

WEATHER FORECAST.

Partly cloudy to-day and to-morrow; somewhat warmer to-day. Highest temperature yesterday, 33; lowest, 19. Detailed weather reports will be found on Editorial page.

THE NEW YORK HERALD

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BRITISH POLICY ON SEA AND JAPAN IS HELD UP TILL MAY

Settlement Awaits Imperial Conference of Prime Ministers of the Dominions. WANTS HARDING VIEWS Parley Outside League of Nations Deemed Necessary for Naval and Pacific Problems. ROUND TABLE TALK URGED London Officials Not Disturbed by Threatened Supremacy of American Navy in 1924.

The Anglo-Japanese alliance and the British navy policy are two important subjects which will have to await the conference of the Prime Ministers of the Imperial Dominions, which will meet here in May. The New York Herald correspondent was informed by an authoritative source to-day. Incidentally this postponement fits in nicely with the inauguration of the new Administration in Washington and the development of its foreign policy, in which Great Britain is admittedly vitally interested.

Both these questions depend essentially on these two events in the spring and the British policy meanwhile will be directed toward maintaining the status quo. Events, however, are more and more indicating the necessity for an international conference outside the League of Nations to settle these two questions supreme in world importance—the future of the Pacific and naval limitations, if not disarmament. British officials admit this much, although they do not relax their loyalty to the League of Nations. It is admitted here that the Japanese question could best be settled by a round table conference between those concerned, and it is also admitted that the crux of the whole disarmament question, so vital to the world, now overburdened with debt from the last war, lies in an Anglo-American-Japanese agreement.

The action taken recently with regard to the Anglo-Japanese agreement was cited as a precedent for the accommodation of special interests with the League of Nations. It was pointed out that England and Japan, instead of renewing the treaty which expired this year, decided to submit it to the council of the League of Nations, asking whether anything therein disagreed with the terms of the covenant.

It was suggested that even if Mr. Harding's proposed international conference for peace meets without the assent of the League of Nations the result of that conference, before becoming effective, might be submitted to the League of Nations by Great Britain or other league members who attend it, even though the United States, not being a member of the league, would not have to submit it.

Some perturbation was evidenced in official circles here to-night as a result of news cables saying that an American-Japanese agreement was about to be concluded in Washington which would provide for the admission of Japanese subjects into the Philippines and the abolition of the ban against aliens holding property in California to all aliens, including the British.

D'Annunzio Issues a Final Manifesto

LONDON, Dec. 29.—A despatch to the London Times from Milan quotes Gabriele D'Annunzio in a manifesto as saying: "I am still alive and inexorable. Although I prepared myself yesterday for sacrifice and already had comforted my soul I feel to-day disposed to defend my life by all means. I offered it hundreds of times smilingly in my war, but it is not worth while to throw it away in the service of a people who could not be distracted even for a moment from their Christmas greediness while we were assassinated by their Government."

D'ANNUNZIO QUILTS FIUME IN AIRPLANE

"Italy Not Worth Dying For," Is Poet's Taunt as He Yields to Cavaglia.

EMPOWERS CITY TO ACT Mayor and Defence Chief Give Complete Recognition to Treaty of Rapallo.

ROME, Dec. 29.—D'Annunzio has issued a proclamation declaring that it is not worth while dying for Italy. He said he was leaving Fiume by airplane. This was semi-officially announced here this afternoon, together with the announcement that the Fiume agreement may be regarded as concluded. This settlement is based on recognition of the Treaty of Rapallo, disbandment of D'Annunzio's legionaries and general amnesty.

Negotiations for surrender were carried on with the Municipal Council of Fiume, to which D'Annunzio early today ceded all his powers. A report from Gen. Cavaglia, commanding the Italian regular troops which entered Fiume, said that complete recognition of the Treaty of Rapallo had been given by D'Annunzio's representatives at the Abbazia conference with Gen. Ferrarini. "I have an impression a solution is approaching," Gen. Cavaglia wrote. The report indicated that Riccardo Gigante, Mayor of Fiume, and Capt. Honventuri, director of national defence of the city, had quickly accepted the chief condition prescribed by Cavaglia, namely, complete recognition of the treaty.

