

JUN 1 1921
B 5 2 9 7 9 3

WEATHER FORECAST.

Partly cloudy to-day; to-morrow fair and cooler; fresh west and northwest winds. Highest temperature yesterday, 81; lowest, 59. Detailed weather reports will be found on editorial page.

THE NEW YORK HERALD

(COPYRIGHT, 1921, BY THE SUN-HERALD CORPORATION.)

THE BEST IN ITS HISTORY.

The New York Herald, with all that was best of The Sun intertwined with it, and the whole revitalized, is a bigger and better and sounder newspaper than ever before.

VOL. LXXXV.—NO. 275—DAILY.

NEW YORK, WEDNESDAY, JUNE 1, 1921.

ENTERED AS SECOND CLASS MAY 21, 1910.

CLASS MATTER, YORK, N. Y.

PRICE TWO CENTS

THREE CENTS WITHIN 300 MILES FOUR CENTS ELSEWHERE

\$120,000,000 BRING OUT OF INSURERS BY UNFAIR FIRE RATES

'Brazen Highway Robbery,' Says Undermyer of the System Worked to Gouge New York Public.

GOING TO GRAND JURY Witnesses Tell How Excess Prices Charged Here Are Paid to Outsiders in Unearned Profits.

THROTTLED BY A LOBBY

Change in Law to Admit the Mutuals Is to Be Asked to Cut Premiums Down to Reasonable Figures.

State laws and a powerful lobby which has operated at Albany for years have aided greatly in cementing the grip of the four fire insurance exchanges on New York and sanctioned practices which barred mutual insurance companies, boosted rates, forbade profit sharing with premium holders and killed competition at the expense of the property owners.

By terms of Chapter 125 of the insurance law this State has thrown a benign and protecting arm around a system of stock manipulation which Samuel Undermyer, counsel for the Lockwood Committee, characterized yesterday at the investigation in City Hall as "brazen highway robbery."

Under this provision directors of a mutual insurance company were permitted when they wanted to do so to submit to policy holders in that company the right to subscribe for stock in a new company into which the old was to be converted. The policy holders are allowed thirty days to subscribe, and if they do not act in that time the subscription can be taken up by the directors and officers of the company.

By this simple process those of the inside virtually all policy holders of all participation in surplus and undivided funds. In the several instances where such changes have been made from mutual to stock companies, the big surplus accumulations which went into the pockets of the few manipulators.

Mutuals Behind in New York. Moreover, it was shown that this State lags far behind in the procession of laws to regulate the insurance business. Herman L. Ekern, counsel for four national associations of mutual companies, told the committee of the efforts made by his interests to break through the ranks of the all powerful lobby surrounding the State Capitol, but always without success.

Year after year bills aimed to curb the monopoly of the insurance companies to give the State Insurance Department power to open the State to competition, have gone down before the opposition of the lobby. The State officials appear to have made no special effort to meet the situation.

When an effort was made last year to amend the iniquitous Chapter 125, the Federation of Mutual Insurance Companies appealed to the Legislature to act, saying that the State's policy of sanctioning such a policy of converting companies "violates the policyholders' rights and appropriates their property to others and undermines public confidence." But the lobby won. The law still stands.

The only power this State has in regulating rates is that the Superintendent of Insurance may remove discriminatory rates on property.

"Rates are equally extortionate and unfair to the policyholder as to the insurer, can he? It is only when there is a difference?" Mr. Undermyer asked.

"That is correct," Mr. Ekern answered. "No matter how oppressive the rates for insurance may be, the law does nothing, can he? It is only when there is a difference?" Mr. Undermyer asked.

"That is correct," Mr. Ekern answered. "No matter how oppressive the rates for insurance may be, the law does nothing, can he? It is only when there is a difference?" Mr. Undermyer asked.

"That is correct," Mr. Ekern answered. "No matter how oppressive the rates for insurance may be, the law does nothing, can he? It is only when there is a difference?" Mr. Undermyer asked.

"That is correct," Mr. Ekern answered. "No matter how oppressive the rates for insurance may be, the law does nothing, can he? It is only when there is a difference?" Mr. Undermyer asked.

"That is correct," Mr. Ekern answered. "No matter how oppressive the rates for insurance may be, the law does nothing, can he? It is only when there is a difference?" Mr. Undermyer asked.

"That is correct," Mr. Ekern answered. "No matter how oppressive the rates for insurance may be, the law does nothing, can he? It is only when there is a difference?" Mr. Undermyer asked.

