VOL. LXXX....No. 26,822.

NEW YORK, THURSDAY, JULY 2, 1931.

CONCESSIONS TO FRANCE; WARNS OF GERMAN CRASH

STATEMENT SPEEDS PARLEY

Setting Forth Obstacles, It Meets Issue of Time of Repayments.

CITES LOSS IF STEP FAILS

Berlin Call for Young Plan Halt Would Harm French-Alternative Action Studied.

FRENCH CABINET DIVIDED

Mellon Will Continue Parley in Paris Tonight-Hope Grows in Germany for Accord.

memorandum stating the Amerian Government's position on the Hoover debt relief proposals was presented to France yesterday. It seeks to conciliate France, while offering some concessions, and at the same time warns of the danger of a collapse in Germany's economic structure.

the French Cabinet will consider the memorandum today. Its reception was the chief topic of interest in

Germany, worried by new riots po cipitated by Communists and Hite lerites, is anxiously watching the

HOOVER'S NOTE TO PARIS. By RICHARD V. OULAHAN.

oday by Ambassador Edge, the and financial balance by harmonizfor a year's suspension of Germany's a surplus of \$184,000,000. reparations and all other intergov-

ernmental debts. Although at one point the memo-"vergent suggestion, its tone is con-

French position.

The memorandum offers no recesposed by the President.

One of the most interesting feaures of the memorandum is the pointed hint given by the United hould fail.

It is assumed by the linited States, ment of all conditional reparations. Mills declared. ernmental payments would not be

orthcoming. Berlin Could I se Young Plan.

Explaining just what it means, the rent individual taxes \$731.000,000, a United States goes on to say that if cut of \$330,000.000. the American plan fails and Ger-many exercises her rights of a Young 000 in 1930 to \$378.000.000 in 1931. payments, and "even assuming that nconditional payments are mainained," France would receive about 105,000,000 through the unconlements the guarantee fund of \$106,- 000,000 for 1930.

ar debt funding settlements.

Without adhering to exact figures, increased but \$463,000,000. American memorandum puts this

uggested situation in the following amounted to \$3,317,000,000, which Thus, if the American proposal

ould fail and the suspension pro-Continued on Page Twenty-one,

Our Envoy's Limousine Is Sign Of Parleys on Debt in Berlin

BERLIN, July 1 .- Few persons in Berlin outside of a small circle of political correspondents know what an important utilitarian part in the debt proposal negotiations is being played these days by an American-made limousine bearing the Prussian license plate No. 14. When No. 14 stands before the official residence of Chancellor Bruening or before the office of Foreign Minister Curtius It means

fate of the Honver proposal. Since June 20 this car has been parked more frequently in front of the Bruening residence or the Curtius office than in front of the American Embassy, for Mr. Sackett keeping in closest touch with the German Government.

Sackett is conferring about the

Amhassador Fredetic M

FISCAL YEAR DEFICIT TOTALS \$903,000,000

Receipts Off \$861,000,000 to \$3,317,000,000-Expenditures Up \$226,000,000.

OUTLAY WAS \$4,220,000,000

Mills Charges Increased Spend-; century mark. ing to Farm and Veterans' Aid and Public Construction.

Special to The New York Times. WASHINGTON, July 1.-With 8 leficit of \$903,000,000 and an increase in the outstanding public debt of WASHINGTON, July 1.- In a cour- \$616,000,000, the Federal Government ously worded memorandum handed vesterday ended its most unfavorthe French Government in Paris, able fiscal year in recent history.

inited States called upon France to issued a detailed statement today and a terrific electrical storm swept \$3,317,000,000, a decline of \$861,000,- Counties. The storm did thousands band of Princess Xenia, was severely 000 from 1930, and expenditures of dollars of damage to crops, up- injured in an altercation with the ng differences of view and joining chargeable against ordinary receipts rooted trees and tore away parts of police. According to eye witnesses with this government to give full were \$4,220,000,000, or \$226,000,000 houses. The dead were William he was trying to extricate his autoeffect to President Hoover's proposal more than last year, when there was Bradford, 50, of Newport, N. J., and