A description of the last phases of the struggle in Fiume, received here to-day, showed that the legionaries reopened fire against the troops, who were merely holding the positions they had taken Monday night. The fight assumed the character of guerrilla warfare all along the line. The legionaries took advantage of the natural resources of the terrain for laying ambushes. As the regulars were advancing across orchards they were enveloped by fire from machine guns, which had been sunk to the level of the ground and cleverly camouflaged. The houses seemed to have been abandoned, but when the troops approached the legionaries, hidden behind windows, behind chimney stacks and on balconies and roofs, suddenly opened fire. Even women were found working machine guns.

The gravest losses were inflicted by hand grenades, which were used so freely as to give the impression that they must have been accumulated by scores of thousands. It would have been an easy matter to get the better of the legionaries by employing artillery, but the military authorities refused such recourse except against military buildings. The legionaries ultimately tried to force the regulars to retreat in order to relieve pressure on the city, but failed, owing to the stubborn resistance, especially of the Carabiniere and Alpine troops, who fought courageously for more than three hours. The points where the struggle was bitterest were near the railway station and inside the Fiume cemetery, which was virtually destroyed.

What the regulars especially resented were the insults levelled at them by the legionaries. A Calabrian soldier who had his leg broken said while being carried off on a stretcher: "The insults hurt me more than the wound." According to the Messaggero many influential persons in Fiume were badly treated or reprimanded by D'Annunzio because of their efforts to induce him to abandon the liquor raid at Hurley.

HURLEY SALOON MEN GIVE \$75,000 BAIL

57 Prisoners in All Will Answer Charges.

ASHLAND Wis., Dec. 29.—Bonds totalling \$75,000 were deposited with United States Commissioner Cate to-day following arraignment of fifty-seven men taken in the liquor raid at Hurley, Wis., yesterday upon charges of having intoxicated liquor in their possession, selling intoxicating liquor, or both. All turned bail and were released. Thirty-three saloonkeepers and bartenders held individual bonds of \$1,500 each, while twenty persons each placed \$1,000 in bonds to insure their appearance later.

U. S. ESTIMATES CUT HALF BILLION ON FIRST ASSAULT

Sundry Civil and Post Office Bills Pared Heavily by House Committee.

IS ONLY A BEGINNING Army, Navy and Nine Supply Measures Will Provide Nearly Billion More.

SHIPPING BOARD IS HIT Emergency Fleet Corporation Must Support Itself on Its Own Income.

Special Despatch to THE NEW YORK HERALD, New York Herald Bureau, London, Dec. 29.

A cut of \$432,596,373 in the estimates of Government departments was made by the House Appropriations Committee in the sundry civil and post office appropriation bills reported to-day.

The paring was effected in line with the programme of Republican leaders to cut \$1,400,000,000 from the aggregate of \$4,600,000,000 asked by all the departments for the next fiscal year. The army and the navy bills will increase the reductions to nearly a billion, and the other nine supply measures are depended on for cuts which will bring the total to the \$1,400,000,000 mark.

Chairman Good of the Appropriations Committee declares the reductions being made will in no way impair efficiency of the various departments. "Cut in Less Than Half." A total of \$804,525,484 was asked in the sundry civil bill and the committee allowed \$383,271,292. The amount allowed is \$52,577,514 under the appropriation made for the same purpose given by the current fiscal year.

The Post Office Department asked for \$585,495,802, which was reduced to \$573,947,421. The proposed appropriation is \$69,530,021 greater than the amount granted for the current year. The largest single reduction, \$147,000,000, applies to the Shipping Board Emergency Fleet Corporation, the bill providing that the organization shall be supported entirely out of various sources of income.

Request from the Department of Justice for \$300,000 for enforcement of the national prohibition act was eliminated entirely. The sum of \$15,000 was appropriated, however, for suppressing liquor traffic in Alaska. Other principal slashes in the amounts asked by the Government departments included: War risk insurance, \$5,000,000; vocational education, \$10,000,000; military posts, \$6,945,835; national cemeteries, \$19,000,000; flood control, Mississippi River, \$3,320,000; nitrate plants, \$10,000,000; Panama Canal, \$7,187,385; immigration service, \$2,680,100; employment service, \$1,284,991; reclamation service, \$5,800,000; public health service, \$4,607,000; armories and arsenals, \$6,228,000; public buildings, \$6,758,400; Bureau of Mines \$2,112,000, and Department of Justice, \$1,989,304.

