

AID BILL IS AMENDED IN THE SENATE

Reconstruction Finance Corporation Measure Changed Today.

TO PERMIT LOANS TO CERTAIN BANKS

Federal or Joint Stock Land Banks Would Benefit as Well as Credit Corporations.

WASHINGTON, Jan. 8 (AP)—The senate today amended the reconstruction finance corporation bill to permit loans to federal or joint stock land banks as well as agricultural and livestock credit corporations.

IMPROVEMENT BILL OPPOSED

WASHINGTON, Jan. 8 (AP)—Improvement of the Rogue River in Southern Oregon, upstream from Gold Beach, was held inadvisable at the present time, in a report of the chief of United States army engineers, submitted to congress today.

HOOVER MAKES PLEA

WASHINGTON, Jan. 8 (AP)—Declaring "we cannot squander ourselves into prosperity" President Hoover today urged congress to pass a bill to improve the national bank.

HIGHWAY AID PLANS SOUGHT BY MR. DEVERS

SALEM, Jan. 8 (AP)—A request that the state highway commission sell more bonds to aid unemployment, or announce to the counties that no more money can be expended for emergency work after the million dollars appropriated for that purpose has been used up, will be made to the commission at its next meeting Jan. 21, by Joe Devers, he announced today. Devers is attorney for the highway commission and is acting as Governor Julius L. Meier's representative on unemployment relief.

Of the million dollars appropriated in November, \$200,000 has already been spent. This gives employment to about 10,000 men on the basis of one week each month. This allows but \$18 per man a month, but is proving of great assistance, Devers said. However, with more than 40,000 men out of work, the fund is not adequate.

LINDSAY GETS 60-YEAR TERM FOR SLAYING

SEATTLE, Jan. 8 (AP)—Everett Frank Lindsay, convicted of second degree murder in December for the slaying of his wife, Audrey Elizabeth Lindsay, here in February, 1930, yesterday was sentenced to from 60 to 75 years in the Washington state penitentiary at Walla Walla by Superior Court Judge Howard M. Findley.

After a trial lasting a week, a jury convicted him of second degree murder, rejecting the state's plea for a first degree murder conviction and hanging.

Gum, Cash Stolen From Local Store

I. J. Murray, manager of the La Grande Woolworth store, reported to police last night that between 6:30 and 7 p. m. someone stole 100 packages of gum and about \$20 in cash from the cash registers in the store. The police are investigating the case.

BIAND TO QUIT RUMOR
PARIS, Jan. 8 (AP)—It was semi-officially announced tonight that Aristide Briand had placed his portfolio as minister of foreign affairs in the hands of Premier Laval.

WEATHER FORECAST
Oregon: Cloudy tonight and Saturday; probably light rains in the west portion and local snows in the mountains; no change in temperature; moderate to fresh south winds offshore.

WEATHER TODAY
7:30 a. m.—33 above.
Minimum: 30 above.
Condition: Cloudy.

WEATHER YESTERDAY
Maximum 39, minimum 31 above.
Condition: Cloudy. Range—eight degrees.

WEATHER JAN. 8, 1931
Maximum 31, minimum 14 above.
Condition: Partly cloudy.
Range—17 degrees.

Stocks Move Up Today; Bonds In Impressive Rally

Upturn Last Three Days in Wall Street Aided By Rumors Bears Are Turning to Buying.

NEW YORK, Jan. 8 (AP)—New buying orders, placed during the afternoon, kept stocks moving upward for the third successive session today. Bonds also rallied, gains being especially impressive in the railroad group.

Principal shares finished \$1 to \$5 higher and closing prices represented the top quotations of the day. Utility stocks turned buoyant in the last hour under the leadership of American Telephone which had a sharp rally. Shorts in Auburn Auto received another severe squeezing; they also had to pay dearly for several other volatile issues.

Bears Turn to Buying
Rumors circulated in brokerage houses customers' rooms said the upturn had been helped by purchasing orders from some prominent professional operators who had been almost consistently bearish over the last two years. One of these traders was said to believe that the line of least resistance was currently on the upside.

American Telephone rushed up \$5 a share to \$120 and U. S. Steel jumped \$3 to \$22. Allied Chemical at \$71.25 was up \$1, while Coca Cola rose about \$4.50 to \$112.50. Auburn soared \$10 to above \$140. The turnover approximated 1,700,000 shares.

GREKS WOULD BUY WHEAT

ATHENS, Jan. 8 (AP)—The Greek government informed the American legation today it will negotiate in Washington for the purchase of a quantity of American wheat on credit.

Band Donations At \$900 Figure; More Expected

Donations to the fund for maintenance of the La Grande band during the year 1932 reached a total of \$900 this morning, leaving the drive only \$600 short of the goal of \$1500 set at the beginning of the campaign 10 days ago. Additional contributions are expected during the next several days, and when not solicited, they may be made to H. E. Coolidge at the La Grande National bank or Chas. Simpson at the U. S. National bank.

