

VOL. LXXXVI.—NO. 235.—DAILY. ++++ NEW YORK, SATURDAY, APRIL 22, 1922.

HYLAN IS EXPECTED TO REJECT TRANSIT DEMAND BY MILLER

Estimate Board Does Not Reject 14th St. Subway Bid as Planned.

GOES OVER TO MONDAY

Craig, Defiant, Is Ready to Turn Down Request to Supply Funds.

SITUATION IS IMPROVING

Chairman McAneeny Asserts That Contracts Are Made and Cannot Be Vetoed.

Mayor Hyland, Comptroller Craig and other members of the Board of Estimate, which met yesterday, made statements denying Gov. Miller, but they did not definitely reject any of the bids for the Fourteenth street subway tunnels by following their usual course of referring the bids back to the Transit Commission.

One of the contracts carrying a low bid of \$1,349,196.10 from the Joslin Construction Company was marked on the calendar as "refer back to the Transit Commission" which would have meant a rejection. But the board, said to have been acting on the advice of the Corporation Counsel, decided to refer that contract, together with forty smaller ones, to the committee of the whole.

That committee will meet next Monday, at which time some action of immediate importance will be taken. The view generally taken is that Mayor Hyland will not risk removal by the Governor for "continued delay" in the opening of the Fourteenth street line. Several of the individual members of the board, however, are expected to continue attacking the Governor. Comptroller Craig in the meeting started the attack on the Governor by saying:

"I am ready to vote on these matters right now and again refuse the request of the Transit Commission."

Mayor Hyland was much milder, however, and seemed much pleased to address the board. He said that the Transit Commission had been asked to refer the contracts to the Committee of the Whole, where proper consideration might be given to them.

"The Comptroller finds fault because somebody wants to pay a little cheap politics," was the Mayor's comment.

Board Approves One Contract

The board approved without debate a contract entered into by the Transit Commission with Frederick L. Cranford, Inc., for the completion of the Lawrence street station and other improvements in the Brooklyn Rapid Transit Fourth avenue subway. It also appropriated \$32,410.50 for the work.

Urging the immediate rejection of the Fourteenth street contracts, Comptroller Craig said:

"In August, 1921, the board refused to sign these contracts. Now, after eight months, the Transit Commission engineers have discovered some work of an emergency character. The Transit Commission has been dead to the world in everything except the readjustment and the increased fare proposition.

"The Transit Commission complained to the Governor and the Governor has made public their complaint, putting the blame on this board and there is not a word of truth in it."

"These contracts ought to be readjusted," ventured the Mayor. "Some of the bids are high and the result has been that much lower bids have been received."

"I don't think we should triffler with this situation," broke in the Comptroller. "This is an effort of the Transit Commission to have an alibi for its own neglect."

William G. Fullan, associate counsel of the Transit Commission, said that body had not been asked to refer the contracts. Some of the contracts had been submitted in August, but others had been sent to the Board of Estimate in February, and eight months had not elapsed since then.

"If we don't approve these contracts to-day somebody else will be asking for our removal," laughed the Mayor as they went over until Monday.

McAneeny Sees Action

Mr. McAneeny held the action of the Board of Estimate as indicative of a probable change of attitude on the part of that body under the vigorous prodding to which it had been subjected by Gov. Miller.

Mr. McAneeny was pleased when informed that the board had referred to the Committee of the Whole for action next Monday certain matters which had been scheduled previously for reference back to the Transit Commission. Perhaps the most important of these was the \$1,349,196 contract with the Joslin Construction Company for the building of the Lawrence street station, Brooklyn, an important part of the Fourteenth street-Eastern district subway.

This section, under the terms of the contract signed nine years ago, is to be of elevated construction, the B. R. T. having refused more recently to incur the added expense involved in substituting subway construction. The Board of Estimate on April 7 ordered the contract referred back to the Transit Commission with a memorandum stating that the board's refusal to extend the line as an elevated line.

A like course was taken with the ten approximately small but vitally important contracts affecting the progress of the Fourteenth street-Eastern district line, which Mr. McAneeny in his letter to the board on April 5 had listed as "key" contracts.

Mr. McAneeny's statement concerning

Continued on Page Seven.

Theatrical and Hotel and Restaurants

Advertising will be found on Page 6.—Adv.