Ford Car No. 5,000,000 Turned Out in Detroit

Special Despatch to THE NEW YORK HERALD.

DETROIT, May 31.—Ford car No. 5,000,000 was turned out Saturday at the Highland Park factory of the Ford Motor Company. It probably will stay in Detroit as part of the museum of Henry Ford, alongside the original Ford car that popped and spluttered uncertainly through the streets of Detroit in the nineties and near several other early models.

Where Nos. 1,000,000, 2,000,000, 3,000,000 and 4,000,000 are not in not a certainty, for they went out into the world like any other Ford.

At an average of \$500, the 5,000,000 cars would represent a sales value of \$2,500,000,000.

BOOTLEGGERS LOOT MAIL IN BIG FRAUD

Arrest of Two Men in Main Post Office Here Reveals Liquor Permit Plot.

CLERK AN ACCOMPLICE

Letters of Inquiry Stolen and Forged Approvals Sent to Warehouses.

The story of one of the biggest and most successful bootlegging plots unearthed since Federal prohibition went into effect was revealed yesterday when two men were held in jail by United States Commissioner Samuel M. Hitchcock. The daring of these plotters far exceeds any exposed in the past, as their operations reached into the main post office of this city, where the mails are alleged to have been tampered with and letters placed in the hands of the plotters bearing upon the removal of liquor from distilleries and bonded warehouses throughout the country.

The letters were addressed to Charles R. O'Connor, Federal Director of Prohibition for New York State, and were alleged to have been taken out of the mails for the convenience of a postal clerk, whose name has not been made public, owing to the fact that he may give important information.

The communications were from distillers and wholesale liquor firms scattered throughout the East making inquiries as to the genuineness of withdrawal permits calling for the removal of unlimited quantities of whiskey to be sold for medicinal purposes as required by law. The permits bore the forged signature of Mr. O'Connor, who retired from office last week.

The workings of this alleged bootlegging ring is replete with forgery of permits and letters and bribery of a high-er-to-trusted post office employee, which has resulted in the removal of thousands of gallons of whiskey that has found a ready market in this and other cities.

Trapped in Post Office.

John Bonafore, alias George Burns, was released in \$25,000 bail, and Thomas Malone, alias Harry Brown, in \$10,000 bail, after they had been arraigned before Commissioner Hitchcock on a complaint made by Post Office Inspector Francis L. Reidy charging them with conspiracy in tampering with the mails. Bonafore said he lived at the Lafayette Baths and Malone declared he was stopping at the Hotel Claridge.

The two men were arrested yesterday morning in the General Post Office in Eighth avenue by Mr. Reidy and three other inspectors just after Bonafore had pocketed four special delivery letters addressed to a margarine dealer from distillers in Pennsylvania for which he had signed after they had been handed him by the clerk involved.

According to the complaint against the two alleged plotters the conspiracy was hatched on or about January 1 last and has been in full swing since then. Last night no Government officials would even venture a guess as to the quantity of liquor removed through the operations led by Bonafore and Malone which cover a period of five months.

From other sources it was learned that men known in and to the illicit liquor trade in this city have been working with Bonafore and Malone. Their arrest is a blow at the already depleted stock of whiskey now being sold on the sly.

Arrest of 'Higher-ups' Hinted.

Assistant Federal District Attorney Day told the press that the investigation of its investigation of the fire insurance companies will be a series of amendments to the insurance laws which will give the State the whip hand in dealing with exchanges, making illegal such combinations as now exist, and open the New York fire insurance business to the mutual companies for fair competition.

It is believed that with the mutual companies in the field, operating without artificial barriers to boost the mutual insurance rates would drop 20 points in the metropolitan district. That would mean a saving of many millions, which would go into the pockets of hundreds of thousands of home owners who now carry policies against fire loss.

Mr. Undermyer referred several times during his examination of witnesses to the operation of the insurance law, if the changes as "criminal conspiracies." The evidence taken yesterday will be presented to the criminal courts. The effect against the law lies in the fact that—

The exchanges insisted upon making exclusive contracts with brokers whereby the latter received 5 per cent. extra commission, which came from the policyholder. If the broker would agree to do business only through the exchange. This knocked out the mutual companies. The exchange allowed the mutual companies to come into New York only if they agree to give up their system of profit sharing with policy holders.

Testimony showed that where there are Greenberg, White Sulphur Spgs. American bath, ideal climate conditions. Golf, tennis, fishing, swimming, boating, fishing—Ado.