The gross debt yesterday amounted conditions during the year, however, randum is sharp and emphatic in its permitted refunding at unusually prietor, Theodore Hampton, inside language in contesting the French low rates; so that there was a reduction of \$48,000,000 in interest charges. Hampton was unhurt. Revised figures for yesterday on the iatory and concessions are offered average rate of interest showed 3.56 bring about an accord with the per cent, compared with 3.80 per State before tomorrow night, when cent the year before.

The decline in the major sources in from the Mississippi Valley. sion on the part of the United States of Federal revenue reflected for the from its basic principle that Ger- most part the effect of the business ever, promised a slight improvement many shall have the full benefit of a depression, Mr. Mills said, while the today. The forecast was for gencomplete suspension of debts be increase in expenditures was attween nations and shall have ample tributed largely to those for agricult row, except for probable thundertime in which to refund the repara- tural aid and relief, 'or additional showers, with gentle to moderate ion payments which would be sus- benefits to war veterans and for the shifting winds and was for somewhat pended during the holiday year pro- accelerated governmental construction activities.

\$1,860,000,000 in Income Taxes.

The annual report of Secretary States that France would be worse Mellon, submitted to Congress last 1931 at \$180,000,000.

he memorandum says, that on ac- difficulty at that time of measuring low, president of the local board of count of the situation in Germany, a the severity and duration of the busiailure of the American proposals ness depression and the extent to would cause Germany unquestiona- which internal revenue and customs oly to give notice for the postpone-

s provided in the Young plan, and The total income tax collection, inherefore, that portion of intergov-ernmental payments would not be 000, a reduction of \$551,000.000 from the 1930 fiscal year. Current corpo ration taxes amounted to \$892,000,000. a reduction of \$226,000,000, and cur-

Customs duties fell from \$587,000,-

Text of the Mills Statement.

Mr Mills's statement was as fol-

"A considerable reduction in Federal revenues during the fiscal year litional annuity, but at the same 1931 and an increase in expenditures ime France would be obliged to pay resulted in a deficit of \$903,000,000. to the Bank for International Set- as compared with a surplus of \$184,-

00,000 required under the Young "Retirements of United States oblan, and about \$110,000,000 due to ligations to meet sinking fund and reat Britain and the United States other statutory retirements charge- had been illegally assessed, as Baron transferred New York City holdings the year under the terms of the able against ordinary receipts totaled \$440,000,000, so that the deficit, ex- contended, created the trust in an- that the net income after payment at 12:30. In other words, France would be clusive of debt retirement, amounted ut of pocket for the moratorium to \$463,000,000. The total gross debt ear to the extent of \$111,000,000 if outstanding was increased by \$616, he did not conform to President 000,000. As the general fund balance increased \$153,000,000, the net debt

"The total ordinary receipts

Continued on Page Twenty.

Chicago and St. Louis Report 18 Fatalities Each-High Tem-

Two Killed in Cyclone in New Jersey, Where Entire Fruit and

Here With Mercury at 90-Wave

tensity on the Middle West and the East vesterday, sending the mercury up to record levels in most of the principal cities in New York State and giving this city high temperature readings that varied from 90 in he local United States Weather Bureau, to 134 in the New York Meteorological Observatory in Cen-

After causing a death toll, placed by The Associated Press at 766 hroughout the country, the heat reented in the West and Northwest Chicago's millions sweltered in temeratures as high as 101.3 degrees, but they were cheered by the news that cool weather was being borne noon, a low pressure area had engulfed the Dakotas, Western Iowa and Minnesota, sending temperatures down twenty points from the

However, in St. Louis and also in heat yesterday. There were seven dropped dead of the heat and a boy was drowned.

Two Die in Jersey Cyclone. it, and carried it forty feet away.

