



# The Indianapolis Times

Fair tonight, followed by increasing cloudiness Tuesday; not much change in temperature, lowest tonight about 35.

HOME

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## CONGRESSMEN BETWEEN FIRES IN BONUS WAR

Trapped by Rival Group in  
Dispute Over Cash  
Payment.

TALK POSSIBLE VETO  
Compromise Looming as  
Possible Windup of  
Current Hearings.

**BULLETIN**  
By United Press  
WASHINGTON, Feb. 2.—C. E. Mitchell, chairman of the National City bank, told a Senate banking and currency sub-committee today that flotation of billions of dollars worth of bonds to enable cash payment of war veterans insurance certificates would cause hundreds of small bank failures in the United States.

By MARSHALL MCNEIL  
Times Staff Correspondent

WASHINGTON, Feb. 2.—Bonus legislation hearings, forced by those who favor cash payment to World war veterans now, continued before house and senate committees today with the possibility that a decision soon may be reached by one of the two.

Representative Rankin (Dem., Miss.) pleaded with the committee today for the cash bonus, declaring that "if the veterans of the World war ever needed what the government owes them they need it now."

He argued that circulation of money at this time would help revive business. As an alternative to floating a bond issue, he suggested that taxes could be increased on the wealth.

"I'd put the same wound stripe on the purse of those who made fortunes from the war as on the shoulder of the soldier who faced the gun in France," he said, pointing to treasury statistics showing the great increase of millionaires as a result of the war.

Compromise Is Hinted

If any legislation at all is reported by the finance committee to the senate or by the ways and means committee to the house, it probably will be some measure of compromise, a bill to increase the present loan value of adjusted compensation certificates.

Hearty opposition to proposals for cash payment has been voiced before both committees by the treasury and bank bankers. They see the specter of another and deeper depression lurking behind the momentary "boom" which would accompany the floating of the bond issue of \$60,000,000 or more that would be required to pay off the bonus.

Session to End Soon

These statements seriously have excited the financial centers of the country; but at the same time the hearings have enthused proponents of cash payment so as to make many of them predict that there will be legislation this session.

But this session will end in just twenty-seven days.

Hope for a compromise was given when Veterans Administrator Hines testified before the house committee Saturday. He spoke again against cash payment, but said a proposal to increase loan values of the adjusted compensation certificates would least effect our economic situation.

Now Is Serious Issue

It is claimed on behalf of one of these proposals to hike the amount a veteran may borrow on his certificate, that there is money enough now in the treasury's bonus sinking fund to take care of the increased loans. But exhaustion of this reserve, built up over a period of years, may entail other financing.

It is believed, of course, by those who oppose bonus legislation that a presidential veto of a bill of wide scope could not be overridden in this session of congress.

Cashing the soldiers' bonus really has become a serious issue since the American Legion executive committee met just a week ago and, reversing its previous position, voted in favor of some such relief for ex-service men.

Congress Between Fires

Thus, in the changing of what, a few months ago, was just a rosy dream into a full-grown, controversial issue, congressmen have been caught between two enormous forces.

On one hand are the veterans—voters, hundreds of thousands of them—favoring cash payment. A congressman who wants to come back to congress doesn't ignore the ex-service men in his district, nor does a senator snub them.

On the other hand is the administration, opposing cash payment, and backed in this opposition by the treasury, the bankers and business men.

Set Back' Is Predicted

The former claim the government owes them a debt, that this is exactly the time to pay the debt, on the theory that collection of immense amounts of money would help remedy the depression.

This attitude was reflected in week-end statements of New York financial concerns. These spoke of the "nervousness" of the market over bonus agitation.

One said the "main worry of the street now is the proposal to pay the soldier bonus," and another predicted a "devastating set back" if cash payment were agreed on.

## Jazz King and Wife Separate

By United Press

NEW YORK, Feb. 2.—Paul Whiteman, famous jazz leader, and his second wife, Vanda Hoff, stage dancer, have separated, a attorney says today. The couple, long regarded as one of the most happily married in theatrical circles, have parted amicably and may attempt reconciliation in a few weeks, it was said.