Continued on Fourth Page.

AIR BOMB EXPLOSION KILLS 5, INJURES 10 AT PROVING GROUND

TNT Canister Slips From Airplane During Army Test at Aberdeen, Md.

TWO OTHERS MAY DIE

Investigating Board Named to Fix Responsibility for Fatal Accident.

SAFETY PIN LOOSENED

Fatality Occured as De Havilland Machine Was Leaving Ground for Flight.

Special Despatch to THE NEW YORK HERALD.

ABERDEEN, Md., May 31.—A fifty pound bomb filled with TNT fell from a big De Havilland airplane this morning at the Government proving grounds as it was taking off for a test bombing flight in rehearsal for the great army and navy maneuvers in Chesapeake Bay next week. The bomb exploded with terrific force, killing five men and injuring ten more. Of the wounded men two will die, while the recovery of four others is doubtful.

The Dead.

Private ALLEN W. SHERMAN, 14th Aero Squadron. Private E. H. GRIMMEL, 14th Aero Squadron. Private RAYMOND F. BOHLE, 34th Ordnance Company. Private H. E. S. HITE, 14th Aero Squadron. Civilian ROBERT M. HERR, proof taker.

Injured Fatally.

Capt. Joseph E. Hall, Air Service, head badly cut. Private Sam Weinstein, 34th Ordnance Company, lung punctured. Injured, Recovery Doubtful. Private P. W. Hall, 14th Aero Squadron. Private J. J. O'Neill, 34th Ordnance Company. Private M. D. Bleszins, 10th Aero Squadron. Private Edward Jarry, 34th Ordnance Company.

Injured Slightly.

First Lieut. Carl G. Eliason, Air Service. Private S. P. Mason, 4th Ordnance Company. First Lieut. Louis R. Reese, Air Service. Private L. J. Titlow, 34th Ordnance Company. Capt. Joseph E. Hall of the army air service, one of the fatally injured, was seated in the plane at the time of the explosion, while just in front of him engine room. Capt. G. Eliason, also of the air service, was the commanding officer of the plane and Lieut. Eliason was the pilot.

The explosion occurred about 10:30 o'clock, while the plane was starting in the first of a series of test bombing flights. Under the fuselage of the aircraft was a huge rack for carrying the explosives. The rack was fitted with mechanism for freeing the bombs for their flight to earth. Four 500 pound TNT bombs and one of fifty pounds were in this rack when the explosion took place. In some manner, it is believed, the mechanism became defective and let the smaller bomb out. At the same time the safety pin of the bomb may have come out, which is necessary for the explosion.

Officers at Aberdeen were reluctant to discuss the probable cause of the explosion, as they state it is highly technical and hard to explain to the layman. Some of the officers advance the theory that the tail skid of the airplane must have struck the bomb which brought about the mechanical actions necessary to fire it.

A board of investigation has been ordered to investigate the occurrence. It is composed of Major James Kirk of the Ordnance Corps as president; Capt. Morbit Carolin, commanding officer of the service at Aberdeen; and Lieut. Forty-seventh Strickling of the Ordnance Corps.

Officials here understood that the bomb which exploded was of the type used in the composition of the company. It was an armor piercing bomb, so devised to carry a greater charge of explosive.

Aberdeen Proving Grounds is where all heavy army guns and a certain percentage of the army's ammunition is tested. It is on the Pennsylvania Railroad, on the New York to Washington division, but set back a distance of about seven miles from the Aberdeen station. A branch line runs to the proving grounds.

Adolph Knuhl, head waiter in the grill of the Hotel Plaza at Fifth avenue and Fifty-ninth street, was arrested last night by Sergeant Joseph Chenevix of a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

Living Costs in Berlin Drop Month by Month

Special Cable to THE NEW YORK HERALD. Copyright, 1921, by THE NEW YORK HERALD.

THE cost of living in Berlin was lower in April, according to figures now available, than in any month since March, 1920, and the minimum for a family of two adults and two children was 281 marks. This was 17 marks less than in the previous month and 94 marks less than April of last year. In April, 1914, the minimum was 28 marks and 80 pfennigs, about ten times as little. The fall of the price of rice, fats, shoes and clothing more than offset the increase in the price of bread, potatoes, sugar and milk.

WILSON PEACE SHIP NEAR ROIN BY FIRE

Liner George Washington Gets Ablaze While in Hoboken Repair Yards.