The Weather Bureau at Albany held no hope of relief for New York cooling weather is expected to blow

The local Weather Bureau, how erally fair weather today and tomorcooler temperatures today

off the steeple of the First Presby- of persons sufficiently interested in terian Church, ripped away the wires the flight to come to the field, ... , leading from the power plant at the Old Soldiers' Home, cutting off the said some. "They're all down at the off financially if the President's plan December, estimated the deficit for lights while a funeral was in prog-931 at \$180,000,000.

"The discrepancy was due to the from the home of Dr. John H. Wins-flights were "old stuff." education. It started two small fires

Continued on Page Twenty-five.

peratures Abate in West.

250 FELLED IN FORD PLANT

Berry Crop Is Imperiled.

In Southern New Jersey two farm hands and three horses were killed Acting Secretary Ogden L. Mills by lightning when a small cyclone Harrison Parsons, 52, of Cedarville. As the cyclone swept over Ocean man, t. \$16,801,000,000. Money market View, in Cape May County, it picked up a roadside stand, with its pro-

CROWD SURGES ON FIELD

Many Bruised by Clubs as Police Lines Give Way to Enthusiasts.

RECORDS BROKEN UP-STATE MOTORCYCLES ARE UPSET

High Humidity Adds to Discomfort | Spectators Scale Fence and Leap Upon Plane Almost Before It Is Stopped.

MRS. POST IN THE THRONG

Lindberghs, Chamberlin, Acosta and Other Notables See End of Great Flight.

York Times.

ROOSEVELT FIELD, L. I., July 1.-What promised to be one of the most orderly receptions approached a riot tonight when Wiley Post and Harold Gatty landed on the field from which they had arisen only across the great plains by late after- nine days ago, having completed the circuit of the world.

A crowd of 10,000 persons broke through the police lines and rushed down almost into the still whirring propeller blades.

As thirty motorcycles, ridden by Chicago, eighteen were killed by the Nassau County policemen, who had gone out on the field to meet the deaths and twenty-live prostrations plane, plowed into the oncoming in up-State New York. Here, two drownings and several prostrations and flashed, women screamed and were reported. In Newark one man in their efforts to protect the two aviators, many of the 200 patrolmer on duty shoved and clubbed those nearest at hand, heightening the confusion

> Many were bruised in the struggle Leeds's Pilot Injured.

Edward Connerton, private pilot for William B. Leeds, former hus mobile from a jam when he became

Connerton, who is vice president of Air Services, Inc., left the automobile, and a scuffle ensued. It was said that he would remain at the Nassau County Hospita until X-ray photos had been developed to determine whether he had received a frac-

tured skull, It was reported that a photographer had been clubbed to temporary un-

friend in an automobile. At Nassau County Police Headquarters it was said that Conerton would face a charge of second-degree assault when he recovered.

Throughout the afternoon field, of In Vineland the twister knocked pressed surprise at the small number "They can hear it over the radio,"

At 6 c'clock in the evening not more than 2,000 had gald the 25

Continued on Page Six.

Astor Estate Wins \$16,000,000 Tax Suit; Court Holds Baron Did Not Try to Evade Law

Astor as well as \$6,000,000 in interest thorough study of the corresponaccrued since 1922, Federal Judge dence of the late Baron. Francis G. Caffey ruled yesterday, American nobleman made it clear settling the largest tax case ever that he feared a "capital levy" in tried in this district.

months before he died. The suit was ers. brought by the Farmers' Loan and Judge Caffey decided that the trusts Trust Company, as trustee.

