

Attempt to Limit Subs Falls Flat

France Insists on Allowance of 90,000 Tons of Undersea Boats and 330,000 Tons Auxiliary Craft.

Clash Enlivens Session

By ARTHUR SEARS HENNING. Chicago Tribune—Omaha Bee Leased Wire.

Washington, Dec. 28.—The effort to reduce and limit submarine and auxiliary naval tonnage met with complete failure today in a session of the conference committee on armament. The session was marked by sensational interchanges between Mr. Balfour and M. Sarraut, concerning the naval preparations of Great Britain and France and the possibility of war between the two nations.

France insisted on an allowance of 90,000 tons of submarines, an amount equal to the maximum Mr. Hughes, originally proposed for the United States and Great Britain and three times the present French tonnage, and asked for 330,000 tons of auxiliary craft.

Mr. Balfour, in polite but grim terms, immediately charged that the French contemplated using submarines illegitimately against commerce, pronounced the French naval building plan a menace to Great Britain and declared that under the circumstances England could agree to no limit on the construction of cruisers, destroyers and other anti-submarine craft.

Sarraut Denies Charges. M. Sarraut denied that submarines were to be used illegitimately, protested that a large submarine tonnage was needed to protect France and its colonies and expressed surprise that French defense plans should arouse British fears of aggression with Britain allowed a capital ship tonnage greater than that of France and Italy combined.

Mr. Balfour retorted with the assertion that in the event of war between Great Britain and France, England, having no large army, could not strike at the heart of France, but France, employing a great navy of submarines against commerce, could destroy the "very existence" of Britain.

In only slightly veiled language Mr. Balfour accused France of militaristic designs, made manifest by its naval building program and "the refusal of the French delegation to discuss land armaments."

The clash between the envoys of the two governments in the conference committee accentuated the discord between London and Paris that has been developing for some time and bred predictions in some quarters that England and France soon will be found building navies against each other as England and Germany were before the war.

Agreement Impossible. Mr. Hughes reminded the French delegation that expansion of armament was not under consideration and announced with regret that an agreement on the reduction and limitation of submarine and auxiliary tonnage appeared impossible.

At a subsequent meeting of the conference committee, Mr. Hughes countered forcefully with a proposal that the employment of submarines against merchant ships should be absolutely prohibited and violations of that prohibition be treated as violations of the law of nations.

Bandits Loot Express Car, Shoot Messenger

Kansas City, Mo., Dec. 28.—Police here today were searching for two bandits who held up the express messenger of Missouri Pacific train No. 209, Joplin to Kansas City, and looted the safe in the express car of an unannounced sum last night.

H. Holland, the express messenger, was shot in the leg. The bandits boarded the train at Pleasant Hill, Mo., and got off at Sheffield, a suburb of Kansas City. Holland was shot when he reached for his revolver at the men entering the express car.

First Action in Series of Oil Land Suits Filed

Shreveport, La., Dec. 28.—The first of a dozen actions to be filed against major oil companies operating in the Homer field, in which claims aggregating approximately \$30,000,000 and decrees confirming ownership of hundreds of acres of the most valuable oil land in the field are the issues involved, has been filed by counsel for the Consolidated Progressive Oil corporation.

This action is directed against the Standard Oil company and seeks a judgment for \$9,000,000 and confirmation of title to land in the heart of the discovery section and one of the richest tracts in the entire producing area. The other suits are in course of preparation and will be filed immediately on completion.

Prize Fighter Arrested On Charge of Robbery

Beatrice, Neb., Dec. 28.—(Special Telegram.)—Monty Wisdom, prize fighter, wanted here on a charge of robbing Davidson's dairy of \$200 a few weeks ago, was arrested at Kansas City, under orders from Sheriff Emery of this city and will be brought here for trial.

Charles E. Black Installed As Postmaster of Omaha

Ceremony Marked by Graceful Speeches—Silver Service Given Retiring Chief By Postal Employees.

With graceful speeches on both sides, Herbert S. Daniel retired from the acting postmastership last evening at 5, and Charles E. Black, republican appointee, took over the postoffice. The ceremony took place in the presence of 200 postal employees and friends in the north courtroom of the federal building.

Daniel introduced Black to the postal employees as "the most popular business man in Omaha and the one destined to be the most popular postmaster."

Will Try to Equal Record. Black responded with the sentiment that Daniel's record was one it would be hard to match.

"But with your help, I'm going to try to equal and maybe beat his record," the new postmaster declared.

