charter we can take them. Hence to-night's procedure."

All of the raids conducted last night were without any untoward incident. The officers of the various vessels seized expressed surprise at the action but made no objections. Members of the crew were not aware of the happenings on board.

Hayward There as Adviser

United States Attorney William Hayward, in speaking of the part he played in the seizure, said:

"I am here to be of any assistance to the Shipping Board and acting in an advisory capacity."

On returning from the seizure trip last night Mr. Schlesinger said that under the general agreement for the chartering of the steamships the cost of refitting the vessels, where refitting was necessary, was to have been borne by the charterers, but the old United States Shipping Board had gone ahead and reconditioned the ships, at an estimated expense to the government of about $5,000,000. This money was spent, Mr. Schlesinger stated, after the charters for the vessels had been approved.

Blast on Ship Kills Four in Brooklyn Yard

(Continued from page one)

in their arms, were storming the gates of the yard.

The reserves were called from four precincts to restrain the crowds. Four hospitals sent ambulances. The rescue squad of the plant, equipped with gas helmets, was on the scene promptly.

Injured, Joins Rescuers

Mack, one of the injured men, joined the squad and helped carry out his comrades. He was blown clean out of the tanker, but did not lose consciousness. As soon as he could scramble to his feet he seized a line which dangled from the Ardmore's deck, forty-five feet above him, and swarmed up it. He started down one of the hatchways, but found the lower decks reeking with gas and had to retreat.

On his return he met the rescue squad, snatched a gas helmet from one of them and entered the interior of the ship with them.

Miss Karsen Jensen, head nurse at the emergency hospital at the plant; Marie Anderson, a nurse; Dr. Winne, a company physician, and his assistant, Francis Faulkner, accompanied the rescue squad to the ship and established an emergency ward on deck, where they gave first aid treatment as fast as the victims were passed up by the rescuers.

The six most seriously injured were placed in steel baskets, which the rescue squad had brought, and lowered with a derrick to the pier, where ambulances were waiting.

"No torches of any kind were being used in the hold," said Harry Hanbury, general manager of the plant. "There was no equipment there, so far as I can find out, that could have caused the explosion. Four out of five such explosions are caused by some one smoking. We are very strict in enforcing the rule against smoking in such surroundings and a man caught at it is discharged immediately.

Repairing Ship's Bow

"The bow of the Ardmore had been crushed when the ship went on some rocks. The vessel was brought here to have the bow repaired. We were not repairing the tanks and did not expect to repair them. Our chemist tested the air in the hold of the ship and found it entirely safe. There was a free circulation of air because of the removal of some of the plates."

A fire which gained some headway after the explosion was extinguished promptly by firemen. The damage done to the vessel by the explosion is estimated at about $10,000.

An inquiry into the cause of the explosion has been started by the dry dock company.

Employees of the company were to have had their annual outing to-day, but after the explosion a notice was posted saying that it had been postponed out of respect to the victims of the accident.

5 Men Named to Settle Shipping Board Claims

Judge W. D. Meals Appointed Chairman; Will Call First Session Next Week

From The Tribune's Washington Bureau

WASHINGTON, July 22.—Selection of the special commission of five members to settle the outstanding claims amounting to $211,000,000 against the United States Shipping Board was announced to-day by the President, with Judge Walter D. Meals, of Cleveland, as chairman. Judge Meals was formerly associate justice of the Appellate Court of Ohio, and was selected by the President because of his great legal ability. The associate members of the commission include:

Homer Ferguson, president of the Newport News Shipbuilding and Drydock Company, one of the foremost of American shipbuilders and former president of the Chamber of Commerce of the United States.

F. W. Wood, former president of the Maryland Steel Company, who has had long experience in ship building and has made a record that is nationally known.

Captain Richard M. Watt, U. S. N., formerly chief constructor of the navy and now assigned to the construction corps of the navy.

Arthur W. Teele, of the accountant firm of Patterson, Teele & Dennis, of New York City, and vice-president of the American Institute of Accountants.

The secretary of the commission will be O. P. M. Brown, of Washington.

"It is the purpose of the President," Chairman Lasker said, in announcing the selection of the commission, "that these claims should be settled as speedily as expedition and fair judgment will permit, so that no unnecessary further hardship be worked on those having proper claims."

The commission will be called into preliminary session by Chairman Lasker during the coming week for purpose of organization.

