

COUPON WIZARD HIDES SECRET OF GOLDEN FLOOD

Ponzi Defies U. S. to Find Out How He Cashes Postal Slips.

"CANNOT STOP ME" Made Million in Day, to Have Forty Million by October.

TO OPEN OFFICES HERE One Time Waiter Talks of "Big Idea" and How He Developed It.

By a Staff Correspondent of THE SUN AND NEW YORK HERALD.

BOSTON, July 28.—Last August a thoroughly awake Italian, who had come to America from Parma to make money and who, casting for chances, had sold fruit on street corners, waited on cheap diners in cheap restaurants and had clerked in brokerage offices, made a great discovery.

To-night he is enjoying every synthetic comfort that millions of dollars can fetch him. His name is Charles Ponzi, and whereas he used to have trouble convincing suspicious proprietors of those Belgravian waterfront lodgings house, where for 50 cents one is entitled to two feet of floor space in a room with thirty other sleepers, that he was good for the four bits, he's doing his sleeping these nights in lavender silk pajamas of amazing fineness in a bed that any collector of real antiques would pay a couple of thousand for in a house in Lexington worth \$100,000.

To-day this enterprising young man (it's hard to believe he's 33 years old) sat in lofty offices in 27 School street and, with his face contorted into a smile that was part sneer, leer and altogether mocking, he dealt out to scores of men and women more than \$200,000 which these same men and women prior to last Saturday begged him to take, that it might bring them 60 per cent profit in 45 days, for this he had advertised he could do.

Keeps His Big Secret.

Pride in his genius as a wizard of finance prompts Ponzi to reveal the main details of his great idea, but the real secret—the enacting clause, so to say—declines to make public at present.

And before we go any further it must be understood that this far he has not failed to keep all his promises. It is said, and admitted by the police and the United States District Attorney, that he has made a fortune of \$1,000,000 beyond any dreams they ever cherished before they met and were convinced by Ponzi. He has made a millionaire of himself—how many times is not known. He says he wants \$1,000,000 and probably he's correct. All those men and women who had sufficient courage to stick it out after giving their money to Ponzi have made handsome gains and to-day are laughing at the hundreds of thousands of dollars they have for their money and threatening him with death. Ponzi's own clerks and a hundred eager speculators went in and out among that party, through buying from all who would sell, Ponzi's certificates that promised, over Ponzi's clear signature, that the bearer of that yellow paper could demand and receive from Ponzi one hundred and forty per cent of his investment in forty-five days after the invested money was placed in Ponzi's hands.

Police Became Curious.

But last Saturday three thousand persons—clerks, messengers, boys, stenographers, staid looking business men, women with babies in their arms, pugilists, dock wall-pipers, chauffeurs, street cleaners, mechanics, nurse girls and so on—matteredly got into the offices of the Securities Exchange Company, of which Charles Ponzi is the discoverer, organizer and presiding genius—and the wizard genius is not used idly.

"It's very simple," says Ponzi, but it is perfectly true that in Boston, where Yankee caution is supposed to infest one the moment one breathes its air, and in this year of 1920 when it would be reasonable to say that the day of the get rich quick game was past, these 3,000 men and women were fighting to hand to Charles Ponzi the savings of their lifetimes—a man they had never seen, of whom they had never heard, whose propaganda was of the sort that makes men and women shy off, who refused to tell what he was doing with the money or how he hoped to refund it.

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Reichstag Approves Agreement at Spa

BERLIN, July 28 (By the Associated Press).—The Reichstag to-day by an overwhelming majority approved the agreement made recently by the Government at Spa with the representatives of the Entente. This vote constitutes an emphatic approval of the policy of Chancellor Fehrenbach and Foreign Minister Simons in the disarmament and coal agreements reached with the Allies.

5TH AV. CROWDS SEE CARD RAIDS

Police on Sealing Ladders Batter Into Two Clubs and Arrest 22 Men.

GAMBLING DEVICES TAKEN Washington Heights Game Forebly Halted, Saddening Some Women Players.

Adopting emergency measures when they found windows and doors barred against them, detectives operating under the direction of Inspector James Boland raided sealing ladders up the faces of houses in West Thirty-first and West Thirty-second streets near Fifth avenue at 6 o'clock last night, and while thousands of passers-by looked on made two of the most spectacular raids seen in that neighborhood since the police began to search for gambling evidence there.