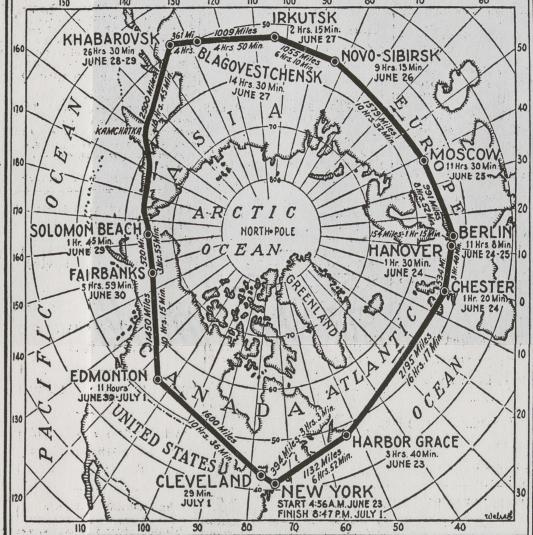
000,000 collected from the two trusts thought of death. Biron Astor Astor had not, as the government valued at \$46,000,000, and provided ticipation of his death to defeat pro- to himself of \$300,000 a year should visions of the inheritance tax laws. The decision was the second to Waldorf Jr. and John Jacob. have been handed down in favor of Despite the difficulty of finding out the trustee, the trust company have what was in the mind of dead man, ing won a refund of \$4,634,834 plus Judge Caffey sald; it was obvious, in interest in 1928 for an estate tax the opinion of the court, that Baron upon the trust funds. The govern- Astor had established the trusts be-

The Federal Government must re- 'uel C. Coleman, Assistant United turn \$10,000,000 taxes to the estate of the late Baron William Waldorf his decision Judge Caffey made a

In many of his letters the Anglo-England and that he also believed The amount in dispute was paid that there was growing prejudice under protest by the estate as an in- against large accumulations of heritance tax on two trusts created wealth with a likelihood of tax inby the Baron on Aug. 15, 1919, two creases against large preperty hold-

Judge Caffey ruled that the \$10.- levies here and abroad vithout any

ment, it was indicated, will appeal. | cause income taxes alone were prey-The case was tried without a jury ing on his mind. He had an "obses attorney for the plaintiff, and Same court said,



POST AND GATTY END THEIR RECORD WORLD FLIGHT;

CIRCLED GLOBE IN 8 DAYS, 15 HOURS, 51 MINUTES;

AROUND THE WORLD IN LESS THAN NINE DAYS!

WILD DEMONSTRATION AT FIELD

The Route of Wiley Post and Harold Gatty in Their Record Globe-Encircling Flight.

Parade to City Hall Welcome to Leave Battery at Noon-Mayor to Give Medals.

Trophies to Be Presented-City Luncheon Also Will Add to Tributes.

Despite fond hopes of "sleeping for forty-eight hours," expressed by consciousness and taken home by a Wiley Post and Harold Gatty at Edmonton yesterday, the globe-circling busiest periods of their partnership. New York, enthused at their achieve ment in establishing new records of long-distance piloting and navigation. ficials and police officers had ex- intends to give them a rousing official welcome

At 10.30 o'clock this morning they are to be escorted from the Ritz-Carlton, where they and their wives Macom, the Mayor's Committee on man, will meet them and the party

will proceed to Pier A. tape and fluttering paper, which is the financial district's way of saying

"Salutamus." had been created to avoid these members of the Mayor's committee could do it without breaking the already taxed landing gear. and other distinguished guests.

The parade is scheduled to leave Pier A at noon and to reach City Hall in time for the official welcome

To Receive Medals From Mayor. At City Hall the military and naval the airplane for four hours. detachments will form in the plaza while the ceremonies are carried out

Continued on Page Seven.

Fliers' Own Story of 'Tough Spots' Tells of Near-Crashes in Russia flash in the sky, it tore past slow-

Worried Over Plane When Tractor Yanked It Out of Mudhole in and circled the field twice. Siberia - Berlin-Moscow Hop Was the Worst-Thrilled by "Generous and Good" Reception Here.