Bar Von Steuben Name At School Dedication

Speakers Warned Not to Mention General in Palisades Township Addresses

HACKENSACK, N. J., July 22.—The cornerstone of the new school in Palisade Township will be laid at 4 p. m. to-morrow, but Mayor Thomas A. Yeardsley has warned all the speakers not to mention the name of Baron von Steuben, for whom the Board of Education intends to name the school, and it is thought that there will be no violence.

Residents of the River Edge Manor section of the township, learning that Baron von Steuben was a German, protested vehemently against naming the school for him, and made a vain effort to get the Harry B. Doremus Post of the American Legion here worked up about it.

It hasn't been decided definitely what the name of the school will be, but most members of the Board of Education are said still to be in favor of naming it for Washington's drillmaster, who received a grant of land near by in recognition of his services to the revolutionary government.

Congress Gets Rail Debt Plan Next Tuesday

Harding Will Submit Funding Proposal in Settlement of All Claims Growing Out of War-Time Control

No Increased Tax Burden

Waiver of Demands Based on Supposed Inefficiency of Labor Is One Condition

From The Tribune's Washington Bureau

WASHINGTON, July 22.—President Harding will send a message to Congress next Tuesday setting forth the agreement reached between the government and the railroads for funding the debts of the carriers to the national treasury. The President's plan will not involve any further appropriation by Congress to settle the claims of the roads against the government.

Settlement of these claims and counter claims has been pending for months. In the opinion of government officials the roads have laid too great stress upon the losses they incurred by inefficient labor during the war-time Federal control. The government claims are based on money spent for equipment and upkeep during the war.

Under the agreement which has been reached the railroads have been asked by the government to waive their claims for losses based upon the inefficiency of war-time labor, in an attempt to reach a settlement, with the alternative that if they are not satisfied with the figures arrived at, they retain the right of carrying the fight to the courts for settlement.

Congress Must Approve

It was said at the White House to-day that the actual recommendations concerning the form of the adjustments must meet with the sanction of Congress, and it is for this reason that the President will make recommendations to the Congressional committees dealing with the situation as to the best methods of adjustment. It was announced that the Interstate Commerce Commission would not take any part in the adjustment of the claims, but that the War Finance Corporation might be called upon. The President has been informed by the managers of membership organizations of the railroads that the great majority of them favor an adjustment based on the government's plan of waiving dividends based upon inefficient labor.

The President has been sympathetic toward the claims made by the lines and has felt that they have not been treated as fairly as they should have been. Conferences on the subject have been going on between the Executive and railroad representatives ever since Mr. Harding entered the White House.

It was announced that the substance of the understanding did not constitute a new arrangement; that all business with the government is of necessity by contract. The transportation act sets forth clearly that the roads shall be recompensed for expenditures made during the war for maintenance and equipment. Before entering into negotiations with the roads with the view of arriving at an amicable adjustment of claims, it was felt by the Administration that they ought to facilitate the adjustment by attempting a settlement without considering the claims filed based on the supposed unfitness and inefficiency of labor.

The President intimated some time ago that he felt that the companies were delinquent in filing claims, and it develops that the tardiness was due in many cases to an impression in railroad circles that the Administration viewed with misgiving the practice of saddling huge claims on inefficient labor.

At present there is in the Treasury $250,000,000 available to meet claims and the President feels that the payment of the sum, distributed among the railroads, would be an excellent stimulant to business generally. Thus far approximately sixty roads have settled their demands on a basis of 50 per cent.

There are two reasons which stand out why the Administration is anxious to adjust the claims. The first is to wind up the affairs of the railroad administration, and the second, a desire to give to the roads what is rightfully theirs.

It is believed that a majority of the companies will accede to the government's plans. The Administration feels that a frank understanding will be arrived at if the roads put aside their elaborate claims and present them with a geniuine desire to speed up the settlement.

The President has told railroad men and members of his cabinet that the vital question, so far as he is concerned, has to do with how the government can keep faith with the railroads and observe its contract, without asking for additional funds.

Actress Wins Point in $100,000 Promise Suit

Order to Examine Dixie Edmond in Complaint Against G. H. Perkins Is Vacated

Dixie Esmond, an actress, gained a point in her suit for $100,000 for alleged breach of promise against George H. Perkins, a broker, of 50 Broad Street, yesterday when Supreme Court Justice Finch granted a motion on her behalf to vacate an order of examination granted against her in the suit. Miss Esmond charges that Perkins repudiated promises to marry her.