Police on Sealing Ladders Batter Into Two Clubs and Arrest 22 Men.

Both houses were raided last February, when a battle occurred between a detective and Robert Moore, a lawyer. Mr. Moore was arrested and later was honorably discharged, together with the other prisoners. Mr. Moore defended the twenty-two prisoners taken last night when they were arraigned in night court and they were discharged.

85 MILLION FRANCS FOR ALL MUMM WINES Americans Believed Back of French Offer.

Special Cable Dispatch to THE SUN AND NEW YORK HERALD, July 28.—The French Government this afternoon announced the highest bid for all the Mumm champagne properties in the Rheims district, which were sequestered at the beginning of the war in 1914, was \$2,000,000 francs, the highest bidder being the Society Optique, which is composed entirely of French wine exporters.

POLISH RETREAT CONTINUES. Bolsheviki Advancing Along Their Entire Front.

WARSAW, July 27 (delayed).—The Polish retreat continues along the entire front, according to latest news on the fighting operations received here.

SIMONS SHAKES GERMANY WITH PLAN TRUTHS

Berlin Foreign Minister Praises Lloyd George for His Tact at Spa.

FAVORS SOVIET SUPPORT Hints Polish Peace Problem Can Be Solved Only by Germany's Aid

RUSSIA NOT ALL CHAOS Says He Regards Tchitcherine as an Unusually Shrewd Man.

By RAYMOND SWING.

BERLIN, July 28.—Political and industrial Germany is shaken and the German press is widely divided on the speech of Dr. Walter Simons, Foreign Minister, in the Reichstag. Praise of his policy by the Democratic and Independent Socialist newspapers is counterbalanced by the mystification, sarcasm and bitterness expressed by the conservative press and political parties.

When the Reichstag met the members expected to hear a careful exposition of Germany's policy at Spa. Instead they heard a straightforward analysis of world politics in so far as Germany is affected. Meanwhile the Reichstag was amazed to behold what the *Freiheit* terms "a sin against the Holy Ghost" by Dr. Simons when he strongly commended the "reconstructive achievements of the Soviet Government of Russia."

Dancing With Lloyd George.

"It was a how-to in 'La Grande Nation'" declares the *Pan-Germanische Tageszeitung*. "He appears to feel himself strong enough to dance with men like Lloyd George and Millerand."

NEW ENGLAND TO GET BIG COAL SHIPMENTS Priority Ruling Gives 650,000 Tons Monthly by 3 Roads.

ROANOKE, July 28.—The Norfolk and Western, Chesapeake and Ohio and Virginia railroads will ship 650,000 tons of coal a month to New England in accordance with the priority order of the Interstate Commerce Commission, it was announced here to-day by the Norfolk and Western.

BERLIN SEEKS RIFLES EXPORT TO MEXICO Asks Sweden to Consent to Importation for Reexport.

STOCKHOLM, July 28.—Germany is trying to export by way of Sweden 200,000 Mauser rifles, and the Swedish Government has been asked to give its consent to their importation on the understanding that they are intended for re-exportation to Mexico.

World Strikes Peril in Plea for Soviet Regime

LONDON, July 29 (Thursday).—The *Times* says that five members of the British labor delegation which recently visited Russia, Messrs. Purcell, Turner, Wallhead, Skinner and Williams, have appealed to the trades unions to adopt direct action as the only means to force an abandonment of the policy of "trying to strangle the Soviet regime" forced upon the Government by the "Churchills, Curzons, and Elsdudsiks."

MANNIX CANNOT LAND IN IRELAND

British Government Notifies Australian Archbishop 3 Days Before Sailing.

LEAVES HERE ON BALTIC Prelate Says Nothing But Physical Force Will Prevent Him Going on Board.

LONDON, July 28.—The British Government has decided upon only one thing in connection with Archbishop Mannix of Melbourne, Australia, coming to the British Isles, and that is that he will not be allowed to land in Ireland. It is evident that the officials have been unable to decide what they will do should he not attempt to land at Queenstown but did attempt to disembark at Liverpool.

Archbishop Mannix has been officially notified that he will not be allowed to go to Ireland, but the Government is taking no steps to prevent him from boarding the steamship *Baltic*, which sails from New York on Saturday.