The bill included \$22,000,000 on account of military and naval compensation for death or disability of soldiers, sailors and marines, medical, surgical and hospital treatment of beneficiaries of the Bureau of War Risk Insurance and vocational rehabilitation of soldiers, sailors and marines, all growing out of the world war.

Few Increases Granted. The principal increases over this year's appropriations were \$11,503,000 for the reclamation service; \$500,000 for flood control; \$1,231,000 for national home for disabled volunteer soldiers; \$1,000,000 for lighthouses and beacons and \$516,200 for the Government printing office.

There were 19,857 patients receiving treatment in Navy hospitals, 1920, said the committee report accompanying the bill, "and the estimate is that the number will reach 30,000 during the fiscal year 1921. These patients are cared for in public, hospital, service hospitals, in hospitals at various soldiers homes, in army and navy hospitals and in contract hospitals at varying cost rates. The amount proposed on the basis of 30,000 patients throughout the fiscal year 1921, at the approximate rate of \$2 a day. While there was an apparent reduction of \$25,000,000 in the amount proposed for 1922 for vocational training, the bill provides for reappropriation of unexpended balances, estimated at \$16,000,000, and a surplus of \$10,000,000, for this service \$75,500,000.

TISSUE AROUND CARUSO'S LUNGS TAPPED FOR RELIEF

Tenor's Pleurisy Develops Suppurative Stage, Requiring Operation for Removal of Fluid—His Condition Improves.

The attack of pleurisy from which Enrico Caruso, tenor of the Metropolitan Opera Company, is suffering, yesterday developed the suppurative stage and the attending physicians, Drs. Lambert, Evans, Stella, Murray and Horowitz, found it necessary to tap the pleura membrane that enfolds the lungs and draw from it the fluid that had formed there. The operation, while painful, is not necessarily dangerous and is frequently resorted to in pleurisy.

The operation was performed in the tenor's bedroom in his apartment on the eighteenth floor of the Vanderbilt Hotel late yesterday afternoon. At 7 o'clock the doctors issued the following bulletin: "Mr. Caruso has developed suppurative pleurisy which necessitated a surgical aspiration. This has been successfully performed and he is resting comfortably."

BRITISH WAR LOAN WILL BE REFUNDED

U. S. Practically Completes Negotiations to Accept Long Time Securities.

FIVE BILLION INVOLVED Other Debtor Governments Probably Will Be Allowed the Same Conditions.

Special Despatch to THE NEW YORK HERALD, New York Herald Bureau, London, Dec. 29.

Arrangements for refunding the United States war loans to Great Britain practically have been completed through negotiations between the United States and British treasuries. The agreement as to the refunding operation has not yet been put in final form, but disposition of all of the details is expected by Treasury officials before March 4. Secretary of the Treasury Houston was notified to-day that a representative of the British Treasury was on his way to this country to complete the negotiations and ratify the final agreement.

The understanding in general provides for funding the demand notes for approximately \$5,000,000,000 into long term securities of the British Government at an interest rate equivalent to that now being paid. The only matters not in final agreement are the exact rate of interest and maturity dates on the loans to be given. The refunding operation will care for back interest that is due on these loans. Negotiations with other allied Governments debtor to the United States have not yet reached a point where they are profit or loss. The British Government is in prospect of closing, but the agreement will be a virtual blank for all nations to the United States were separate and distinct and would be settled only on that basis. No change will be made and there will be no joint action. Loans to the Allies were made first at the interest rate which the American Government was paying on its issues of Liberty bonds. Secretary of the Treasury McAdoo changed this, however, and insisted upon a fractional percentage of interest in addition to cover the cost to the United States of raising the sums involved from its citizens. To reach this point the total cost of each of the Liberty bond drives was prorated on the amounts credited to the Allies.

The American Government, it was stated to-day, has no idea of taking any part of being anything but as fair as possible on the interest charge, but Secretary Houston and other officials feel that the rate should cover the full cost to the United States of every item in raising, handling and transferring the money. There has been much discussion between the two Governments as to maturity. The British Government was faced with the problem of fixing the due dates on the new obligations so that they would not interfere with British domestic loans. The United States wanted the maturities to match as nearly as possible the maturities of Liberty bonds and opposed extending the loans beyond the period of reasonable retirement of the war debt of the nation, which has been estimated at twenty-five years.

SENATE SOFAS RIPPED BY VANDAL AT ALBANY

Same Thing Done Before Whitman Took Office.