15 Mile Long Petition for Old Liberty Bell

CHICAGO, April 21.—A petition which, it is declared, will be fifteen miles long and signed by between three and four million school children in seven mid-western States, requesting city officers of Philadelphia to permit the display of the Liberty Bell at the Chicago Pageant of Progress, July 29 to August 16, is to be prepared immediately.

The petition will be circulated in every school in Illinois, Wisconsin, Michigan, Indiana, Missouri, Kentucky and Iowa.

The petitions when assembled here will be pasted together in one roll, incased in a mahogany casket and placed on an observation car for the trip to Philadelphia.

DR. GRANT IN CLASH WITH CHURCH VESTRY

Ascension's Treasurer, Burton F. White, Sends His Resignation to Rector.

ANOTHER READY TO QUIT

Trouble Caused by Expenses Rising Much Faster Than Income.

Differences of opinion over the financial policy of the Church of the Ascension, Fifth avenue and Tenth street, has resulted in a serious break between the vestry and the Rev. Percy Stickney Grant, the rector. Burton F. White, church treasurer for four years, has offered his resignation, and another member of the vestry, a former Government official, has announced that he also will resign.

The dissention, which has been smoldering since last October, when charges were made that the church was living beyond its income, blazed up at Thursday's vestry meeting. The gathering was described as stormy, with hot words passing between Dr. Grant and at least one vestryman.

Several members of the vestry suggested retrenchment all along the line. At first, it was said, Dr. Grant received these suggestions lightly, but later he would resign.

The former Government official who said he would resign, is understood to have taken exception to the manner in which Dr. Grant treated the suggestions of the treasurer, which he felt were sound and for the good of the church. A vestryman said yesterday that Dr. Grant had been conducting the church affairs on a basis of two years ago and that while the overhead, now \$42,000 a year, was constantly increasing, the income had become so meagre that the church, however, is solvent and independent in regard to indebtedness. Dr. Grant's salary, moreover, got into a bitter argument with Dr. Grant and words passed that angered the vestryman.

"No man, not even a clergyman," said the vestryman, "can get away with that."

Mr. White, who is proprietor of the Hotel Bossert in Brooklyn and the Hotel Boynton in West Fifty-fifth street, last night admitted that he had sent his resignation. Dr. Grant insisted there was nothing in the nature of a dissolution.

LEAVES \$10,000 TO SON LOST TO HER 33 YEARS

F. C. Trabee of Buffalo Will Share Mother's \$500,000.

LOS ANGELES, April 21.—Requests of about \$50,000 to institutions, a like sum to relatives and friends and a \$10,000 legacy to a son who has been estranged from her for thirty-three years were provided in the will of Mrs. Harriet Ada Webb, who died recently in Pasadena, filed for probate today.

The son is Frank Curtis Trabee and his last known address was Buffalo, N. Y., according to the will, which also named the names of his mother and his father for the time stated.

The personal bequests included \$50,000 to Mrs. Grandison Underhill, niece; \$25,000 to Mrs. M. G. Griffiths, niece; and Henry Allen Ten Eyck, nephew, all of Albany, N. Y.

Princeton Professor Produces Cold Light Like That of Firefly

Special Dispatch to The New York Herald.
PRINCETON, April 21.—Prof. E. Newton Harvey of Princeton University announced to-day that he has made a discovery by which cold light may be obtained by giving continual incandescence, with its foundation in the substance known as luciferin. It is this light that emanates from the bodies of the firefly and similar luminous insects. In many experiments Dr. Harvey has found that the process of light giving is continuous one, but without any accompanying heat. In many cases the accompanying heat does not exceed one one-thousandths of a degree.

Dr. Harvey said that to make this light of commercial and practical value it is necessary to produce a light which is both continuous and brighter than at present. This, he says, has been found possible by the reduction of oxy-luciferin through the dissolving action of certain metals. He has found that by placing the metal in an oxy-luciferin solution containing the enzyme, which is an un-

38 PLEAD GUILTY IN DAY, INCLUDING TWO SHATLUCK BURGGLARS

Record in Bantou Drive as Criminals Try to Avoid Heavy Terms.

ROGAN GETS 20 YEARS

McIntyre Gives Long Sentence to Confessed Tea-room Slayer.

TEN YEARS FOR ANOTHER

War Record Helps Veteran—Washington Square Thieves to Be Sentenced Friday.