Recent donors include: Interior Grocery, F. L. Meyers, Mr. and Mrs. Roy Forrester, Harry Patterson, Mr. and Mrs. George Werner, Glass Drugs, Foley Hotel, C. J. Brewer Co., Johns Kitchen, U. Lottes, Coleman, George, Dr. R. P. Murphy, Dr. J. L. Ingle, Helen Britts, Ella Britts, Dr. Lewis Ager, Dr. Lee Botany, Dr. J. D. Haun, Carl Helm, Robert Scott, Sprouse Ritz Co., Mollie's Market, Otis Veal, Jack Ferris, Nedra Bradshaw, Mrs. Long, Leo Miller, Stevens-Van Engelen, Perkins Motor company and E. P. McFadden.

Planer To Open For 2-Week Run First of Week

The Bowman-Hicks Lumber company planing mill, which has been idle since Dec. 18, will resume operations Monday for a two-week run, it was announced today.

The general practice has been to run the planer when the sales make it necessary. Approximately 40 men are employed by the planer.

Mrs. Thelma Cullen Commits Suicide

SEATTLE, Jan. 8 (AP)—Mrs. Thelma Cullen, 37, who was on trial in federal court here on mail fraud charges in connection with stock investments, hanged herself in the county jail here some time last night.

J. R. Wallace, deputy coroner, said Mrs. Cullen had been dead several hours when her body was found today. The woman had climbed atop a radiator and stepped off with a noose fastened from a strip of sheeting about her neck and attached to a pipe near the ceiling. Because she suffered from asthma she was permitted to occupy a room alone where she could turn off the heat during the night.

Wholesale Bribery of Coast Guard In New York Area Revealed Today

NEW YORK, Jan. 8 (AP)—Wholesale bribery of coast guardmen by liquor runners in the New York area, the total running to an estimated million dollars, was revealed today by Federal District Attorney Howard W. Amiel.

Twenty coast guardmen, he said, have been arrested, and some have confessed complicity.

Amiel said: "Coast guardmen have admitted complicity in conniving to allow smuggling. We are going to the bottom and unearth every bit of evidence, no matter how high it may reach, before we go to the grand jury for indictments. You may infer that commissioned officers are involved."

The investigation has been under way for several weeks. Department of justice agents, the district attorney's office, customs men, prohibition department detectives and representatives of the coast guard have had parts in the inquiry.

POLA LEAVES THE HOSPITAL



Pola Negri, exotic film actress, is shown leaving a Southern California hospital for her hotel home, following a recent operation. For a time she was in a critical condition.

INDICTMENTS ARE RETURNED BY JURY

Hammell, O'Connell, W. S. Stiles and P. S. Stiles Must Face Trial.

PORTLAND, Ore., Jan. 8 (Special)—Thirty-one indictments were returned here yesterday by the federal grand jury.

Included in the indictments were the following: John Hammell, possession and transportation, Union county, Dec. 8, 9 and 11; Webster Charles Stiles and Daniel O'Connell, manufacture, possession of a still and possession of liquor, near La Grande, Dec. 5; Pearl Stanley Stiles, possession and transportation, La Grande, Dec. 4.

The not true bills, and the charges upon which those named originally were held, included: William Leahman, possession and transportation, La Grande, Dec. 4; Clarence L. Hawes, possession and transportation, Union county, Dec. 14.

JACKSON DAY MEETING ON IN PORTLAND

PORTLAND, Jan. 8 (AP)—Oregon Democrats gathered here today for the annual Jackson day meeting for the purpose of launching the "victory" campaign fund and to plan for the coming campaign.

Two former governors of the state, Walter M. Pierce and Oswald West, will speak at the Jackson day banquet tonight. Stephen F. Chadwick, Seattle attorney, will be another speaker.

Advance information indicated a half dozen prominent Democrats will at this dinner announce their candidacies for important posts. Joseph K. Carson Jr., president of the Oregon Jackson club, will be toastmaster at the banquet. At the afternoon meeting Carson was to outline plans for raising Oregon's quota of the victory campaign fund. Rosemary Schenck, vice chairman of the state central committee, was to preside at the afternoon meeting in the absence of Carl Donahugh, president, who is in the east attending sessions of the Democratic national committee.

Commission Saves \$75,708 In 9 Months

SALEM, Jan. 8 (AP)—Charles T. Early, chairman of the state industrial accident commission, today reported to Governor Julius L. Meier, a saving of \$75,708 for the first nine months of the administration of the new commission, since April, 1931. This figure is the amount of saving over the expenditures of the corresponding nine months of 1930, Early reported.

The total expense of the new commission during that time was \$178,029.