E. L. Hoag, assistant superintendent of mails, then presented to Mr. and Mrs. Daniel a costly silver service—a token of esteem from the 675 employees serving with him in the past year and a half.

James I. Woodard, assistant postmaster and for 30 years in the local service, presided and voiced the employees' tribute to the retiring official.

"You have endeared yourself to us all and the handling of the Christmas mail alone—the heaviest in the history of the local office—is evidence of your efficiency," he said.

Compliments Loyal Employees. Daniel replied that the reputation for efficiency was due to the loyal employees and declared his term of office to be the most interesting period of his career.

After the speeches, the employees shook hands with both retiring and incoming postmasters. Mrs. Black, Mrs. Daniel and Mr. Daniel's mother and sister, Mrs. John Lionberger also were present.

Associated retailers will send a committee to greet Postmaster Black at 10 this morning, after he has taken the oath of office. Many floral tributes were sent to his office yesterday.



C. E. Black



Herbert S. Daniel.

Co-Operative Head Wins Victory In Bankruptcy Suit

Appeal Court Holds Judge Exceeded Authority in Connection With Receivership Of Chicago Society.

Chicago, Dec. 28.—Harrison Parker, head of the Co-operative Society of America, today won two of three points in the United States court appeals which decided legal points involving bankruptcy proceedings against the society.

One of the principal points brought out in the appellate court's decision was that the society is a corporation and that Parker could not be appointed receiver of the bankruptcy proceedings as trustee. The court of appeals ruled that District Judge Evans had no right to place receivership proceedings in the hands of a master in chancery before he had passed upon the fundamental legal points involving bankruptcy proceedings against a common law trust.

The appellate court also held that the petitioners in bankruptcy had failed so far to show fraud. The contention lost by Parker was that no court had the right to hear bankruptcy proceedings in common law trust. The decision was that courts had this right under certain circumstances.

Judge Evans is directed to certify the order of reference and to sustain the defendants' motion to dismiss the complaint. The district court is given permission to fix the time and terms of filing an amended complaint.

Upon the district court's decision depends the continuance of the investigation conducted by attorneys representing the Central Trust Company of Illinois, receiver. A week ago a preliminary receiver's report asserted that the co-operative society had a bank balance of \$16 and that its assets had been transferred to various interlocking enterprises, chiefly the Great Western Securities company, of which Mrs. Edith S. Parker, Harrison Parker's wife, is the controlling factor, according to the report.

The original petition in bankruptcy was filed August 3 by William Hartman, Sarah Smith and Alexander C. Friedman. The appellate court's decision was on the petition of Parker and his cotrustees, N. A. Hawkins and John Coe, to review the order entered by Judge Evans relative to chancery proceedings.

Khabarovsk Captured by "White" Russian Troops

Washington, Dec. 28.—Military forces of the "white" Russian government of Vladivostok have taken Khabarovsk, according to dispatches received at the State department today. The dispatches, which came by way of Tokyo, stated that troops of the Chita government who had been holding Khabarovsk evacuated the town on December 22.

Zita to Be Present When Son Undergoes Operation

Berne, Dec. 28.—(By A. P.)—Former Empress Zita of Austria-Hungary is expected to arrive in Switzerland about January 8 from the Island of Madeira, where she and former Emperor Charles are exiled. Zita is going to Zurich under special permission of the allies to be present when an operation is performed on her son, Robert.

Forty Arrested In Liquor Raids At Rock Springs

Federal Agents Swoop Down On District Described as "Wettest Spot in Western America."

Rock Springs, Wyo., Dec. 28.—What federal agents declare is the biggest prohibition raid ever undertaken in Wyoming is going on today in Rock Springs, Green River and Superior. Up to noon 40 persons had been arrested in Rock Springs and hundreds of gallons of illicit liquor confiscated.

The district is described by prohibition agents as the wettest spot in western America.

The raiders, led by State Prohibition Director Carl Jackson and 40 deputies, arrived here in a special car and immediately started out in couples. It was but a few minutes before they began returning to the car with prisoners and confiscated liquor. As fast as the liquor was seized it was tested by F. D. Strubling, laboratory chemist of Denver in a complete laboratory testing outfit with which the special car was equipped.

Fifteen deputy United States marshals are working in Superior, while five officers are in Green River, according to the director.

Open defiance of the federal prohibition laws discovered after an investigation of weeks, is given as the cause of the concerted effort to round up the violators by Commissioner Jackson.

As fast as the alleged violators are arrested, they are being taken before United States Commissioner L. H. Brown for arraignment. Those unable to furnish bond are being held to take back to Cheyenne.

