Jan. 7.—Spot cotton closed quiet this afternoon, declining 25 points, Middling 23.95, Futures closed at the following levels: January 23.45; March 23.75; May 24.05; July 24.25; October 23.75.

Financial Program Must Await Report On Budget

And as Budget Commission Is Not Expected to Bring in Its Report Until February Most Important Work of the Legislature Can Not be Begun

Raleigh, Jan. 7.—Pending the reports of the budget commission and its complementary body, the State Board of Assessments, the North Carolina General Assembly, which convened today at noon in regular session, will be forced to defer action on its principal task that of framing the State's financial program. It is understood now on authority of the budget commission that that body's report will not be forthcoming until the early part of February, probably the second week. The commission is delaying final draft of its report until some of the departments and institutions can submit drafts of their individual budgets, in which their requests for appropriations for the next two years are based. These budgets are due the latter part of this month, when the budget commission will reconsider them in final session. The budget commission's report will be in the nature of a recommendation to the General Assembly for appropriations within the board of assessments will have to frame a bill providing for revenues. It is admitted on all sides that an increase in taxes will be necessary unless the requests for appropriations are drastically cut. But to maintain the State departments and institutions on their present basis, not allowing even for any expansion, cutting will reach its limit. To meet the situation, Revenue Commissioner R. A. Doughton has already indicated that he thinks it will be necessary to increase taxes. He recently declared he thought the State should raise approximately \$11,000,000 of revenue annually in lieu of the present amount of approximately \$8,000,000. To provide for this increase and offset an imminent tax loss this year, estimated at \$500,000 and due to the poor year with cotton manufacturers, the commissioner suggested that the brunt of it be placed on income taxes. He favored increasing these by from 2-1/2 to 5 per cent. He also favored an increase of about 50 per cent in inheritance, license and privilege taxes, and an increase of about 100 per cent in taxes on tobacco manufacturers and certain professions. The board of assessments may present its bill before the budget commission reports, but final action will hardly be taken on establishing taxes until it is definitely known what is being asked. The measure probably will be held up some time in committee. The various departments and institutions asked for very large appropriations in their first budgets submitted to the budget commission, some requests being several times that which was granted two years ago. The first requests for maintenance for the two-year period approximated \$23,000,000. In the way of appropriations for permanent improvements, the institutions asked for \$17,000,000, a sum as great as the total of all that has been granted for the past four years. This is a very considerable slashing by the budget commission or the Legislature unless the institutions and departments do some downward revising of their own accord, is regarded as certain in view of what is regarded as "a conservative General Assembly," as the present body has been termed. The greatest interest at the opening of this session of the Legislature centered in the organization. Edgar W. Pharr of Charlotte is slated for speaker of the House. He was nominated at a caucus of the Democratic members last night, and his election, very probably today will be a matter of confirmation. J. Elmer Long, vice president of the Senate, will be president of North Carolina and W. H. Burgwyn of Northampton was unanimously nominated by the caucus last night as president pro tempore, though a fight on his nomination had been predicted. Both Lieutenant Governor-elect Long and Representative Pharr have committed themselves to early announcements of their committees and chairmen. Although the solons will have to delay action on their most important work, they will have enough to keep them busy for some weeks. Numerous reports will be before them demanding action and indications are that there will be considered the usual host of minor bills, and a number of old questions will be reconsidered. Among the reports to be received and acted upon are those of the Prison Commission, the Regulation Commission, State Constabulary Commission, North Carolina National Park Commission, Educational Finance Commission, and the State Board of Assessments. Two of these commissions, those dealing with a State constabulary and farm tenancy, will recommend establishment of new de-

SHOOTING AFFAIR AT WISCONSIN COLLEGE

Madison, Wisconsin, Jan. 7.—An unidentified student is dead and Miss Laura Palmer, chaperone in the receiving house at the Wisconsin College, is in serious condition as a result of a shooting affair early today. Miss Palmer was shot through the arm and through the abdomen. The body of the man was found on his floor with a bullet wound in his temple.

Pharr and Burgwyn at Today's Session

Raleigh, Jan. 7.—Edgar Pharr, of Mecklenburg County, nominated last night in Democratic caucus for speaker of the House, and W. H. Burgwyn of Northampton, unanimously nominated president pro tem of the Senate, will probably be elected during the opening session of the General Assembly which convened in biennial session today. Governor Morrison, who was expected to deliver a farewell message to the Assembly, today announced that he had no message and would leave the task of recommending legislation to his successor, Angus Wilton McLean, who takes office on January 14.

partments or sub-departments. In view of the agitation for economy in government, it is expected that these measures will meet with opposition.

An effort is expected to be made to bring about enactment of a State-wide Australian ballot bill. This system of voting already exists in 15 of the 100 counties by virtue of their own selection with legislative approval. Little or no legislation is expected to result from the report of the Prison Investigation Commission. It is understood that the commission has found that there is no need for any drastic change in the State's penal system. However, the commission will recommend that city and county jails and camps be placed under State supervision.

The Citizens' Committee of 100, which meets here January 12 to 16, is expected to launch a program of prison reform measures calling for a State Farm colony for women offenders, State control of all prisoners, abolition of leasing prisoners by either county or State, establishment of an advisory board of parole, and compulsory education for the inmates of the State Prison.

The North Carolina Anti-Saloon League has indicated that it will ask an amendment to the Tullington Act, placing the burden upon the possessor to prove that liquor in his possession was lawfully acquired. Among the measures expected to be re-introduced is the one for abolition of the foreign stock exemption law. This was brought forth at the special session last summer, but without success. Proponents of abolition of foreign stock exemption are expected to argue that this will help a long way towards meeting the State's increasing demands for revenue.

In connection with raising more revenue there also is a possibility of a bill providing a sales tax on certain luxuries. The North Carolina Merchants' Association, it is reported, will fight this measure, with a fund of \$5,000.

The Merchants' Association also has announced that it will attempt again to secure passage of a bill designed to thwart the bad check passer. However, the association will not foster the garnishment measure it did at the last regular session.

As to a new highway appropriation, it is yet uncertain just what sum will be asked. In some quarters there is favor for \$35,000,000 a sum which would complete the \$160,000,000 program. In others it is thought that \$20,000,000 is sufficient or all that the State can bear. In any case, the burden will be placed on the gasoline tax.

Governor Morrison is expected to deliver his address to the solons the latter part of this week. He has announced that it will be short and will not include any recommendations. He has said that he will leave all suggestions to the incoming executive, Angus Wilton McLean's inauguration will take place January 14, just a week after convening of the General Assembly.

The clerical organization of the General Assembly already is assuming form, centered around Alex Laster, chief clerk of the House of Representatives, and Frank Hackett, chief clerk of the Senate. There will be some minor changes, but most of the old principals are expected to be re-appointed and reaffirmed.