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ROOSEVELT'S CAMPAIGN TO BE LAUNCHED

Ritchie, Maryland, Already in Field For Democratic Nomination

SMITH, COX, DAVIS TO SPEAK TONIGHT

Kansas City Has Inside Track in Race For Convention—Three Others Entering Bids.

WASHINGTON, Jan. 8 (AP)—With Governor Ritchie, of Maryland, already in the field, friends of Governor Roosevelt, of New York, plan to lose no time in formally placing his name before the country as a Democratic candidate for the presidency.

The North Dakota state committee, which meets Jan. 14, has informed the Roosevelt forces it will adopt a resolution calling for a statement from the New Yorker aimed to put him in the open as an avowed candidate.

This came from the seething activities preliminary to the meeting of the Democratic national committee tomorrow as the committee reported its expenditures for 1931 to the clerk of the house.

They totaled \$1,030,486, with receipts amounting to \$1,032,207.

The committee owes \$787,747, and \$346,250 of this is due John J. Raskob, committee chairman, for loans, and \$433,786 owing the Country Trust company of New York for borrowed money.

The Democratic committeewomen at a session today asked by resolution that more of their sex be delegates at the convention.

Joseph A. Guffey, of Pittsburgh, former national committeeman, said today the name of the New York governor will be filed for the Pennsylvania primary election in April. Governor Roosevelt will have to give his formal consent to the Pennsylvania petition by the middle of March.

It was said in Roosevelt quarters today that he may go to North Dakota to make an address in answer to the state committee's resolution. The date for his answer was uncertain.

The rank and file of the national committee met today in St. Paul, Minn.

Cove, Enterprise Cagers to Play On Local Floor

Two of the strongest basketball squads in this section of Eastern Oregon will invade La Grande tonight and tomorrow, and from all indications, the Tigers have a big task ahead of them to keep on the winning side.

Cove will be here tonight, with a couple of sharpshooters Weimers in forward positions, both of whom are dangerous from any point from the middle of the floor to the hoop. Lowell, the younger of the two, is showing marked improvement and local fans know full well of Darrell's ability. Richards is back at center and Smith at guard, both veterans of the last two seasons.

In a December game La Grande barely nosed out Cove at Cove, and the boys from across the valley are anxious to even up the score. The game will start at 8 o'clock in the L. E. S. Recreational hall following a junior-senior class game starting at 7.

Name MacKintosh U. S. Circuit Judge

WASHINGTON, Jan. 8 (AP)—Kenneth MacKintosh, of Seattle, Wash., a former member of the Wickersham commission, was named today by President Hoover as United States circuit judge for the ninth circuit.

The ninth circuit embraces California, Oregon, Nevada, Montana, Washington, Idaho, Arizona, Alaska and Hawaii.

McCarroll Accepts Challenge Made By Count—Proceeds For Unemployed

When one wrestler challenges another, they usually spar around awhile through the newspapers, then dicker for a few weeks on percentage and this and that, and then sometimes decide to get together in the ring.

With wrestlers, it is different! Wednesday Count Ermak Harkovsky, Russian wrestler, who lost to Howard Cantonwine here Tuesday night in a match that was unsatisfactory to him, challenged the referee, McCarroll, also a heavyweight grappler, to meet him on the mat.

About 1 o'clock this afternoon Mr. McCarroll came into the Observer office and informed the sports editor he stood ready to accept the count's challenge, with the match to be staged some time next week—the date to be settled as quickly as arrangements could be made.

VIOLATIONS CHARGED IN MOONEY CASE

Report Submitted to Wickersham Commission Published Today.

PROSECUTION AND POLICE SCORED

Report Made By Commission Experts But Not Accepted Because of It Being State Case.

WASHINGTON, Jan. 8 (AP)—"Flagrant violations" of California law by police and prosecution in the famous Mooney-Billings case are charged in a hit-or-miss unpublished report submitted to the Wickersham commission.

The document sent to the senate by the justice department in response to a resolution requesting it be never accepted by the Wickersham commission, which contended it had no right to review state cases.

The report was made by Zechariah Chafin Jr., Walter H. Pollak and Carl S. Stern, research and investigation experts of the commission.

After an exhaustive account of the arrest and conviction of Thomas Mooney and Warren Billings in connection with the 1916 preparation day bombing in San Francisco in 1921, it concluded that:

"There never was any scientific attempt made by the police or the prosecution to discover the perpetrators of the crime.

"The investigation was in reality turned over to a private detective, who used his position to cause the arrest of the defendants.

"The police investigation was reduced to a hunt for evidence to convict the arrested defendants.

"There were flagrant violations of the statutory law of California by both the police and the prosecution

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JOSEPH FORDNEY DIES IN SAGINAW

Co-Author of Fordney-McCumber Tariff of 1921 Passes at 78.