The courts of New York county established a record yesterday when thirty-eight prisoners, including two accused of the robbery of the home of A. H. Shattuck in Washington Square, pleaded guilty. So far as could be learned, this is the largest number of pleas entered in a single day, and resulted from District Attorney Bantou's efforts to clean up the calendar so that criminals may be brought to trial within three days after arrest.

The crimes to which thirty-eight admitted their guilt were: Robbery, 3; burglary, attempted, 1; burglary, 1; unlawful entry, 3; larceny, 6; carrying pistols, 3; assault, attempted, 1; forgery, 2; abandonment, 1.

The men who pleaded guilty to the Shattuck burglary are Eugene Diaset and Moise Bagnoli, two of the five men under indictment. Diaset was captured shortly after the crime, and Bagnoli was caught some time after near Plainfield, N. J. The robbery occurred on the afternoon of April 2. Five men entered the house through a coal hole, locked Mr. and Mrs. Shattuck and eight servants in a wine vault and secured with almost \$100,000 in jewelry and other valuables.

Judge McIntyre imposed heavy sentences on bandits and gunmen convicted in his part of Federal Sessions. He sentenced James Rogan, 22, 127 Ferry street, to twenty years in Sing Sing for the murder of John J. Gillan on November 16 last in a Greenwich Village ten room house shot off a drunken brawl. In passing sentence the Judge said:

"This defendant was in one of the hot holes of New York. Such places should be closed. The people of New York have a silly notion that because they don't like prohibition they can violate the law. If they go 100 miles away from New York they will find the majority of the people of the country are in favor of it. It is a wholesome law and will save the youth of this country from ruin."

Judge McIntyre also sentenced Thomas Gilmartin, 21, 125 Second avenue, to ten to twenty years for killing Charles Wolf last January 31. The plea that Gilmartin saved Gilmartin's more severe penalty was that he had served eighteen months in France with the 15th Infantry, Domingo Galati, 26, 117 Chrystie street, received a similar sentence. He shot and killed an Italian grocer at 191 Chrystie street December 2 and was arrested in Chicago on a description given by the grocer's twenty-year-old son.

Judge Talley, sentencing Thomas P. Gibbons, 25, to the penitentiary, said: "Every policeman has the right of property in the streets of this city. These courts must stand by the police and make them understand a man cannot escape the consequences of an assault on a police officer."

Judge Crane sentenced Max Weiner, 25, to an indeterminate term in Clinton. Weiner was convicted of attempting to rob a millinery store at 1211 Broadway, wearing a mask and carrying a pistol. Probation officers reported that he was an inmate of the penitentiary, where he had a previous good reputation.

The fact that about two-thirds of the defendants arraigned in the courts pleaded guilty was accepted by District Attorney Bantou as an indication that prisoners have discovered their chances of receiving a lighter sentence are enhanced by waiving their right to trial.

In the Kings County Court, three youths arrested early Tuesday morning on a charge of holding up the night clerk in the Commercial Hotel, 234 Fulton street, Brooklyn, were sent to Sing Sing for terms of from seven and a half to fifteen years each. They are Ralph Bright, 32 Second street; Patrick Byrne, 68 Fourth place, and Charles Forbes, 52 Columbus street, all of Brooklyn. They pleaded guilty to robbery in the second degree.

Dying Soldier Urged Harvard Club to Sing

WASHINGTON, April 21.—When the Harvard Glee Club made a round of the soldier hospitals here yesterday and did its bit to cheer the way for the sick and disabled it came to one where a soldier lay dying.

There was some question whether the club ought to sing. Somebody suggested that the decision be made by the soldier.

"Sure, lay him sing," said he, "it will be a happy memory to carry across with me."

So the club gladdened the invalids with song and harmony for an hour and none responded more eagerly than the dying soldier.

To-day he was still alive and the doctors say that maybe he won't die for some time.

BOLSHEVIKI IN CUBA TRYING TO ENTER U. S.

American Consul at Havana Reports Thousands of Aliens Preparing for Dash.

GOVERNMENT IS ACTING

Demand on Island Republic to Prevent Its Use as Base Is Expected.

Special Dispatch to The New York Herald.
New York Herald Bureau, Washington, D. C., April 21.