## NEJDL ACTS TO FORCE VOTE ON AGE PENSIONS

Senator Serves Edict Bill  
Must Come Up for Last  
Reading Today.

Senator James J. Nejdl (Rep., Lake), pioneer champion of old age pension legislation, today served an ultimatum on Lieutenant-Governor Edgar D. Bush and Republican senate leaders that he will demand the third and final reading this afternoon.

Nejdl asserts that when the G. O. P. senators caucused last week and decided to hold the bill until Feb. 10, he was not present nor notified.

This action he looks upon as a "double cross to kill the bill."

Those at the conference in the Lieutenant-Governor's office at the state house this morning were Bush, Nejdl and Senators Lee J. Hartzell (Rep., Allen and Nob'e) and Roy M. Friedley (Rep., Dela-

ware).

"I Want Honest Action"

Nejdl is president pro tem of the senate, having defeated Nejdl for that position, and Republican floor leader. Friedley is caucus chairman and presided at the session disposing of the Nejdl bill by the postponement plan.

"I want action on this bill and honest action," Nejdl warned, pounding the table in the lieutenant-governor's inner sanctum.

"If this bill is not given a fair chance for passage this afternoon when I call it down, I'll blow you out of the water and show how many senators are not men of their word."

"You can be for or against it, but don't try to kill it by such indirect action as postponement and delay."

Prepares Short Statement

To support his contention of a "double cross," Nejdl has prepared a short statement regarding the bill's history in this session and setting out by name the senators who agreed to co-operate in its favorable disposal.

Certain of these senators are said to have been prime movers in the cause plan in Nejdl's absence.

Senator C. Oliver Holmes (Rep., Lake), an opponent of the measure, states that the caucus that he thought the delay would furnish opportunity to "kill the bill."

On second reading the bill was amended, making it optional with counties and in committee the pension was changed from 65 to 70 years.

Bush Refuses to Comment

The bill passed by the house is the bill as drafted originally, it being a Democratic platform measure. It also is pending action in the senate.

Nejdl said that when third reading starts this afternoon he will have Senator Will Brown (Rep., Jasper, Newton, Porter and Pulaski) call for a vote as his name is one of the first on the alphabetical list.

Bush refused to comment on the conference or caucus, but pointed out that a motion to postpone action by making the bill a special order of business Feb. 10, will be in order when the bill is called.

## BOOZE CASE UPHELD

Representative Edwards to Be Tried on Liquor Charge.

By United Press

WASHINGTON, Feb. 2.—Representative Edward E. Denison (Rep., Ill.) must stand trial on a charge of possessing liquor, the District of Columbia court of appeals ruled today.

The court sustained an indictment returned against Denison several months after prohibition agents traced a leaking trunk from Union station to his suite in the house office building in November, 1929. The trunk had been shipped here from Florida.

The district supreme court earlier had upheld Denison's demurral to the indictment on the grounds that it was "not clear and specific."

## SLAIN CHIEF OF RUM VESSEL IS EULOGIZED

Guard Killing Described as Tragedy  
of Prohibition Hypocrisy.

By United Press

LUNENBERG, N. S., Feb. 2.—Captain William Cluett of the rum runner Josephine K., who was killed recently by a coast guard shell outside New York harbor, was eulogized as "a fine churchman, a good husband and father, and a good friend" at his funeral.

Legislators, heads of business firms sea captains and leading townspersons crowded the church here Sunday for the service.

The Rev. Major Ryder, rector, described Captain Cluett's death as "one of the major tragedies that follow the hypocrisy of prohibition."

Chinese Students on Strike

PEKING, China, Feb. 2.—Students at Oberlin in Shansi school went on strike today, charging that American teachers had used a rifle to enforce examinations.

Hourly Temperatures

6 a.m. . . . 34 10 a.m. . . . 42  
7 a.m. . . . 34 11 a.m. . . . 45  
8 a.m. . . . 35 12 (noon) . . . 46  
9 a.m. . . . 37 1 p.m. . . . 48

## GEN. BUTLER FACES TRIAL ON FEB. 16

Date of Court-Martial Hearing Is Set by Navy Department.

ADAMS, HOOVER CONFER

Activities of Officials Bolster  
Leniency Hint in Case.