Mr. Perkins filed an affidavit opposing the order to vacate and setting forth that the plaintiff's real name, according to his information and belief, is Mabel Roberts Bell and that she lives in Boston, where, in June, 1916, she pleaded guilty in the Municipal Court to a charge of being an idle and disorderly person.

Dixie Esmond asserts that her parents live in Boston and that she visits them whenever she has an opportunity. She denied that she makes her home in Boston, but said that she lives at the Hotel Vendig, in this city, and has resided there for two years. Perkins declared this to be a sham, saying that the actress is now employed as a cabaret singer in a dance hall at Nantasket, a Boston suburb.

Hibernians Denounce Sims; Want Ireland Recognized

DETROIT, July 22.—Declaring the peace of the world and freedom of the seas depend upon independence for Ireland, resolutions adopted at the fifty-second national convention of the Ancient Order of Hibernians to-day asked President Harding and the American Congress immediately to recognize the Irish republic.

Rear Admiral Sims was condemned for "notorious pro-English tendencies" and his removal from the presidency of the United States Naval War College urged in another resolution.

Montreal was chosen as the 1922 meeting place at the convention's closing session.

Horn, Bridge Wrecker and Spy, Goes Mad in Canadian Prison

OTTAWA, July 22.—Werner Horn, who figured in one of the most sensational German spy cases of the war, has been certified as insane by physicians at the penitentiary in Dorchester, N. B., where he has been serving a ten-year sentence for attempting to blow up the Canadian Pacific Railroad bridge at Vanceboro, Me. He will be released as soon as arrangements can be made for his deportation to Germany.

It was on February 2, 1915, that Horn tried to dynamite the bridge, which crosses the St. Croix River into New Brunswick. A few hours later he was arrested at Vanceboro.

Horn, about thirty-seven years old with a military training that bolstered his claim that he was a captain in the German army, said that, being unable to return to Germany to fight, he had conceived the plan of aiding his country by blowing up the international bridge and so crippling the movement of munition trains in the Dominion.

Arrangement for the blast, he said, were made in New York. In Vanceboro, according to his story, he met an "Irishman," who handed him some dynamite with which he attempted to destroy the bridge. This, he insisted, was an act of war and he contended that having fled a neutral country he could not be surrendered to the enemy.

The Canadian government, through the British Ambassador at Washington, made formal demand for his surrender, but the request was not honored at the time. For safe keeping Horn was temporarily sentenced to thirty days in a Maine jail on a charge of having damaged buildings in Vanceboro.

On March 2 he was indicted by the Federal grand jury in Boston for violating laws regulating interstate transportation of explosives by carrying dynamite from New York to the border. He was removed to Massachusetts after Maine authorities made an unsuccessful fight to hold him.

After a long legal fight he was sentenced in Federal court in Boston to eighteen months' imprisonment and fined $1,000. After serving his time he was extradited to Canada, where he was again tried, convicted and imprisoned.

U. S. Opposes Any Delay in Arms Parley

(Continued from page one)

Versailles peace conference, which would probably result in the same fashion—that is, the organization of a "big four" or a "big five."

Limitation of Nations

So that while such nations as Belgium, Holland, Portugal and others which have applied for invitations to attend will be permitted to have representatives who will be given an ample hearing, there is no disposition, at present at least, to permit their delegations to take part in the deliberations.

There is no disguising the fact, also, that the successful sinking of the German battleship Ostfriesland by airplanes twenty minutes after the attack with heavy bombs began will have an important bearing on the question of armament limitation. This brings up the interesting points, in view of the objections of France to limiting land forces, that the spectacular work in attacking warships of all characters has been done by land planes. In the dummy bomb attack on the Iowa, following a search for her, it was the land planes—the Martin bombers—which dropped the wonderful salvo encircling her and landing two on her deck.

It is accepted without challenge, therefore, that even if the conference should decide not to have its agreements for limitations affect land forces, certainly limitations should be applied, if possible, to expenditures for airplanes, which, it has been demonstrated so successfully this week and last, can be used effectively at sea.

In this connection it is pointed out, and frankly accepted by many experienced naval constructors, that none of the capital ships at present afloat can be defended against airplane attack, except by fighting airplanes, which would drive the would-be bombers off. New constructions, perhaps, by armoring the entire bottoms, might add to their defenses, but changes are imperative in dreadnought design.