Thousands of Russian Bolsheviki and other aliens are mobilizing in Cuba, planning to get into the United States by smuggling, according to a report submitted to the State Department to-day from the American Consul at Havana.

The report caused much excitement among the Government officials, and will be transmitted at once to the Bureau of Immigration. So serious is the situation that the indications are this Government will take up the matter with the Cuban Government at once with a view to blocking the plans of the Bolsheviki.

This report bears out contentions made in the Senate a few days ago by Senator Swanson (Va.) and other Senators to the effect that Cuba is being used as a base for smuggling aliens into this country. After the facts were presented to the Senate that body adopted an amendment to the Immigration act making it mandatory for an alien to live in Cuba or any other country contiguous to the United States five years before he can be admitted to this country.

The Senate amendment increasing the required residence of aliens in Cuba, Canada and other adjoining countries from one to five years followed the exposure by the State Department of a scheme to establish in Cuba and in other cities in the United States, by way of the Mexican Gulf coast. Investigations by The New York Herald have shown that a regular business had been organized to smuggle immigrants into the United States by way of the Mexican Gulf coast. Agencies for handling ineligible immigrants are established in Cuba and in other cities in the United States. It is apparent from the investigations that the country is not lacking in bringing the immigrants and get them started on their way here.

W. W. Husband, Commissioner General of Immigration, said to-night he has not received any official report from the State Department concerning the mobilization of aliens in Cuba preparatory to a drive for the shores of the United States. However, Mr. Husband declared the latest report to his bureau shows that there are now about 5,000 aliens in Cuba desiring to enter this country as soon as possible.

THOUSANDS OF CLERKS TO LOSE FEDERAL JOBS

Post Office Department Starts Cut to Pre-War Level.

Special Dispatch to The New York Herald.
New York Herald Bureau, Washington, D. C., April 21.

Renewed efforts are being made to reduce the forces of office clerks in Washington to something nearer pre-war basis. The first step in the new move came to-day when thirty clerks were dismissed from the Post Office Department. It was said thousands of others will be dismissed between now and the end of fiscal year, June 30.

There are 20,000 clerks still in departments and bureaus, although before the war there were less than 10,000. At the time of the revolution there were 12,000. The new orders to department heads call for the dismissal of temporary clerks and those who are inefficient. The dismissals to-day at the Post Office Department were said to fall within this classification.

MR. GILBERT E. FROELICH of "AGENCY NEWS," 1410th, the world-renowned Advertising and News Agency, has arrived this day in New York with the mission of carrying on a general inquiry into the best means to establish business connections between advertising agencies and clients, especially through advertising.

BONUS NOTES BASED ON FOREIGN DEBTS URGED BY RAIDERS

This Plan Grows in Favor Among Gratuity Promoters in Senate.

ARE STILL IN HAZE

Finance Committee Republicans Meet To-day to Discuss Projects.

WILL HACK OUT A BILL

House's Certificate Loan Scheme Considered as Good as Dead.

By LOUIS SEIBOLD.
Special Dispatch to The New York Herald.
New York Herald Bureau, Washington, D. C., April 21.

Promoters of the bonus raid on the public Treasury, both in and out of the American Legion are losing patience with the Senate. Following the example set by Commander MacNider of the legion, bonus propagandists have set up a clamor for immediate action on the \$5,500,000,000 scheme which must be paid by the people in the form of taxes.

Mr. MacNider addressed a telegram to President Harding while the bonus raid was before the House practically ordering him to use his influence on Congress to advance the pending measure ahead of any other class of legislation.

Bonus propagandists now have turned their attention to the Senate and, according to one of the official spokesmen for them, "there must be no more nonsense about this thing or Senators who want to be reelected will lose a lot of votes they will need in the Congressional contests."

Tendency Toward Quick Action.

While no response has been made to this declaration, there developed among bonus Senators to-day a decided tendency to speed up action in the Finance Committee, of which Senator McCumber of North Dakota is a candidate for reelection, by the way — is chairman. Other Republican members of the committee who are candidates for reelection are La Follette (Wis.), McLean (Conn.) and Sutherland (W. Va.).

Senator McCumber said this afternoon that the committee would get together tomorrow morning and discuss the various projects—most of which have been rejected as impractical by the President and Secretary Mellon—for financing the bonus scheme. As far as could be learned to-day the bonus Senators have not found a way out of the haze in which they have been wandering in quest of a plan for paying the bill of the bonus that will be acceptable to President Harding and the executive branch of the Government.