By WILEY POST AND HAROLD GATTY. Pilot and Navigator of the Monoplane Winnie Mae.

involved in a dispute with a patrol- DINNER SET FOR TONIGHT World Copyright. 1931, by The New York Times Company. Publication in whole of in We had a thrill that probably will never come to us again when

the New York skyline came into view through the haze and we set Aeronautics Association. our wheels down on Roosevelt Field in the last safe landing of our trip. Of course we are happy to have finished our trip even in faster time than we had planned-eight days fifteen hours and fifty-one minutes they told us when we landed-and at the same time we are a little bit dazed, that had crossed the Atlantic and the Countries, oceans and civilizations have been slipping past us so fast in Facific, flown high over the Urals.

our minds yet. And that reception at the field! It was generous and good, even if tration building is situated. No soonit was strenuous for a while. To tell the truth we didn't know whether er had its wheel grounded, however, fliers will face here today one of the anybody would be out to see us or not until we saw the crowds in the before the crowd which had shouled light of the flares as we sailed over the field.

Recall "Four Tough Stretches."

Oh, we had adventures all right! There were four tough stretches policemen, and the carefully laid that we never will forget. The first was that flight across the North awry. Atlantic which began the night after we left New York and Newfoundland. Post, his cheeks hollowed by fa-When we ran into fog on the last part of the ocean crossing, it was just tigue, his face an ashen gray from plain hard flying. Flying by instrument, you know, at 12,000 feet. Once the strain he has been under as the are staying, to Pier 84, North River. in a while it would show just enough of a hole for Gatty to get a sight. pilot of the Winnie Mae. leaped to. There, aboard the municipal steamer We held the course, though. And then we slipped down through a hole the ground when the plane roared to and found ourselves over Wales, safely across the Atlantic. We would a stop, its propeller whirling menac-Reception to Distinguished Guests, of have patted each other's backs if we hadn't been the length of the plane ingly at the clustering crowd. His which Dr. John H. Finley is chair-

At this pier, to the west of the Bat- Berlin and Moscow. The distance was 925 miles, according to our charts. His wife, who had sat with her tery, where so many notable visitors We left early in the morning and pretty soon crossed the border into eyes glued on the western sky since and returning heroes have felt the Boland. There we had absolutely the dirtiest flying of our whole experi- her arrival late in the afternoon, hefirst waves of the city's character- ence on this or any other flight. The ceiling simply closed down on us came almost hysterical as the airistic boisterous welcomes, the fliers and forced us right down on the tree tops. We had to fight wind and rain plane rushed earthward, and half will enter automobiles for the parade as well as fog. Landmarks slipped by so fast that we had trouble check. crying, half laughing, she was esup Broadway. Between its canyon ing the course and, of course, anything like celestial observation was im- corted by two six-foot policemen walls the air will be white with ticker possible. The drift indicator held out, though, and from it we hit our mark on the nose through dead reckoning.

Another hard hop which gave us no end of concern was the flight

At the head of the parade will be between Irkutsk and Blagovestchensk through the wildest country we have flight with a smile. a squadron of mounted police, fol- ever seen. For hours we flew a bare twenty-five feet above the trees, and lowed by the Police Department in the strange country, which was wholly unknown to us, strange appari-Band. Then will come four battal tions loomed up in the mist ahead. Two or three times we thought the to land at Pittsburgh at about the ions of the Sixteenth Infantry, end had come and pulled the ship up sharply until the angle of climb be- time the Winnie Mae came to earth United States Army; next two battalions of sailors and then two battalions of marines, followed by the
Fire Department Band. Next in line

and come and puned the snip up snarply until the angle of climb became dangerous. We got through without "stubbing our toe," however,
and wound up the day bogged down on the watersoaked field. Our sleep
there is a through without "stubbing our toe," however,
and wound up the day bogged down on the watersoaked field. Our sleep
there is a through without "stubbing our toe," however,
and wound up the day bogged down on the watersoaked field. Our sleep
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and wound up the day bogged down on the watersoaked field. Our sleep
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and wound up the day bogged down on the watersoaked field. Our sleep
the stubbing our toe, which will be the watersoaked field. Our sleep
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the stubbing our toe, where the watersoaked field. Our sleep
the stubbing our will be the fliers, their wives, their by the worry of wondering whether the tractor would arrive on time to enabled the expedition to maintain backer, F. C. Hall of Oklahoma City, pull the Winnie Mae to firmer ground, and if it did, whether the Russians an almost perfect schedule on their

In Fog Four Hours on Way to Alaska.