Three thousand gallons of liquor in one place, 30 barrels of wine and bonded liquors, in addition to an entire wagonload of moonshine, are said to have been confiscated by the raiding party shortly after its arrival here.

A special car is being chartered to carry the evidence back to Cheyenne.

TWO YEARS of masculine attention had left domestic matters at the ranch crudely awry. Lanham decided to go east and bring back a woman.

Reading Sign

By Kenneth B. Clarke



A BLUE RIBBON Story in Next Sunday's Bee

Mrs. McCormick Granted Divorce In Chicago

Only Daughter of Rockefeller—President of Harvester Company Deserted Her.

Chicago, Dec. 28.—Mrs. Edith R. McCormick, daughter of John D. Rockefeller, Sr., was granted a divorce from Harold F. McCormick, president of the International Harvester company, in superior court today.

No provision for alimony was included in the divorce decree, which was signed in court by Judge Charles A. McDonald after Mrs. McCormick had filed suit charging desertion against Mr. McCormick, whose attorneys filed an answer admitting the charge.

Agreement Reached. While no announcement of any settlement was made in court an agreement has been reached between Mr. and Mrs. McCormick on a division of property, according to Clarence Darrow, one of the counsel for Mr. McCormick.

Mrs. McCormick appeared in open court with her lawyer and two witnesses. Mr. McCormick was not present, although his three lawyers were there. Otherwise the court room was deserted.

According to Mrs. McCormick's testimony, the McCormicks were married in 1895 and lived together until 1918, when, she alleges, that Mr. McCormick deserted her while they were staying in Zurich, Switzerland.

Deserted in 1918. "I have lived in Chicago since 1897," Mrs. McCormick testified. "In November 26, 1895, I was married to Harold F. McCormick and lived with him continuously until May 27, 1918."

"At that time we were in Zurich, Switzerland, when he left me."

Questioned by her counsel, Mrs. McCormick said Mr. McCormick had not contributed to her support since the date he is alleged to have left her.

"Did he give you any reason for leaving?" Mr. Cutting asked. "He did not, and there was none," Mrs. McCormick answered.

She returned to this country a few weeks ago after spending eight years in Switzerland. Upon her return, she took up her residence in the McCormick town house, while Mr. McCormick moved to his estate at Lake Forest.

Iowa Woman Arrested As Automobile Thief

Chicago, Dec. 28.—Miss Kathleen Bates, 31, of Clinton, Ia., was to be released today on charges of stealing Liberty bonds and an automobile. She was arrested yesterday and bonds fixed at \$5,000 by United States Commissioner Mason. She is said to have driven the automobile for \$30 after selling it here.

A twenty-five bandit Miss Bates, who conducts a bond brokerage business in Clinton, persuaded Miss Pearl Boyd of Green River, Wyo., to turn over to her two registered Liberty bonds. It is alleged she had her own name substituted for that of Miss Boyd.

25 Bandits Hold Up Kentucky Distillery

Louisville, Ky., Dec. 28.—(By A. P.)—Twenty-five bandits swooped down upon the Blue Ribbon distillery at Eminence, Ky., early today, locked five guards in the office of the plant and stole 325 cases of bottled-in-bond whisky, according to a report to Louisville police.

The report said all of the robbers were masked and heavily armed. Automobile trucks were used to haul the liquor away.

Soon after the bandits departed, the five guards, who were bound with ropes, released themselves and notified the authorities.

The whisky was valued at \$30,000.

Women Observe Birthday Of Ex-President Wilson

New York, Dec. 28.—Fifty women from various cities observed the 65th birthday of Woodrow Wilson at a luncheon today. They were addressed by Frank L. Polk, former under secretary of state; Henry Morgenthau, one-time ambassador to Turkey; and Miss Virginia Potter.

Mrs. William G. McKee, daughter of the former president, was an honorary guest.

The campaign to raise \$1,000,000 for awards of the Woodrow Wilson foundation "for meritorious service to democracy, public welfare, liberal thought or peace through justice," was discussed. It was decided to start after contributions January 26.

Son of Cotner Professor Held as Bandit Suspect

Lincoln, Dec. 28.—(Special Telegram.)—To make good three worthless checks he had written, Carl Duncan, 16, son of Professor James F. Duncan of Cotner university, engineered a holdup of John Hansen here last night. The police say Carl confessed today. With Duncan, they say, was Donald Parker, 18, who they say, Carl admitted inducing against his will to take part. The boys got no valuables. They are being held pending a complaint.