Bonus Senators who are candidates for reelection and their more fortunate associates who will not be compelled to seek votes this year are exerting every pressure on the Finance Committee to produce a bill that will stand the test of legislative analysis even if it fails to approximate the requirements set up by President Harding.

Bill of Some Sort Expected.

That some sort of a bonus bill will be prepared is the impression of Senators both for and against the scheme to write more taxes out of the farmer, the industrial worker and business generally to reward further the service men clamoring for Government money.

In the calculations of these Senators the scheme to order the Treasury to issue short term certificates redeemable for foreign debtor nations meet their obligations seems to be the most out of the confused mass of intangible and impractical suggestions.

Next in preference is the sales tax, which is not regarded with favor by the agricultural bloc and would certainly fail to receive the approval of the politically panic-stricken members of the lower house, who ignored the advice of the President and Secretary Mellon by putting through the makeshift certificate loan plan.

This scheme is as good as dead in the Senate. It is understood that only two men of the Finance Committee persist in urging it as the most convenient way out of the existing middle. These are Senators McCumber and La Follette, both candidates for reelection. Even the sponsors for the certificate loan venture in the House now admit its impracticability.

Expedient for Passing Buck.

In a speech in Philadelphia the other night Mr. Forney admitted it was merely an expedient designed to give the Senate something to work on and presumably enable the House to pass the buck to the other wing of the Capitol. Mr. Forney expressed the opinion that the Senate would amend the bill to provide for the use of the foreign debt despite the positive statement made by Treasury officials that the State treasury was the best new source could not be used for bonus purposes without repealing existing laws.

The foreign debt scheme neverthe-

GERMANY ACCEPTS TERMS; RUSSIA WILL PAY ITS DEBT, BUT DEMANDS RECOGNITION

ALLIED LOAN SOUGHT IN SOVIETS' ANSWER

Demands of Allies Agreed To With Plea for Aid in Its Economic Recovery.

GERMANS TO STAND ASIDE

Won't Participate in Russian Problems, but Russo-German Treaty Stands.

FRANCE TO OPPOSE DECISIONS AT GENOA

Discontent at Russo-German Pact Affects Usefulness of the Delegation.

SOVIET EVASIVE, IS VIEW

Poincare Declares 'Surprise' Treaty Is Illegal—Fears Reparations Failure.

Genoa, April 21. (Associated Press).—The text of the Russian reply to the Entente Powers follows:

The Russian delegation has examined with the greatest care the proposal of the allied Governments, as set forth in the official note of April 15, and at the same time has consulted with its Government.

The Russian delegation is of opinion that the present economic situation in Russia and the circumstances leading to it amply justify, in respect to Russia, the complete remission of all her debts as set forth in the above mentioned note by recognition of her counter claims.

However, the Russian delegation is ready to go a step further in the quest for a solution and adjustment of differences and to accept articles 1 and 2 and item 1 of the above mentioned annex, provided that war debts and arrears in interest, as well as postponed interest on all debts, are written down and financial assistance is given Russia to help her to recover from her present economic state in the shortest possible time.

Articles referred to are as follows:

"Section 1.—The creditor Allied Governments represented at Genoa cannot admit any liability regarding the claims advanced by the Soviet Government."

"Section 2.—In view of the serious economic condition of Russia, however, such creditor Governments are prepared to write down the war debts owing by Russia to them by a percentage to be determined later; and the countries represented at Genoa will not give their consent to any agreement to settle the legitimacy of the Russo-German treaty in appeals to the Reparations Commission, the Council of Ambassadors, the Supreme Council, or even judicial committees of the League of Nations, which will be asked not to permit the admission of Russia until the Russian Government has been described by Mr. Lloyd George as "disloyal," has been abrogated.

Regarding Article 3, Part 2, on the subject of the above conditions, the Russian Government would be ready to restore to their former owners the use of property, nationalized or reserved, under the reservation that in the event of that being impossible, satisfaction shall be given to the legitimate claims of the former owners, either by mutual agreement or arbitration of the League of Nations, which will be asked not to permit the admission of Russia until the Russian Government has been described by Mr. Lloyd George as "disloyal," has been abrogated.