LOOKS TO GERMAN TO DEFEAT SOVIETS Churchill Says Teutons Will Gain by Fighting Bolsheviki.

Special Cable Dispatch to THE SUN AND NEW YORK HERALD, July 28.—Winston Churchill, as a journalist and not as Minister of War, writing in *Lord Northcliffe's Evening News*, calls upon Germany to join with the Entente Allies and Europe in her own interest to oppose the westward sweep of the Bolsheviki. He says:

ANGLO-PERSIAN PACT SHELVED BY TEHRAN Awaits Assembly and British Commission Has Quit.

LONDON, July 29 (Thursday).—Americans have offered the Persian Government a large loan, according to an unconfirmed report sent out by the *Daily Mail's* Tehran correspondent.

FRANCE ASKS U. S. ATTITUDE IN RED PARLEY

Instructs Embassy to Learn Views Concerning Coming Conference.

ALSO ON AIDING POLAND America to Be Represented by Observer in Discussing Russian Problem.

SITUATION VERY CRITICAL Washington Thinks It Will Require Delicate Handling to Avert a Break.

By LAWRENCE HILLS.

PARIS, July 28.—The French Government has asked the Comte de Galard de Béarn, French Charge d'Affaires in Washington, to ascertain without delay the attitude of the United States toward the proposed conference with the Soviet Government as well as the attitude of America toward the Allies assisting Poland should the armistice negotiations fail to bring peace.

The *Temps* to-day, discussing the Boulogne meeting, says that the Allies would make a great mistake if they agreed to confer with the Soviet Government before consulting Washington.

COX AIMS TO CUT WILSON STRINGS Nominee Fears Impression Grows That He Backs President on League.

POMERENE AIDS SCHEME White House, It Is Said, Will Proclaim Ohioan as Democracy's Chief.

DAYTON, Ohio, July 28.—Abundant evidence is at hand to-night, some of it accumulated piecemeal in the ten days since the White House conference, that Gov. Cox is considerably apprehensive because of the understanding which is taking a firm hold throughout the country that he and President Wilson are "absolutely as one with regard to the great issue of the League of Nations," so stated by Mr. Wilson.

GOVERNMENT TO GET BIG COAL SHIPMENTS Priority Ruling Gives 650,000 Tons Monthly by 3 Roads.

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MILLER WINS FOR GOVERNOR, WADSWORTH FOR SENATOR; PRIMARY BATTLE PROMISED

DIG CITIES WILL HEAR HARDING

Senator Likely to Yield to Nationwide Demand for Speaking Tour.

PORCH PILGRIMAGES ALSO Will Be Heard Several Times Here and May Visit the Pacific Coast.

By a Staff Correspondent of THE SUN AND NEW YORK HERALD.

MARION, Ohio, July 28.—The Republican national campaign is being remodelled. Yielding to the plea of party leaders, Senator Harding is known to be giving serious consideration to demands that he carry his message to the voters through the medium of extensive speaking tours.

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State Ticket Named by G. O. P. in Saratoga.

SARATOGA, July 28.—The ticket recommended to-day to the voters in the approaching primaries by the unofficial Republican State Convention is as follows:

Governor—Nathan L. Miller, Onondaga.
Lieutenant-Governor—Jeremiah Wood, Nassau.
Secretary of State—John J. Lyons, New York.
Comptroller—James A. Wendell, Montgomery.
Attorney-General—Charles D. Newton, Livingston, renomination.
State Treasurer—N. Monroe Marshall, Franklin.
State Engineer and Surveyor—Frank M. Williams, Orange.
Associate Judge, Court of Appeals—Frederick E. Crane, Kings.
Associate Judge, Court of Appeals—Emory A. Chase, Greene.
United States Senator—James W. Wadsworth, Jr., Livingston, renomination.

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Hugo and Thompson Will Appeal to Republican Voters.

HARMONY AFTER FIGHT Recommendations Are Made Unanimous Following Free for All Balloting.

ADOPT STRONG PLATFORM Permanent Chairman Declares People Are Tired of Tammany Misrule.

By a Staff Correspondent of THE SUN AND NEW YORK HERALD.

SARATOGA, July 28.—Nathan L. Miller of Syracuse, former Associate Judge of the Court of Appeals, was recommended to-day for Governor by the Republican organization of the State assembled here in unofficial convention.

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