New Navies Needed

This phase of the situation, as demonstrating the fact that entire new navies must be constructed, is expected to help wonderfully in persuading representatives of the powers to agree on armament limitation, no matter what minor advantages they may have to surrender, in order to relieve their countries of the crushing burdens of taxation involved in a continuance of the race.

LONDON, July 22 (By The Associated Press).—Meeting of the dominion premiers was called hurriedly this afternoon to consider, it is understood, a reply received from Washington today to representations by the British government relative to postponing the disarmament and Pacific conference to some date later than November 11. The meeting was private and there has been no indication of the nature of the Washington reply.

Reds Will Not Observe Arms Meeting Decisions

Protest Note to U. S. and Other Powers Concerned Expresses Skepticism of Any Results

RIGA, Latvia, July 22 (By The Associated Press).—Soviet Russia's note of protest against the failure to extend her an invitation to the Washington conference on Far Eastern questions, handed to the American Chargé at Stockholm yesterday, declares the Moscow government will not recognize any decision reached at a conference at which it is not represented.

The note, which was signed by M. Tchitcherin, the Soviet Commissary for Foreign Affairs, protests also against the lack of an invitation for the Far Eastern Republic. The Soviet government reserves complete freedom of action, it declares.

These announcements were made by the Rosta Agency, the official Bolshevik news agency here.

The Soviet note was sent not only to the United States, but also to Great Britain, France, China and Japan. It hails with much joy a discussion on disarmament, but expresses skepticism that any guaranties regarding such disarmament can be possible.

"The absence of the Russian government from discussions of the subject would only have the result to make Russia ignore any decisions reached," the note declares.

Japanese Council Not Uneasy at Parley Call

Considers the Proposition and Does Not Find It Will Run Against Its Own Interests

TOKIO, July 22 (By The Associated Press).—The proposed Pacific conference was considered by the diplomatic advisory council in special meeting today, Viscount Uchida, the Foreign Minister, reporting the latest developments in the negotiations with the United States on the subject.

The present official opinion regarding the conference was voiced by Professor Kiroku Hayashi, councillor of the Foreign Office, who in a statement, declared:

"Japan has no cause for uneasiness. Japan's special position is recognized by all the powers and there is no reason to think the conference will run counter to Japan's recognized interests. Japan must study the American proposal carefully and respectfully, and express her views fully and frankly."

The government is now preparing its conception of a program for the conference, the formal invitation to which it is confidently expected Japan will accept when it is officially received.

According to the newspapers Viscount Uchida favors and expects a strong attitude on the part of Japan at the conference, as it will have a grave bearing on the prestige and interests of the empire.

The newspapers declare that the United States has explained that its only desire is an understanding between the powers on principles and policies affecting their mutual interests and that the conference will have no other significance. Therefore, it is added, from the broad motive of international peace, the avoidance of conflicts of interests and the advancement of civilization, Japan will join the conference.

There is a wide range of speculation as to the nature of Japan's program. Some of it is declared to be purely fanciful, but some of it is asserted to be undoubtedly inspired and interpretative of the Japanese government's aim. In the latter group probably belongs the statement that Japan, while seeking general harmony, will strongly protect what she considers her interests, with insistence that her special position in the Far East must not be trespassed by other powers, and also that Japan will not accept a program which would put her in the position of an accused.

The Asahi quoes an unnamed member of the Cabinet as saying if the discussion invades those matters already disposed of by treaties and agreements it is calculated to disturb and not promote peace.

Baron Shimpei Goto, Mayor of Tokio, has urged all classes to unitedly "face the unprecedented situation." He said, however, that he thought Japan might well be compared to an accused, summoned before an international court organized by Western powers.

The Yamato Shimbun, which is widely read by the masses, insists that the American invitation to the conference has in a sense given a shock to the Japanese greater than that of Perry's arrival in Uraga Bay.

Russia Begs American Aid For Starving

(Continued from page one)

Riasan, Pensa, Saratov, Volin, Kiev, Ivanovo-Voznesensk, Chernigov, Alexandrovsk, Nikolayevsk, and even part of the Crimea.

According to Izvestia, the Soviet organ in Moscow, a thousand instances of starvation in the Upper Volga region already have been reported. The newspaper says that autopsies have revealed the presence of only grass in the people's stomachs. It urges the Soviet government to undertake the transportation of a million peasants to Chita, in the far east, or to the Caucasus.