"Section 2 reads: 'It must be definitely agreed, however, that there can be no allowance made to the Soviet Government against, first, either debts and financial obligations due to foreign nationals, or second, the right of such nations to sue for recognition of their property and compensation for damage or loss in respect thereof.'"

Financial assistance from foreign sources is absolutely vital for the reconstruction of Russia, and so long as there is no prospect of reconstruction forthcoming the Russian delegation does not see its way to saddling its country with debts of which it would not be able to acquire itself.

The Russian delegation wishes it clearly understood, notwithstanding the fact that it appears obvious in point of right, that the Russian Government cannot assume any obligation with respect to the debts of its predecessors until it has been officially recognized de jure by the interested Powers.

Having you to find the forthcoming proposals will be an adequate basis for a resumption of discussions, we have the honor to be, Your very obedient servant,

TCHTCHERN.

TEXT OF THE GERMAN REPLY TO CONFERENCE

Agree to Take Part in Discussing Russia Only if Asked.

Genoa, April 21. (Associated Press).—Following is the text of the note addressed to Premier Facta of Italy, chairman of the economic conference, in reply to the communication to the German delegation condemning the signing of the treaty at Rapallo last Sunday by the German and Soviet Russian Foreign Ministers:

"In response to the note of April 15, signed by you and the presidents of the French, British, Japanese, Belgian, Czechoslovakian, Polish, Serb, Croat and Slovenian, Rumanian and Portuguese delegations, I beg to remark the following:

"Germany has recognized the Russian Soviet republic for several years. A settlement had, however, to be made between the two countries with regard to the consequences arising from the state of war before it was possible to renew normal diplomatic relations. The negotiations carried out between the two Governments

NOTE ACCEPTABLE

Soviet Refers to Seizure of Liquor in U. S. as Argument Against Paying for Property

DEBT IS A BIG ISSUE

Surrendering of Counter Claims Carries Plea for Financial Aid.

GERMANS FALL IN LINE

Will Not Sit in Discussions of Soviet Affairs—Genoa Parley Cloud Fading.

Special Cable to The New York Herald.
Copyright, 1922, by The New York Herald.
Genoa, April 21.—The conference has emerged from the tunnel, for Germany has retired from the discussion of all Russian questions dealt with in her treaty with the Soviets, and Russia has made a reply to the conditions laid down by the allied experts which has been characterized as satisfactory and a hopeful basis for the continuance of negotiations.

"The conference is still going strong," declared Prime Minister Lloyd George yesterday, knowing as he said it what the German reply was going to be, and to-day it is suspected that he also may have had a foretaste of the Russian answer as well, for it goes considerably further than conference observers had expected.

The Russians withdraw their counter claims, they acknowledge their debts to foreign nationals and agree to compensate private individuals who have lost property through its being nationalized or withheld.

Debt Issue to Be Decided.

The next stage in the discussions is to determine how much of Russia's debts and interest is to be underwritten, and what form the compensation to foreign nationals is to take. While the Russians surrender on counter claims they press for "adequate financial help within the shortest possible period" and for de jure recognition. They word this latter demand shrewdly:

"The Russian delegation wishes also to make it clear, although it seems self-evident, that the Russian Government could not admit liability for the debts of its predecessors until it has been formally recognized de jure by the Powers concerned."

If Russian negotiations culminate in signing a treaty that in itself will be recognition of the Russian Government, for a treaty cannot be signed with a government which is unrecognized. The Russians ask de jure recognition, which is no more than what the conference promised, plus the opening of diplomatic relations.

Russia's answer was stated briefly in a letter from Georgievich Tchitcherin to Mr. Lloyd George. A formal and lengthy document is to be handed over to the political commission. This enters into details and theoretic aspects of the Russian Government's position.

The British went a long way to-day in showing their sympathy for Russia's difficulties in trying to reconcile their sovereignty with demands for the return of property confiscated by the State. "If the property has been nationalized, it is a question of restoring freehold rights," was the admission of an English official. The British also declared that the Russians made "telling use" of historic precedents to justify them in paying no compensation. One of those was America's failure to pay slave holders when slavery was abolished by President Lincoln's proclamation.

The other was the adoption of prohibition without compensating the owners and manufacturers of liquor.

Russia's Reply Accepted.