N. Y. FIREBOATS CALLED

Large Part of Superstructure Destroyed—Cause and Loss Not Determined.

A mysterious fire that grew from a swirl of smoke to a blaze that demanded the use of all the department apparatus available in Hoboken threatened early last night to destroy the steamship George Washington, former German liner and the transport used by Woodrow Wilson on his two trips to France during the peace conference. The fire started after workmen, who have been reconditioning the vessel in the yards of the Tietjen & Lang Dry Dock Company, Hoboken, had quit work and left for the day. No estimate of the damage could be had, but it was said that much of the repair work ordered by her new owners, the United States Mail Line, was undone by the fire.

It was planned by the United States Mail Line to make the George Washington the finest passenger carrier afloat. More than \$1,000,000 in repairs and improvements had been ordered. The work was begun on the first of May, when the ship was brought down from Boston. She was to have been turned out of the yard on the first of July. Her first sailing for Plymouth was scheduled for July 30.

The George Washington is the second of the United States mail fleet to be damaged by fire within two weeks. On May 19 the Panhandle State was beached near Ellis Island with a bad fire in her engine room. She is now being repaired.

At 8:30 o'clock last night John Cross, chief watchman for the Tietjen & Lang yards, detected the odor of smoke as he passed through a crevice in the door sill. Axes were called for, and Cross, assisted by half a dozen watchmen, started to break their way into the cabin. A few boxes were all that were necessary. The door already had been half burned through and it crashed into the room.

A gust of smoke and flames leaped at the seven men and they were forced back to the end of the passage. Cross left to send in an alarm while the others tried to hold back the fire with the aid of a chemical spray.

Other alarms were turned in when the fire broke out. The fire was under control minutes later. Bernard Seely, director of Public Safety of Hoboken, telephoned to New York Fire Headquarters, asking that two fireboats be dispatched to the assistance of the Hoboken men at once.

Tugs of the Delaware, Lackawanna and Western and the Central Railroad of New Jersey joined the fireboats in the battle on the river side of the burning vessel. Gradually the fire was driven from the superstructure, but it was not put under control until the two upper decks over the waist of the ship had been badly damaged. At one time it was feared the entire ship was doomed.

At the offices of the dry dock company, Henry Dendel, superintendent, said that about 50 per cent. of the reconstruction work ordered by the ship's owners had been completed by 5 o'clock last night. He added that the vessel would have been ready for service by the end of the month. He could not estimate the time required to replace the burned sections.

The fear has been expressed in some sources that the insurgents will become disorganized in the event of a British and Italian advance, and plunder and burn and kill. Seemingly in support of this fear there recently have been reports that the Polish officers gradually have been losing control of their men as pressure has been increased upon them.

While plans are being submitted to the Inter-Allied Commission for the operation of the new forces, the British are continually reinforcing. The Durham Light Infantry has arrived to supplement the Polish and Italian units. The Italian Gen. De Martini is understood to have offered the most favorably considered plan for invasion. This comprehends the use of British and Italian troops between the sea and Polish line, the fixing of a neutral zone and then disarming both the Poles and the Germans. The prime difficulty seems to be that both the Poles and the Germans are insisting that the guns of their opponents shall be handed over first.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

Near the rifle line the road had been mined and an intense fire was opened on the soldiers. Bombs also were used. A man who was trying to celebrate the mass got into the line of fire and was wounded. His driver was killed.

By the Associated Press. CONK, May 31.—Three soldiers were killed instantly, three mortally wounded and others badly injured when mines were exploded this morning under a party of soldiers from the Youghal barracks at the rifle range. The men exploded the mines ran off after firing.

FIFTY POLES KILLED; FIGHT TWO BATTLES IN UPPER SILESIA

15 German Defenders of Annaberg Fall—Wounded List Is 175.

BIG GUNS BROUGHT UP

Hand to Hand Fighting in Streets Ends in Rebels Fleeing.

PLANT BOMBING FEARED

Gen. von Hoefler Refuses Request of Allies to Parley With Rebels.

By the Associated Press. ANNABERG, Silesia, May 31.—Fifty Poles and fifteen Germans were killed and about 175 were wounded when Polish insurgents attempted to-day to take Annaberg after a brief shelling by small field pieces.

The Poles were repulsed and fled to Kallnow, whither the Germans pursued, and drove them out. Seven hundred rebels marched on Annaberg and engaged the German garrison of 300 with rifles and machine guns. The Germans replied with steady volleys for two hours and then counter attacked.