After a preliminary investigation the German government is contemplating the sending of food and medical supplies to Russia, despite the feeling that has prevailed here that Germany has little to give. Gorky is expected to make a strong appeal in Berlin to gain assistance for his people. The question that is arising here in everybody's mind is "What will America do?"

Loss to Chicago Bank Will Total $1,000,000

Michigan Avenue Trust Closed and Its President Is Missing

Special Dispatch to The Tribune

CHICAGO, July 22.—The loss to the Michigan Avenue Trust Company Bank, which was closed Thursday in the absence of its president, Warren C. Spurgin, will be more than $1,000,000 and may reach $1,500,000. The figures were given to-night by George M. Reynolds, chairman of the Continental and Commercial National Bank's board of directors and uncle of the missing Spurgin.

The bank had approximately $4,000,000 in deposits, it is said. The auditor has found $214,000 in cash and a quantity of stocks and bonds.

Cashier Beutel believes the bank will pay 65 cents on the dollar at present.

Russia Mobilizes Peasants

STOCKHOLM, July 22.—While the Russian Legation at Helsingfors disavows the reported general mobilization in Russia, a Finnish official here to-day declared his government has proof that peasants in Karelen and in other districts have been mobilized.

Semi-official circles in Helsingfors describe the Russian mobilization as being partial. They declare it is directed against the Far Eastern government whose seat is in Vladivostok, although asserting that the exercise of pressure on Esthonia and Latvia may not be altogether foreign to it.

A Riga, Latvia, dispatch of June 12 stated that Soviet Russia was understood to have threatened drastic action against Esthonia and Latvia unless those countries ceased their system of strict prosecution of Communist agitators, either Russian citizens or those who had signified their intention of becoming so.

Mrs. Burkett Insists Experts Will Prove Writing Roosevelt's

CHICAGO, July 22.—A letter from Mrs. Emma R. Burkett, of Hillsdale, Ind., who asserted Theodore Roosevelt had refused to pay a $67,000 obligation to her, was received to-day by the detective bureau here. She asks the address of three Chicago handwriting experts, who, she declares, will prove that the signature on the paper she holds is really that of the late President.

The letter is from the Tombs prison in New York, to which Mrs. Burkett was removed following complaint of the executors of the Roosevelt estate that her claim was fraudulent.

Senators Will Take Up Tariff Bill on Monday

Finance Committee Hopes to Complete Hearings in Two Weeks; Uncertainty in Ranks as to Procedure

Valuation Experts Called

Penrose Says Tax Measure May Be Forced Ahead of Revenue Legislation

From The Tribune's Washington Bureau

WASHINGTON, July 22.—It is uncertain how long it will take the Finance Commissee to report the tariff bill to the Senate, and also uncertain whether the tariff bill will continue to precede the tax bill, whether the two will be combined or the tax bill later will be forced ahead of tariff. This was made plain to-day by Senator Penrose, chairman of the Finance Committee, when the tariff measure was sent over to the Senate from the House and referred to the Finance Committee.

Senator Penrose announced that the Finance Committee would take up the tariff bill Monday, would begin hearings then and hoped to complete the hearings in two weeks.

After the hearings will come the task of considering the bill in the committee, item by item. How long that will take Senator Penrose says he cannot tell. He deems it possible, however, that the bill will be reported out of the Finance Committee before the House passes the tax bill and that the tariff bill may even be passed by the Senate before the House passes the tax bill. It is not the general view among Senators, however, that the tariff bill will be passed before the House passes the tax bill, and many Senators doubt whether the tariff bill will be out of the Finance Committee by the date the House has put the tax bill through.

With reference to whether the tax bill stands any chance of being put ahead of the tariff bill in the Senate, particularly if the Administration urges it, it is the view of Senator Penrose this bridge will have to be crossed when it is reached.

"We will go ahead with the tariff bill," he said, "and when the revenue bill is passed by the House and sent to the Senate it will be given consideration and we will decide what to do. It is conceivable the tariff bill may have been passed. I cannot predict how long the tariff bill will take in the committee."

May Be Combined

Senator Penrose did not think that if the Finance Committee was nearly through with the tariff bill when the tax bill was sent to the Senate, the tariff bill would be dropped and held back for the tax bill. As to whether it might prove practicable later to combine the tax bill with the tariff bill, he said:

"I would just as soon have a book in two volumes as one."

The bill giving Secretary Mellon power to refund the foreign debt may intervene to delay the tariff bill to some extent. Senator Penrose said when Secretary Mellon reported to the committee on the questions raised as to whether this government is in any way bound by the Rathbone negotiations, the committee might suspend operations on the tariff. He said no long delay on tariff on account of the refunding bill would be allowed.