The Political Subcommittee met this afternoon and accepted Russia's reply as the basis of future dealings. It then disposed of immediate difficulties by submitting the question to a special body of experts. Germany was not present. Pursuant to a program arranged at a meeting of the remaining members of the subcommittee this morning seven experts were named. Each of the convening Powers has a representative, the neutrals (Holland), one, and one (Czechoslovakia) is the appointee of the Little Entente.

With so much headway made Genoa to-day shows a greater degree of tranquillity. It was hardly expected that the conference could come to the stage of accomplishing anything until con-

Morgan May Go Abroad to Aid Loan to Germany

FORMAL invitation to go to Europe and aid the allied bankers in organizing an international loan to Germany has been received by J. P. Morgan. Mr. Morgan admitted yesterday that he had received the invitation, but stated he would accept it only if on due consideration he thought he could be useful to the Reparations Commission. The Reparations Commission, it is stated, is particularly anxious to have Mr. Morgan act personally. Mr. Morgan said that if the firm accepted the invitation he would go to the conference table himself. He estimated, however, that the United States Government would have to be consulted before formal acceptance of the invitation was made.

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Special Cable to The New York Herald.
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Genoa, April 21.—The conference has emerged from the tunnel, for Germany has retired from the discussion of all Russian questions dealt with in her treaty with the Soviets, and Russia has made a reply to the conditions laid down by the allied experts which has been characterized as satisfactory and a hopeful basis for the continuance of negotiations.

"The conference is still going strong," declared Prime Minister Lloyd George yesterday, knowing as he said it what the German reply was going to be, and to-day it is suspected that he also may have had a foretaste of the Russian answer as well, for it goes considerably further than conference observers had expected.

The Russians withdraw their counter claims, they acknowledge their debts to foreign nationals and agree to compensate private individuals who have lost property through its being nationalized or withheld.

Debt Issue to Be Decided.

The next stage in the discussions is to determine how much of Russia's debts and interest is to be underwritten, and what form the compensation to foreign nationals is to take. While the Russians surrender on counter claims they press for "adequate financial help within the shortest possible period" and for de jure recognition. They word this latter demand shrewdly:

"The Russian delegation wishes also to make it clear, although it seems self-evident, that the Russian Government could not admit liability for the debts of its predecessors until it has been formally recognized de jure by the Powers concerned."

If Russian negotiations culminate in signing a treaty that in itself will be recognition of the Russian Government, for a treaty cannot be signed with a government which is unrecognized. The Russians ask de jure recognition, which is no more than what the conference promised, plus the opening of diplomatic relations.

Russia's answer was stated briefly in a letter from Georgievich Tchitcherin to Mr. Lloyd George. A formal and lengthy document is to be handed over to the political commission. This enters into details and theoretic aspects of the Russian Government's position.

The British went a long way to-day in showing their sympathy for Russia's difficulties in trying to reconcile their sovereignty with demands for the return of property confiscated by the State. "If the property has been nationalized, it is a question of restoring freehold rights," was the admission of an English official. The British also declared that the Russians made "telling use" of historic precedents to justify them in paying no compensation. One of those was America's failure to pay slave holders when slavery was abolished by President Lincoln's proclamation.

The other was the adoption of prohibition without compensating the owners and manufacturers of liquor.

Russia's Reply Accepted.

The Political Subcommittee met this afternoon and accepted Russia's reply as the basis of future dealings. It then disposed of immediate difficulties by submitting the question to a special body of experts. Germany was not present. Pursuant to a program arranged at a meeting of the remaining members of the subcommittee this morning seven experts were named. Each of the convening Powers has a representative, the neutrals (Holland), one, and one (Czechoslovakia) is the appointee of the Little Entente.

With so much headway made Genoa to-day shows a greater degree of tranquillity. It was hardly expected that the conference could come to the stage of accomplishing anything until con-

GERMANY ACCEPTS TERMS; RUSSIA WILL PAY ITS DEBT, BUT DEMANDS RECOGNITION

ALLIED LOAN SOUGHT IN SOVIETS' ANSWER

Demands of Allies Agreed To With Plea for Aid in Its Economic Recovery.

GERMANS TO STAND ASIDE

Won't Participate in Russian Problems, but Russo-German Treaty Stands.

FRANCE TO OPPOSE DECISIONS AT GENOA