The fighting became hand-to-hand, rifles being clubbed and grenades and knives brought into action. After an hour of this street fighting the Poles broke and fled, leaving the Germans in possession of the town.

They left their dead and wounded in the streets. The Germans buried the Polish dead and placed the wounded in the houses here and removed their own casualties to Krappitz.

The Germans followed the retreating insurgents into Kallnow and renewed the fighting in the streets, finally driving them several miles beyond the city. Baron von Pless, reporting to the Allied Commission, which sent two officers to investigate the fighting, said: "We were attacked and we counter-attacked, advancing into Kallnow, but our agreement with the commission to undertake no offensive our forces were withdrawn. We conducted a purely defensive action. Unfortunately there were severe casualties on both sides."

LONDON, May 31.—Polish insurgents began a strong attack on the Italian positions in the Kozul sector of the Oder at 2 o'clock Tuesday morning, according to a despatch to the Daily Mail from Oppeln, Upper Silesia. The attack was made after heavy artillery fire. The Poles reached the suburbs of Oderhagen, from which they were repulsed after four hours' severe fighting. The casualties of the Italians and German volunteers were slight.

By the Associated Press. OBER-GLOBAU, Upper Silesia, May 31.—Gen. Von Hoefler, commander of the German guards in this city, has declined to comply with the suggestion made by the Inter-Allied representatives that he negotiate with the Polish insurgents in an attempt to find a ground upon which the situation in Upper Silesia could be adjusted. He said that the Germans would in no circumstances open conversations with the rebels.

The suggestion of Von Hoefler is understood to have been made by a delegation of French and British officers, who pointed out that grave consequences might result should the Poles attempt to exclude the British or carry out threats to blow up mines and factories in the industrial districts. In British circles it was said that several towns had been mined and factories wired and explosives planted in them, but that it was believed this work had not been so widely planned as the Poles have asserted.

The fear has been expressed in some sources that the insurgents will become disorganized in the event of a British and Italian advance, and plunder and burn and kill. Seemingly in support of this fear there recently have been reports that the Polish officers gradually have been losing control of their men as pressure has been increased upon them.

While plans are being submitted to the Inter-Allied Commission for the operation of the new forces, the British are continually reinforcing. The Durham Light Infantry has arrived to supplement the Polish and Italian units. The Italian Gen. De Martini is understood to have offered the most favorably considered plan for invasion. This comprehends the use of British and Italian troops between the sea and Polish line, the fixing of a neutral zone and then disarming both the Poles and the Germans. The prime difficulty seems to be that both the Poles and the Germans are insisting that the guns of their opponents shall be handed over first.

By the Associated Press. OBER-GLOBAU, Upper Silesia, May 31.—Gen. Von Hoefler, commander of the German guards in this city, has declined to comply with the suggestion made by the Inter-Allied representatives that he negotiate with the Polish insurgents in an attempt to find a ground upon which the situation in Upper Silesia could be adjusted. He said that the Germans would in no circumstances open conversations with the rebels.

The suggestion of Von Hoefler is understood to have been made by a delegation of French and British officers, who pointed out that grave consequences might result should the Poles attempt to exclude the British or carry out threats to blow up mines and factories in the industrial districts. In British circles it was said that several towns had been mined and factories wired and explosives planted in them, but that it was believed this work had not been so widely planned as the Poles have asserted.

The fear has been expressed in some sources that the insurgents will become disorganized in the event of a British and Italian advance, and plunder and burn and kill. Seemingly in support of this fear there recently have been reports that the Polish officers gradually have been losing control of their men as pressure has been increased upon them.

While plans are being submitted to the Inter-Allied Commission for the operation of the new forces, the British are continually reinforcing. The Durham Light Infantry has arrived to supplement the Polish and Italian units. The Italian Gen. De Martini is understood to have offered the most favorably considered plan for invasion. This comprehends the use of British and Italian troops between the sea and Polish line, the fixing of a neutral zone and then disarming both the Poles and the Germans. The prime difficulty seems to be that both the Poles and the Germans are insisting that the guns of their opponents shall be handed over first.

By the Associated Press. OBER-GLOBAU, Upper Silesia, May 31.—Gen. Von Hoefler, commander of the German guards in this city, has declined to comply with the suggestion made by the Inter-Allied representatives that he negotiate with the Polish insurgents in an attempt to find a ground upon which the situation in Upper Silesia could be adjusted. He said that the Germans would in no circumstances open conversations with the rebels.