She Needs the Same Remedy



German Flag to Fly in America In Near Future

Envoys to United States Arrive—Consulate at New York City to Open January 3.

New York, Dec. 28.—Germany's diplomatic and consular forces today pressed their preparations for language are being taken to the districts of Russia has been made to the all-Russian soviet congress by Delegate Ovesinko of Danara, according to a dispatch to the official Rosta News agency, dated Moscow.

At Rantikovskoye the parish people are eating the bodies of their dead," he told the congress. "It is dangerous to bury the famine victims in the presence of the people and guards must be kept over them until they are in a state that makes eating impossible."

He said that Dr. Nansen, high commissioner of the international committee of Russian relief, even though a hardened explorer, returned to Moscow sickened by the scenes he witnessed. The speaker said that children are being taken to the steeps and left there to die; that mothers, maddened by their experiences, cut the throats of their babies.

At the beginning of January, he continued, the soviets, with all their outside aid, will be able to feed only half the starving children and only one-twentieth of the adults. The rest of the people would have to die while waiting for help.

Women Meet to Celebrate Woodrow Wilson's Birthday

New York, Dec. 28.—Women from all over the United States were here today to attend a luncheon commemorating the birthday of Woodrow Wilson. At the same time they were to celebrate the first anniversary of the plan to honor the former president through a permanent foundation.

Plans for raising at least \$1,000,000 as a fund to endow periodic awards for "meritorious service to democracy, public welfare, liberal thought or peace through justice," were announced to be making progress.

The campaign for this fund will begin on January 16, the period between noon and 1 o'clock p. m. that day being designated as "Wilson hour."

Texas Legion Protests Release of Eugene Debs

Dallas, Dec. 28.—Disapproval of the release of Eugene V. Debs was expressed in a statement by Wayne Davis of Goliad, Tex., departmental commander of the Texas American Legion, today.

The announcement read: "The American Legion of Texas feels the recent release of Eugene V. Debs, after serving a small portion of his 10-year sentence in federal prison following his conviction on charges of obstructing the draft, is an insult to those who died as well as those who wore the uniform during the war, regardless of the fact that his release was camouflaged with sentiments of mercy as well as hedged about with political reasons."

Harding to Abandon Trip To South, Is Indication

Washington, Dec. 28.—While there was no official statement, indications at the White House today were that President Harding had abandoned his tentative plan to spend a portion of the holidays at Pinehurst, N. C.

Cannibalism Rife In Famine Areas

Starving Russians Reported to Be Eating Bodies of Dead—Children Killed.

Riga, Dec. 28.—The first official report of cannibalism in the famine districts of Russia has been made to the all-Russian soviet congress by Delegate Ovesinko of Danara, according to a dispatch to the official Rosta News agency, dated Moscow.

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Publishers Are Attacked During Tariff Hearing

Paper Manufacturer Charges Congress Yielded to Agents of Papers—Connecticut Publisher Replies.

Washington, Dec. 28.—Senate tariff hearings were enlivened today by an attack on American newspaper publishers by Col. William E. Haskell of New York, vice president of the International Paper company, and a counter attack on the news print paper manufacturers by William J. Pope, publisher of the Waterbury (Conn.) Republican, speaking for small publishers who, he said, organized a buying corporation because many of them were "unable, single-handed, to assist themselves in an endeavor to obtain fair priced news print."

Urging tariff protection for his industry against European competition, Colonel Haskell said congress had gradually yielded to the clamors of the paid agents of the publishers "until finally all tariff on news print had been removed and the industry abandoned to drift in the ebb and flow of the international competitive tide."

Asserting news print was the only product of the paper making industry which has been deprived of all protection and bedeviled by inspired federal regulation and interference, the witness said that the reason for "the invidious treatment this branch of the industry has suffered is obvious."

Says Publishers Weak. Mr. Pope said that the question before congress in determining as to the retention of news print paper on the free list was whether the publishers should again have imposed on them such a condition as was reported last year that certain manufacturers had taken advantage of a news print shortage "to exploit the purchasers" and "hold them up for excessive, unreasonable and wholly unfair prices."

Publishers who, as a class, largely dominated public opinion affecting business policies through direct appeal to readers, he added, "have been violently weak when fighting for a fair price news print."

He declared that not less than three occasions in 10 years, prices had "soared to undreamed of heights," and that nothing, including the federal trade commission, congressional and court action had "staved the demands imposed by certain of those who control the supply of news print."

Colonel Haskell suggested no definite rate of duty for news print. (Turn to Page Two, Column Eight.)