Senator Penrose consulted several of his colleagues on the Finance Committee to-day and it was decided to take up the valuation provisions first. They will be considered Monday.

The committee will hear Chairman Page and Commissioners Burgess and Marvin, of the Tariff Commission, Monday, and also George Davis and Otto Fix, of New York. Mr. Davis is special agent in charge of the New York customs office. Mr. Fix is in charge of the comparative valuation bureau at New York.

The hearings of the experts on valuation will continue Tuesday, and on Wednesday and Thursday business men will be heard on valuation. Much opposition exists to the American valuation plan as well as much support for it.

After considering valuation the committee will take up the schedules of the tariff bill in their order.

Chemical Schedule Friday

The committee hopes to reach the chemical schedule Friday of the coming week and this will involve dyestuffs. Much controversy over this is expected and it may delay the program of the committee.

In relation to this and the general program Senator Penrose said:

"When the hearings are concluded and the bill is taken up for actual consideration it will be in executive session with only Republican members of the committee present. This is the usual custom which has been followed by the Ways and Means Committee and is looked upon as the regular thing because of the fact that a tariff bill is regarded as a matter of party policy, involving political differences between protection and free trade ideas.

"We hope to close the hearings within two weeks from Monday and an earnest effort will be made to finish within that time. After that we will take the bill up with Treasury officials in order to have the benefit of their advice in writing the bill.

"In order to facilitate the progress of the hearings the committee desires to have one representative of each line of industry, or each group that is seeking a change in schedule, and desires, if possible, to limit each witness to thirty minutes in presenting his views."

Fordney Begins Work On Tax Revision Bill

Chairman of House Committee Goes Over Every Phase of the Problem With Mellon

From The Tribune's Washington Bureau

WASHINGTON, July 22.—Without losing even a day after the House disposed of the tariff bill, Chairman Fordney of the Committee on Ways and Means began to-day the preliminary work on the other major legislation of the session—revision of the taxation system.

Mr. Fordney held an extended conference this afternoon with Secretary of the Treasury Mellon at the Treasury Department. These two, most responsible for the draft of the measure which is to reapportion the distribution of governmental financial burden, went over virtually every phase of the tax problem.

Secretary Mellon informed Chairman Fordney that he is now prepared to go before Congress at any time to make his formal recommendations with regard to the Administration's attitude on needed changes in the assessment of taxes. The Secretary's estimate of the amount the government must raise for the next fiscal year, Mr. Fordney declared, following the conference, is about $4,000,000,000.

The Ways and Means Committee is prepared to begin immediately hearings on the revision. It is expected the first of these will be held next Tuesday.

Mr. Fordney intimated that one of the first things to be taken up will be the excess profits taxes, now declared to be hampering and checking production of all kinds. The substitution of a flat corporation tax, possibly of 15 per cent, has been strongly recommended by many quarters, he said. This plan is to be given the most serious consideration by the committee.

Repeal of the transportation taxes now exacted on railroad and other fares is to be provided by the committee, if at all possible, said Mr. Fordney, and the present plan is to revise the schedule of income taxes.

The question of a sales tax is another problem to be taken up by the committee.

Ford Tells of Beating Wall St. Over Loan

(Continued from page one)

700,000 worth of stock into cash—put that down.

"Then we looked over our foreign accounts and found our agents at foreign ports owed us $3,000,000, which we collected. We had also sold by-products for which we had accounts receivable of $3,700,000 more, which we got in—put down those two items. On top of that we sold $7,900,000 worth of Liberty bonds. If you total these you'll find they come to $59,300,000—more than enough to meet our impending obligations. But we did not stop there.

Cut Out War Extravagances

"The war had led us into many extravagances of administration and accounting. We went through the plant, offices and shops, and made economies which I'll detail later, eliminating everything non-productive. Then we had acquired the Detroit, Toledo & Ironton Railroad. We saw possibilities of reducing the vast amount of capital which we had formerly kept tied up, invested in goods in transit. We found ways to cut the time our goods were in transit. By that one move we released $28,000,000, took it from funds invested in stock in transit and put it to other uses. Thus, when April 1 came round we had $87,300,000 to meet $58,300,000 in obligations. We paid them all, weeks in advance."

Mr. Ford leaned back in his chair and laughed.