The last really dangerous section of the journey was the water hop from Siberia to Alaska. We flew first across the Okhotsk Sea. It was just getting dark as we started cut, and it began to rain. We soon found ourselves enclosed in a fog so thick that we did not see a thing outside

When it began to get light - the nights are short there, you know in the Aldermanic chamber. Dr. we pulled up two large layers of clouds and stayed there. We knew there Finley will introduce the fliers to were mountains ahead on the Kamchatka Peninsula, but we managed that the knees, and he had the half-dazed Mayor Walker, who will give them all right. We saw a mountain loom up between the layers and we followed expression of a survivor of a ship

Continued on Page Two.

on the consent of John W. Davis, sion on the subject of talation," the PERRIER. Imported French Natural Spark- WHEN Buying Bitters, Demand Abbott's To EDGEWOOD INN, Greenwich, Cons., line Water, Nowobialnable Everywhere, -Advt. Flavors beverages-Advt.

FLIERS NEAR EXHAUSTION

The Winnie Mae Beats the Zeppelin's Record by 12 Days, 15 Hours.

WHEELS TOUCH AT 8:47 P. M.

Traveled 15.474 Miles in 4 Days 10 Hours Flying Time-Averaged 145 Miles an Hour.

1,994 MILES ON LAST DAY

Flew From Edmonton, With a Stop at Cleveland for Fuel-Get Official Greeting.

By F. RAYMOND DANIELL. Special to The New York Times.

ROOSEVELT FIELD, L. I., July 1.-The fastest trip ever made by man around the earth on which he lives ended tonight at this airport 8 days 15 hours and 51 minutes after It ended successfully and dramat-

Gatty brought the cream-white monoplane Winnie Mae to earth at sundown in a cloud of dust, a burst of cheering from 10,000 throats and the usual hurly-burly scramble that accompanies such events. The swift-flying monoplane came out of the West with the speed of a meteor as the sinking sun turned

the cloud-flecked blue of the sky to

ically when Wiley Post and Harold

flying biplanes, monoplanes and fly ing boats in the air, banked steeply The third time it swung back, flying low, and swooped down for a perfect three-point landing at break-neck speed against the wind, and headed loward the crowd of 10,000 nacking the grand stand, lining the fence and perching on hangar roof tops. Its wheels touched earth at exactly \$:47.

two minutes after it first hove into

sight, and its arrival was officially

recorded at that time by Walter D.

Ward, official timer for the National Crowd Breaks Through Police.

Slowly the bird-like contraption the Northern Rockies and the Allethis journey of a little more than a week that things aren't straight in ghanies taxied toward the western end of the field, where the adminisuntil it seemed its members must have exhausted themselves proke through the cordon of Nassau County

The next highlight, so far as tough flying was concerned, was between him from the enthusiastic crowd.

plans for an orderly reception went.

through the crowd to her husband's side. When they met, after six weeks' separation she fought back the tears and managed to greet the hero of the

Mrs. Gatty missed the show. She flew from California, but was forced

15.474-mile flight around the world. hauled himself up through the cocke plt and was sitting, with a grin on his oil-smeared face, on the high wing of the ship when the crowd

swarmed around it. Gatty Also Wabbly in Knees.

He looked it over and waved, and

then worked his way through the jumped out. He too, was wabbly in wreck. Mechanically he answered the perfunctory questions of W. B. Mitchell, the United States Customs Inspector, while the police wrestled

Round-the-World Flight