Special Despatch to THE NEW YORK HERALD, Albany, Dec. 29.—Two handsome Morocco leather sofas and one leather arm chair in the Senate lobby at Albany, were slashed from end to end by some unknown person this afternoon. The act of vandalism, which was discovered by public building officials, will cost the State several hundred dollars to repair. The same thing was done two days before Gov. Whitman began his second term of office four years ago, and State officials believe the same persons are responsible. They have no clue to their identity.

ROWELL TO QUIT SHIP BOARD

Soon to Be Member of California Railway Commission. SACRAMENTO, Dec. 29.—Chester H. Rowell of Fresno, recently appointed by President Wilson to be a member of the United States Shipping Board, announced to-day that he soon would give up his work on that body. He will become a member of California's State Railway Commission.

960 FEAST ON RICE AT \$1,000 EACH TO AID WAR'S VICTIMS

3,500,000 Starving Children Invisible Guests at Unique Gathering.

\$2,011,221 IS REALIZED New York Notables Help Fund Raised by Hoover and Pershing.

ALL SIT AT BARE TABLES Films Emphasize Pitiful Plight of Millions in Europe While Meal Is Served.

An empty high chair, on the dinnerless tray of which there gleamed the yellow light of a single tallow candle, stood last night in the centre of a long, bare wooden table in the great dining room of the Hotel Commodore.

At either end of the long table sat Gen. John J. Pershing and Herbert Hoover, and between them and all around them at other long wooden tables sat 960 men and women who had paid \$1,000 each for the privilege of being guests at a dinner which consisted solely of rice, bread and cocoa.

The empty chair marked the place of an invisible guest, the 3,500,000 starving and diseased children of Eastern and Central Europe, for whom the dinner, which cost 22 cents a plate, was given, and it is for these children that the \$960,000 paid by the guests of Mr. Hoover and Gen. Pershing will be spent.

And in order that the guests, as they ate their small portion of rice and drank their poor cocoa, might understand the little more of the plight of the thousands who have not even that much, there was a screen at one end of the big hall on which were shown moving pictures of the undernourished children as they stood in long lines waiting for small bits of food.

Tables of Plain Food. These at the speakers' table, and they numbered a score of New York's best known men and women, looked across their plain wooden table, on which was not a sign of linen or silver or sparkling glass, at a gathering of fashionably dressed women also seated at rudely made wooden tables.

The guests were dressed in silks and velvets and costly lace. On their arms and necks and in their hair flashed precious jewels. Yet the diners partook of the simple fare set before them because they wanted to realize more vividly what a life of European aristocracy would be like if they were lucky enough to be fed at all. Sweetened rice, two half slices of white bread and a small portion of cocoa constituted the meal. The rice was served on a white enamel plate and the cocoa in an army cup. Only one of the two spoons at each place was needed and it took less than fifteen minutes to consume the entire meal.

Yet each cover represented \$1,000 and the meal it paid for was double the portion served to the European children. "We have provided you with 963 calories," Mr. Hoover, who was toastmaster, said. "And if you will come around to-morrow morning we will give you some more bread. That will bring you up to the 1,200 calories allowed each of these three and a half million daily." Receipts \$2,011,221. The dinner receipts totalled \$2,011,221, according to figures provided by Hoover by John Love, chairman of the New York State committee of the European Relief Council, of which Mr. Hoover is chairman and under whose auspices the novel meal was served. "I have the pleasure to announce that this dinner has placed in Mr. Love's hands that sum and that you have undertaken to promote the lives of 201,000 children on this occasion, and that is the number of your 'invisible guests' to-night."

"This campaign of service was launched ten days ago by the women of New York at a public meeting in the Metropolitan Opera House. The subscriptions at that meeting were \$65,000, bringing the total from New York City and New York State for the first ten days of this campaign to \$1,257,321. That represents practically one-third of the amount that we must secure from the people of this city and State if we are to succeed in the preservation of the total number of children in the starving areas.

FIVE ARRESTED FOR MINE STRIKE BATTLE

Shooting in West Virginia December 18 Is Made Known.

WILLIAMSON, W. V., Dec. 29.—A skirmish between employees of the Thacker Coal and Coke Company and striking miners living in tents at Thacker, W. Va., December 18, came to light to-day in a statement from the office of Sheriff Blankenship here that five men had been arrested in connection with the shooting. The men, it was added, were released on \$500 bail each for a hearing to-morrow. The men arrested gave their names as Coburn, Getts and Edith Hatfield. The other two were named as William and Albert Meghri, a tenant, combined forces to carry them to the street.