"And all the while," he went on, "these New York bankers were fussing around here, trying to get us to take a loan."

"But how could you create such immense sums of ready cash by mere economies?" he was asked.

"Mere economies," Mr. Ford replied, with emphasis on the 'mere.'"

"There's nothing 'mere' about our economies—they're the thing," he continued. "Take that item of $28,000,000, released from investment in goods in transit. We were able to do that by a combination of two things. By using our railroad, we were able to speed up movement of raw materials to the factory and movement of finished cars from the factory to the dealers. Better methods in the factory cut the time needed to manufacture the material into machines. Then we stopped carrying immense reserve supplies of raw materials. The first economy made the second possible. Here's the way it turned out:

$88,000,000 Always Tied Up

"Before we got control of the D., T. & I. it required an average of twenty-two days to haul raw material to the factories, make it into cars and get them to the dealers. We had to buy three weeks in advance of need and with no way of knowing future conditions, we had to keep immense reserves on hand. The money tied up in these and the goods moving stood continuously at about $88,000,000.

"But the early months of 1921 brought great changes. General cessation of industry made materials, and cars in which to carry them, plentiful. Then the D., T. & I. is really one great terminal. It crosses every transcontinental line in the country. When stock consigned to us reaches the D., T. & I. it can be speeded along to destination. Parts, or cars, outbound, can be made into through trains and thus the running time to destination be greatly reduced. In the offices of the D. T. & I., the officials did away with a deal of antiquated railroad red tape. Whole systems of useless accounting were abolished. The offices themselves were brought to Detroit and the road is operated as a single unit. All these elements, combined, have reduced the time of our movement of stock from the suppliers of raw materials through the factory and the cars into the hands of the dealers from twenty-two to fourteen days. And that is not the end—we'll cut it still more. Where, before we had $88,000,000 tied in mining and reserve stock required to make 93,000 cars a month, now we handle the stock required to make 114,210 cars a month for less than $60,000,000.

Stock Ordered Economically

"There are 8,000 parts to the Ford car. Once each month we make a schedule of the exact number of cars we will make the next month. Then we figure out the exact amount of stock needed to make just the number of parts to fill that schedule and buy that amount of stock and no more.

"We're following my father's advice and not loading up with things we don't need.

"Office and shops also come in for a house-cleaning. We literally took out a train load of desks and furniture and sold them. We told the men that occupied these desks that back in the shops were plenty of good jobs at good pay—if they wanted them. Most of them did. We cut the office forces from 1,074 to 528 persons. Telephone extensions were cut about 60 per cent.

"We went through the shops in the same way. During the war we had a foreman for about every three to five men. Too many foreman sat at desks all day looking on. We have sold all the desks and most of former foremen are now at machines. We now have a foreman to about every twenty men. Everything and everybody that was not producing was put in a position where they would or were eliminated."

"A comparison of our operating costs before and after the house cleaning is really a startling lesson in what manufacturers can do if they look sharp to economy. Back in November, 1920, before the house cleaning, our daily expense for labor and commercial overhead charges, cost of materials not included, averaged $463,200 to get out an average of 3,146 cars a day or $146 a car. Look what we did in June, 1921—$412,500 a day to produce an average of 4,392 cars a day, of $98 a car. What do you mean by talking about mere economy?

"We used to have to employ fifteen men per car per day, now it requires but nine. Look at the saving on my payroll."

"How about the future?" Mr. Ford was asked. His answer was:

"It looks to me that we are at the beginning of a long period of prosperity."

Tulsa Police Chief Guilty

Jury Finds He Failed to Act to Protect Public in Riots

TULSA, Okla., July 22.—John A. Gustafson, suspended Chief of Police, to-night was found guilty by a jury of having failed to take proper precautions for public safety on the night and day of the recent race riot here, and also guilty on another count of conspiracy to free automobile thieves and collect rewards.

The jury deliberated six hours.

Campbell Vows He Never Took Bergdoll Penny

Money He Sent Brokers Was Hidden by Wife Early in War, and Part of Investment Gain, Says Officer

Handkerchiefs Only Gifts

Major Declares $500 He Intrusted to Lexington, Ky., Man Brought $6,000

WASHINGTON, July 22.—Major Bruce R. Campbell, of the United States Army, told a House investigating committee to-day that not a single penny of the $6,500 placed by him with a Wall Street firm for stock market trading last year was received from the Bergdoll family.