The Weather

Forecast. Iowa—Fair Thursday and probably Friday; colder Thursday; rising temperature Friday. Nebraska—Fair Thursday and Friday; rising temperature Friday.

Hourly Temperatures table with columns for time and temperature.

Highest Wednesday table with columns for location and temperature.

Two Flyers Killed

Aracadia, Fla., Dec. 28.—Lester Samuel H. Davis and William C. Sinclair were killed and their bodies buried when their airplane crashed five miles from here today. They were stationed at Carlstrom field.

Telephone Finances Are Probed

Representatives of 70,000 Subscribers Seek to Trace \$14,000,000 Taken From Earnings for Depreciation.

Statisticians on Stand

London, Dec. 28.—(Special Telegram.)—What has become of \$14,000,000 taken out of earnings of the Northwestern Bell Telephone company and charged to depreciation? Twenty representatives of 70,000 subscribers of the Northwestern Bell Telephone company spent the entire afternoon endeavoring to locate the whereabouts of that sum at the hearing on the application of the company for an increase in rates, which on exchanges alone would net \$138,000 a year in excess of present revenue.

The hearing was held in the senate chamber because the ordinary hearing room of the state railway commission would not accommodate the crowd of protesters.

The commission refused to comply with a request of the protesters to refuse the application of the company to continue the 10 per cent war-time surcharge until a final decision is reached on the application for permanent rates, which, it was admitted, is an increase over the surcharge now being imposed. The commission ruled that on the showing of the company at this time a decision would be reached on the application for permanent rates, which, it was admitted, is an increase over the surcharge now being imposed. The commission ruled that on the showing of the company at this time a decision would be reached on the application for permanent rates, which, it was admitted, is an increase over the surcharge now being imposed.

Show Plant Earnings. Statisticians on the stand this afternoon presented a report of the plant value and earnings for November of this year. This table showed that before dividends on the plant investment of the month were made public, \$64,893,98 was lopped off to charge against depreciation. This sum, it was explained, was only Nebraska's share of the regular monthly depreciation of the entire company, which encompasses Minnesota, North and South Dakota, Iowa and Nebraska.

Pressed as to the total of depreciation fund on the books at this time, the statistician said it would aggregate \$14,000,000.

"What is this depreciation?" the statistician was asked. "It represents the consumption of our property in giving service," was the reply.

Money Not Spent. "Now is all of this money spent?" he was asked. "No." "Where is that which is not spent?" "Invested in bonds and securities, no doubt."

"Does the revenue from Nebraska's share of these bonds show on your table before us?" "No, the table here is just the actual earnings of the physical plant."

Quote Parent Company. Protesters pointed to prospectuses of the American Telephone and Telegraph company, admitted to be the parent company of the Northwestern Bell Telephone company, which, in selling bonds throughout the country, declared it paid 9 per cent dividends on stock, while the Northwestern Bell Telephone company in its application declared it paid only 4.13 per cent book dividends on its stock.

"Well, in November we paid the parent company \$17,287,31," Livermore replied.

"This sum, like the depreciation, is taken from book earnings, before the Northwestern Bell Telephone company made public its 4.13 per cent dividend."

"Are you absolutely sure that was all paid to the American Telephone and Telegraph company?" he was asked.

"The exact transactions between those two companies are best known to administrative heads who will be on the stand later," Livermore said.

Question Labor Cost. Protesters pointed out that the Lincoln Telephone and Telegraph company operated for 25 per cent less labor cost because it maintained a piece work plan while the Northwestern Bell Telephone company...

Kansas Packing Strike Leader Sentenced to Jail

Kansas City, Mo., Dec. 28.—George W. Reed, negro leader of the packing plant strikers in Kansas City, Kan., was fined \$100 and sentenced to 30 days in jail in police court here today in connection with the clearing of a street car of negro packing house workers yesterday.

Reed was given a stay of sentence on condition that he remain away from Kansas City, Kan., for 180 days.

He will be succeeded as a strike leader by John Blaha of Omaha, an official of the international union.

Elm Creek Woman Injured In Auto Accident at Gibbon

Gibbon, Neb., Dec. 28.—(Special Telegram.)—An automobile driven by a Mr. Watts, accompanied by Mrs. May Cline of Elm Creek, went into the ditch just west of Gibbon, and threw Mrs. Cline into the wire fence, cutting a large gash in one cheek.

Two Flyers Killed

Aracadia, Fla., Dec. 28.—Lester Samuel H. Davis and William C. Sinclair were killed and their bodies buried when their airplane crashed five miles from here today. They were stationed at Carlstrom field.