By United Press

WASHINGTON, Feb. 2.—The navy department announced today that the court-martial of Major General Butler will be held in Philadelphia Feb. 16 at 10 a. m.

The navy department at the same time said the specific charges against the general will not be made public until it is ascertained if Butler desires them to be published.

The charges are an outgrowth of reports allegedly derogatory to Premier Mussolini of Italy which Butler made in a speech at Philadelphia.

The trial will be held at the navy yard in Philadelphia. Whether it will be open or secret will be decided by the seven high navy and marine officers selected to sit in the court-martial.

Prior to the navy department announcement, Navy Secretary Charles Francis Adams talked for fifteen minutes with President Hoover yesterday and immediately after his return to the navy department it was reported that important changes were being made in the papers bringing charges on which Major Butler is to face court-martial.

Adams went to the White House immediately after a conference in the office of the judge advocate of the navy, where the charges against Butler had been drawn up.

The activities of Adams and Mr. Hoover added to an already strong belief that considerable clemency will be exercised in dealing with Butler's case.

ITALIANS DENY RIDE

By United Press

ROME, Feb. 2.—Cornelius Vanderbilt Jr., American mentioned in the "Butler incident," was given an audience by Premier Benito Mussolini in 1926, it was revealed at the foreign office today.

The audience was not regarded as important, officials said, and no record of it was found in a preliminary examination of the files.

It was pointed out that there was no record of Vanderbilt having ridden in a motor car with Mussolini.

Officials said that if Vanderbilt had ridden with Mussolini in 1926 he would have been the first American so honored, and the fact would have been recorded and remembered.

Vanderbilt was mentioned in reports received here as having told the story that Mussolini ran over and killed a child while driving his automobile.

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## BANDIT IS WOUNDED

Two Captured in Raid on  
Gas Filling Station.

By United Press

LAFAYETTE, Ind., Feb. 2.—One man was in a Lafayette hospital today with bullet wounds in his shoulder and one leg, and one of three alleged companions in an unsuccessful attempt to rob a filling station near Wolcott, was in jail.

Roy Hammard, 42, was captured, after being wounded by William Lane, station attendant. Frank Bennett, 35, alleged companion in the robbery attempt, was in jail here.

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## 'Speaking of Shadows—'



## COURT HEARS PLEA TO FREE ALBERT FALL

Appeal Hearing May Tell  
Ex-Official If He Is to  
Go to Jail.

## CONVICTED MAN ABSENT

Former Interior Secretary  
Still Ill; at Ranch in  
New Mexico.

By Times Special

WASHINGTON, Feb. 2.—Frank J. Hogan, attorney for Albert B. Fall, today pleaded with the appellate court of the District of Columbia to overturn the verdict and the judgment of the court in Fall's conviction of accepting a \$100,000 bribe from Edward L. Doheny, Los Angeles oil man, in connection with the leasing to Doheny of the Elk Hills oil field in California.

The fragile old man, wheeled into court when he was being tried a year and three months ago, was not present.

His illness has continued and he is living on the Tres Rios ranch in New Mexico which has played such a large part in all the oil trials.

Fall's appeal has been postponed twice because of vacancies on the appellate court here. If the court overturns the guilty verdict against him, his case will be ended, and with it all the oil cases.

## FURTHER APPEAL LIKELY

If the court sustains the verdict, the supreme court will be asked to pass upon the case, and Fall will not know for perhaps another year whether he must go to jail or not.

Hogan, who argued Fall's appeal, was in charge of his defense and also that of Edward L. Doheny, tried and acquitted for giving the bribe Fall was convicted for.

Hogan asked for a reversal of the verdict on four grounds.

That the secretary of navy, not the secretary of interior, was responsible for leasing the naval oil reserves, and that Fall, therefore, could not have accepted a bribe for leasing Elk Hills to Doheny.

That Fall's appeal on a conspiracy charge involving the same transaction as that on which the bribe charge was based barred the government from trying him a second time.

That Justice Hitz erred in admitting evidence of Fall's Liberty bond purchases.

Former Senator Atlee Pomerene will reply for the government to these