Mrs. Carmella Meghri, 48, who was asleep on the third floor, was unconscious from breathing smoke when the detectives smashed their way into her rooms. Albert Meghri, her son, had left her, thinking she would find her way downstairs. The two detectives were rescued here, Meghri carried to the children from the second floor and led them to exits through the building next door. The fire was confined to the second floor.

Denmark Pays 65,000,000 Marks Gold for Schleswig

PARIS, Dec. 29.—Denmark made a payment of 65,000,000 marks gold to the Reparations Commission on Christmas day in fulfillment of the conditions of the annexation of Schleswig, as enumerated by the Versailles treaty. This payment represents Schleswig's portion of the German Empire's debt at the beginning of the world war, her part of the Prussian State debt and the value of German public property taken over by Denmark.

Grand Larceny and False Audits Charged to Comptroller, His Successor and Agent. FOUR COUNTS EACH Defendants Plead Not Guilty to Wasting State's Money in Purchase of Securities.

BLOWOUT BLOCKS SUBWAY-L' RUSH

Power House Accident at 5:15 o'Clock Halts All but Surface Lines.

THEATRE CROWDS CAUGHT Police Reserves Called—Women Faint in Worst Congestion in Years.

A short circuit resulting from a blown out cylinder head in the main power house of the Interborough Rapid Transit Company at Seventy-third street and the East River during the rush hour yesterday afternoon tied up every elevated and subway line in Manhattan and the B. R. T. subway in Brooklyn, and gave the city an hour of the worst traffic congestion it has experienced in recent years.

Excepting for a few trains which ran sporadically on the Interborough and Brooklyn Rapid Transit subways, and one or two that crawled along on the elevated lines, not a wheel moved from 5:15 o'clock to 6:20, when normal traffic conditions were restored. On every day in the week that period is the busiest of the day on all transportation lines, but the usual crowds were augmented yesterday by the throngs that poured from the theatres, most of which gave matinees. At practically every subway and elevated station in Manhattan the congestion of humans trying to board trains that had been cancelled for several days was so great that the police reserves of almost every precinct were called out to handle the crowds. But although the crowds pushed and hauled and pulled they were so good natured and obeyed the commands of the traffic policemen so readily that no one was injured and there was very little disorder, and when the service on the lines was resumed it required only a little while for every one to be on his feet.

Scenes at the Brooklyn Bridge plaza on the Manhattan side resembled those of the last B. R. T. strike, except that yesterday every one was trying to use the Brooklyn trolley lines instead of the subway, owing largely to widespread rumors that the subways would not be back in commission for several hours. The situation at the Bridge became so acute and so filled with potential trouble that after a few minutes reserves from the Traffic Squad and the Oak street station were sent to handle the crowds. The congestion became so great at one period that several women fainted and were carried into a drug store in the World Building, where they were revived.

Police Reserves Called

Conditions at the Canal street station, which is also a transfer point for the Interborough and Brooklyn Rapid Transit special policemen, became so bad that the reserve force of the department were called to keep the crowds from swarming by the thousands into the station. The Brooklyn Rapid Transit station under the Municipal Building was also badly congested, but the company's own employees and special police managed to keep the crowds in check there without calling on the police for aid. The B. R. T. subway was affected because the company purchases a portion of its current from the Interborough, and it is supplied from the Seventy-fourth street power house. The subway, elevated and railroad terminals in the Grand Central Terminal neighborhood were the scenes of great congestion during the tieup, although the crowds were orderly and there was no violent struggle to get on or off the blocked trains. The stream of hundreds diving into the subway entrances at 5:45 was met by a thin line of persons coming up the stairs, who remarked cheerfully that the subway trains were not running. Those on their way down turned about at the word and climbed back to the street level at once without disorder.

Grand Central Thronged

Thousands of them streamed into the Grand Central railroad station and the lower train level of that big building, big as it is, immediately became packed. The line that formed at the rear of the ticket windows was made up of hundreds upon hundreds, stretching back and forth across the floor like a much magnified theatre queue. Trainmasters estimated that fully 10,000 persons, in addition to the usual crowds of commuters at this hour, made use of the railroads in the emergency to reach their homes in the Bronx and Harlem. That sudden tap upon the railroad service was taken care of with virtually no confusion. There are some twenty-six trains leaving the station for points along the "Harlem depression" of the New York Central, making the local points as far out as Woodlawn, between 5:45 and 6:15, and extra cars were brought attached to these regular trains. About forty extra cars were thus added, and in addition one complete extra train was sent out at about 6:20, by which time the subway and elevated trains had resumed running.