Flatly denying the charge by Mrs. Emma C. Bergdoll, of Philadelphia, that he had been paid $5,000 to aid in obtaining freedom for Grover Cleveland Bergdoll, her draft-dodging son, Major Campbell declared that the sum sent to the brokers was his own money, hidden by his wife at her home since the early days of the war.

The Mayor, called here hurriedly, without opportunity to examine the charges against him, at first declined to testify at this time as to the source of the fund. But, pressed hard by the committee, he turned about suddenly and told of the hidden treasure, and a moment later he related in detail how a $500 investment placed with the late Milton Young, of Lexington, Ky., before the war, grew to $6,500 by 1917. It was the same sum that was hidden away and later shifted to Wall Street and lost.

Says Father Guarded Money

Professing ignorance as to how the Young investment had increased, Major Campbell said that it had been turned back to him by a man, still living, but whose name he declined at the moment to give. Then in the midst of a sharp exchange with a committeeman, Campbell broke in, declaring, "Oh, hell, it was my father!"

At this point the committee decided to call the father, William R. Campbell, of Lexington, who was asked to come here at once.

Extremely reluctant to touch upon family affairs to clear himself of the charges, Major Campbell declared that it had been his purpose to ask the committee that he might be able to corroborate fully every word of his testimony. It was for this reason, he said, that he did not want to disclose all of his evidence until he had been allowed time to submit proof in denial of the accusations.

The major asserted that a "frightful" injustice had been done him by the committee in permitting Mrs. Bergdoll and a representative of the brokers to testify when he was not present. He protested vigorously that an agent of the Army Intelligence Service, in inspecting his bank account at New York had not shown that at a prior date he had more than $5,000 on deposit.

Asks Bank for Verification

A telegram, he said, had been sent the bank, requesting that it verify his statement to this effect, and to send its answer in care of Chairman Peters.

At various times, Major Campbell declared, he and his wife had $17,000 on deposit, not counting the sum lost on the market, but he declined to mention the names of banks until he could get hold of his papers, en route with his household effects from Governor's Island to Little Rock, Ark.

There were moments when the major was unable to control his feelings when referring to his wife and his old father, and he banged the table in anger as he denounced what he said was the attempt of the Bergdolls to blacken his name. As military counsel for the slacker he never received a dollar, he declared. The only thing they ever gave him, he said, were three little cambric handkerchiefs, bought at a soldiers' fair on the island, as trinkets for his babies.

Canada Will Not Try To Extradite Bergdoll

Draft Dodger's German Citizenship Prevents Action, by the Ruling of Old Treaty

Special Dispatch to The Tribune

MONTREAL, July 22.—Grover Cleveland Bergdoll, American draft evader, probably will not be brought to Canada from Germany because he is a German citizen, and as such cannot be extradited to Canada through the provisions of an old treaty between the two countries.

This, it is understood, is the decision of officers of the Department of Justice, who have been investigating the case since it was alleged that Bergdoll had managed to make his way into Germany by the use of a forged Canadian passport.

Since getting into Germany, it is understood, Bergdoll has taken out citizenship papers and has became a German national. A treaty, which has been standing for many years between the two countries, prevents the extradition of a naturalized citizen of either country to the other for trial.

The matter was taken up here by the Great War Veterans' Association, when the question of Bergdoll's extradition to Canada came up, and has been under investigation by officials of the Department of Justice for some time. The question is still under consideration, it is said.

Sleeping Man Blinded By Sun in Mid-Ocean

Rotterdam's Passengers Take Up Purse for Steward, Who Slumbered Under Rays

Much sympathy was aroused in mid-Atlantic among the saloon passengers on the Holland-America liner Rotterdam for F. J. Coenders, one of the stewards, who was stricken blind during the voyage, and when the vessel docked here last night a purse of several hundred dollars was given to the afflicted man.

The Rotterdam encountered fog every day of the trip, the sun occasionally coming out for a few hours. During one of these intervals of sunshine Coenders went forward, and finding a comfortable place on a hatch cover fell asleep, with his face upturned.

The rays beat down upon him from 3 p. m. until 5 p. m. On awakening he had no trouble with his eyes. The next morning, however, when he was roused from slumber he was blind. He was put in the care of Dr. Kelly, the ship's surgeon, who informed him that his sight probably would return soon under proper treatment.

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Used and Rebuilt Automobiles

for sale by new car dealers will be found in Monday's New York Tribune

These special announcements appear every Monday—Wednesday—Friday