The suggestion of Von Hoefler is understood to have been made by a delegation of French and British officers, who pointed out that grave consequences might result should the Poles attempt to exclude the British or carry out threats to blow up mines and factories in the industrial districts. In British circles it was said that several towns had been mined and factories wired and explosives planted in them, but that it was believed this work had not been so widely planned as the Poles have asserted.

The fear has been expressed in some sources that the insurgents will become disorganized in the event of a British and Italian advance, and plunder and burn and kill. Seemingly in support of this fear there recently have been reports that the Polish officers gradually have been losing control of their men as pressure has been increased upon them.

While plans are being submitted to the Inter-Allied Commission for the operation of the new forces, the British are continually reinforcing. The Durham Light Infantry has arrived to supplement the Polish and Italian units. The Italian Gen. De Martini is understood to have offered the most favorably considered plan for invasion. This comprehends the use of British and Italian troops between the sea and Polish line, the fixing of a neutral zone and then disarming both the Poles and the Germans. The prime difficulty seems to be that both the Poles and the Germans are insisting that the guns of their opponents shall be handed over first.

By the Associated Press. OBER-GLOBAU, Upper Silesia, May 31.—Gen. Von Hoefler, commander of the German guards in this city, has declined to comply with the suggestion made by the Inter-Allied representatives that he negotiate with the Polish insurgents in an attempt to find a ground upon which the situation in Upper Silesia could be adjusted. He said that the Germans would in no circumstances open conversations with the rebels.

The suggestion of Von Hoefler is understood to have been made by a delegation of French and British officers, who pointed out that grave consequences might result should the Poles attempt to exclude the British or carry out threats to blow up mines and factories in the industrial districts. In British circles it was said that several towns had been mined and factories wired and explosives planted in them, but that it was believed this work had not been so widely planned as the Poles have asserted.

HARDING SOUNDING ALLIES ON DISARMAMENT THROUGH HIS DIPLOMATIC AGENTS

Special Despatch to THE NEW YORK HERALD.

WASHINGTON, D. C., May 31.—President Harding let it be known to-day that informal inquiries have been made of other nations as to their attitude on a curtailment of armament, aside from the recommendations contained in the Borah resolution amending the naval appropriation bill and the consideration of the subject by the allied council, in the deliberations of which the American Government is participating to a limited extent.

These informal inquiries are being made by the American diplomatic representatives. If these preliminary soundings arouse any real sentiment for a curtailment of arms—and the Administration is sincerely hopeful they may—there will be diplomatic procedure to bring this about.

Of particular interest will be the attitude of Great Britain and Japan, although the whole subject embraces the probable programmes of other Powers such as France, Italy, Brazil and the Argentine Republic. The feeling prevails that if any curtailment of armament is to be accomplished it must be through cooperation of all nations, straightforwardly and honestly, so there may be complete confidence in the action.

Members of the Administration have received word that the allied council intends to take up the subject of a disarmament programme, and this was one of the chief reasons for the desire of the American Government to participate in the deliberations even if merely in the capacity of an observer. Due to unofficial participation in the council sessions, the United States will be unable to make definite suggestions to the other Powers, but there is reason to believe the result of the informal inquiries now being made on the part of the United States will be laid before the council for its information.

By the Associated Press. PARIS, May 31.—The usually well informed Journal des Debats expresses the opinion to-day that the visit of Crown Prince Hirohito of Japan, who arrived in Paris to-day, is much more than an ordinary sightseeing tour. It considers his coming as opening the way for France to exert a conciliatory role in anticipated delicate relations between Japan and the United States and England.

"The journey of Prince Hirohito is sufficient to show how important Japan considers European relations," the Debats says. "In fact Japan is finding herself at a delicate point in her history. The question of renewing her alliance with Great Britain, which Japan so much desires, is vital and certainly will be discussed at the imperial conference which is to meet in London in June."

In China, as well as in the Pacific, Nippon on many points is in opposition to the United States. The controversy over the Island of Yap recently showed this. The problems involved in the adjustment of Japanese and American interests may even dominate diplomatic history during the coming years.

"They may offer occasion for friction but they also offer possibilities for accord," said France, having bonds with the United States and Great Britain and with no difference separating her from Japan, can only direct her influence toward a policy of conciliation and accord. In this France will not be found wanting."

Prince Hirohito spent a rough night crossing the Channel. He received a great ovation when he arrived in