TRAVIS, WENDELL, JUDSON, INDICTED FOR BOND FRAUDS

Grand Larceny and False Audits Charged to Comptroller, His Successor and Agent.

ALL ADMITTED TO BAIL If Convicted They Face Three and One-half to Five Year Terms and Heavy Fines.

Eugene M. Travis, State Comptroller, and James A. Wendell, Comptroller-elect, were indicted yesterday by the Additional Grand Jury on charges of grand larceny and fraudulently auditing the books of the Comptroller's office. The indictments are the result of the John Doe inquiry into the investing of State funds in bonds purchased through brokers at higher than market prices. With the Comptroller and Comptroller-elect the Grand Jury indicted Albert L. Judson, a broker, on similar charges. Each was held by Judge McIntyre of General Sessions in \$5,000 bail.

The indictments contained four counts each. The John Doe proceedings were held just before election and a testimony was offered to the effect that Travis purchased through Judson \$2,013,000 worth of New York city bonds at a rate seven points higher than they could have been purchased for in the open market at that time, and that later Travis bought \$3,200,000 worth of bonds at a rate that cost the State \$80,000 more than if they had been obtained in the open market. It was alleged that the State might have saved more than \$150,000 on the first deal had the bonds been purchased at the open market price.

Travis, Wendell and Judson pleaded not guilty. For Mr. Wendell a representative of John B. Stanchfield appeared. The Comptroller was represented by Max Steuer, and Judson, who is almost blind, was led into court by his attorney, Walter R. Herick. They had no personal comments to make, but Mr. Stanchfield applied for the right to inspect the minutes of the Grand Jury, after which, he explained, he intended moving for a dismissal of the indictments. The argument thereon will be heard to-morrow morning.

Mr. Travis made a brief statement following the announcement of the Grand Jury's action. "All I can say now is that I am innocent of the charges against me and this innocence will be shown in due time," he said. "Not a word," was all Deputy Comptroller Wendell would say. Mr. Judson contented himself with the remark that "indictments seem to be as popular now as appendicitis used to be." If convicted the three men will be liable to imprisonment for from three and a half to five years on each count and to be fined five times the amount of money the State lost by their transactions. It seems likely that other indictments on similar charges will be returned. The Grand Jury in a statement to Judge McIntyre said: "We have presented to this court several true bills which we have found upon the evidence submitted to us in this investigation, and our labors therein are not yet concluded. We deem it to be our duty at this time, however, in view of the fact that the Legislature will soon convene, through this court, to call the attention of that body and the attention of the Governor to the extreme laxity of the methods by which these public funds have been invested. These methods, in our opinion, do not properly safeguard the interests of the people. We earnestly recommend that the Legislature devote serious effort to the correction by suitable legislation of the abuses which under lax methods have characterized the investment of these public funds."

Had \$31,000,000 to Invest

Comptroller Travis had \$31,000,000 of State funds to invest in municipal bonds, and the way in which the investments were made aroused criticism which resulted in a John Doe hearing before Chief Justice Frederick Kernochan of the Court of Special Sessions. Assistant District Attorney Ferdinand Pecora conducted the investigation, calling as witnesses Comptroller Travis and Mr. Wendell, who is a Deputy Comptroller, and who then was running for election to Mr. Travis's job. It was testified that the bonds purchased through Mr. Judson had cost the State \$300,000. It was testified, too, that virtually all of the \$31,000,000 worth of bonds purchased were obtained from a small group of brokers and that in numerous instances the prices paid by Mr. Travis were in excess of prices quoted by other brokers in the open market. Among the favored brokers, it was testified, were Mr. Judson, William S. Panshaw and Gibbons & Co. When Mr. Travis took the stand he was asked directly why he purchased some New York city bonds at \$9 when he might have gone into the open market and got them for \$2, and why he had limited his purchases to so narrow a circle of brokers.

He then explained that he had not been enthusiastic about making these purchases at the higher figures, but that he felt that he was under a "moral