SAGINAW, Mich., Jan. 8 (AP)—Joseph Warren Fordney, member of congress for 24 years and co-author of the Fordney-McCumber tariff of 1921, died at his home here at 7:06 a. m. today. He was 78 years old.

He had been in ill health for months, but death was caused by an attack of erysipelas which developed Sunday. He had been in virtual retirement since 1923, when he completed his twelfth consecutive term in congress as representative of the eighth Michigan district.

In congress he succeeded the late Ferdinand G. Brucker, Democrat, and father of Michigan's present governor, Wilbur M. Brucker, and built up a tradition of unswerving Republicanism in the eighth district which was not broken until last year when Representative Michael J. Hart, a Democrat, was elected.

Known as "Uncle Joe" Fordney was known affectionately to his constituents as "Uncle Joe" Fordney for nearly a quarter of a century, was a

(Continued on Page Three)

SLIDE BLOCKS RIVER HIGHWAY NEAR ROWENA

PORTLAND, Jan. 8 (AP)—A rock slide today blocked the Columbia River highway between Hood River and The Dalles. The highway commission expected to clear the barrier before 2 p. m.

Meanwhile traffic was rerouted over the Hood River bridge to White Salmon, up the Washington side to Rowena ferry, and then back to the Oregon side.

The slide occurred near the place where Glenn Mayfield, The Dalles traffic officer, was killed by a falling rock last month.

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Before he had hardly got the words

Bomb Plots Aim At Mussolini, King of Italy

Anti-Fascist Plots Discovers at Paris and Nice—Three Men Are Under Arrest.

ROM, Jan. 8 (AP)—Watchful officials guarded all ports of entry into Italy following receipt of information that bombs intended for Premier Mussolini and King Victor Emmanuel are on the high seas in the hold of the mail steamer Escalibur, on its way from the United States.

The situation was further complicated by reports of the discovery of anti-fascist bomb plots at Paris and Nice.

Details information of the bombs reported aboard the Escalibur was lacking, but the company's agent at Genoa said they were advised from New York that the mail contained two packages, one for the premier and one for the king.

Since the recent bomb attempts in the United States, all persons and institutions here likely to be marked to receive bombs have been wary of packages and so far no bomb has been traced through the guard of caution.

The newspapers continue to give prominence to the news of bombing attempts in the United States and other countries and dispatches yesterday told of the discovery of stores of explosives and the arrest of several Italian suspects in Paris and Nice.

TRACING TWO PACKAGES

GENOA, Jan. 8 (AP)—Two packages addressed to the king and Premier Mussolini and supposed to contain bombs have been traced to the steamship Escalibur through an exchange of messages between that vessel and the New York postoffice inspectors, it was reported here today.

The steamship's officers have been instructed to exercise the greatest care in handling the mail, port authorities at Marseilles will examine it when the vessel touches there and there will be a painstaking inspection when the ship gets to Naples on Monday.

THREE ARRESTED

PARIS, Jan. 8 (AP)—Police today were holding three Italians who were found to have a quantity of explosives in their possession. An investigation was begun immediately to determine whether they may have been engaged in anti-fascist activities.

Reports from Nice said a package was discovered there containing eight bombs and a number of detonators and an investigation was under way to determine whether this discovery had any connection with the Paris case.

CONSUL-GENERAL WOUNDED

PARIS, Jan. 8 (AP)—Giuseppe Gentile, Italian consul general, was wounded today by an Italian student who fired on him as he entered the consulate.

Police arrested a man named (Continued on Page Five)

Lenz, Liggett Make 5405 Gain Thursday Night

By Tom O'Neill
NEW YORK, Jan. 8 (AP)—A sensational play in the home stretch by Sidney S. Lenz and Commander Winfield Liggett Jr., left Ely Culbertson's side only 8770 points ahead today in the contract bridge match. It will end tonight with the playing of the last six of 150 rubbers.

By the largest gain of any session by either side—5405 points—Lenz and Liggett reduced Culbertson's plus last night to the lowest figure it has been since before Christmas. Culbertson and a new partner of one night, Howard Schenken, a New York importer, won only one of seven rubbers.

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Searchers Fail To Find Lost Trapper

GRANT'S PASS, Ore., Jan. 8 (AP)—Little hope that Robert Kidd, 58, trapper and trapper, will ever be found alive, was expressed by searchers here who returned from a week's hunt for the man. Kidd went into the hills above Illinois Valley three weeks ago and has not been seen since. Several posses searched for him but no trace of him was found. The weather was bad when he made the trip and it is believed he became exhausted or overcome by exertion in traversing the rough country.

Apportion \$40,954 To Counties Today

SALEM, Jan. 8 (AP)—Counties today were apportioned \$40,954 as their one-third share of the fees collected by the secretary of state for motor vehicle, license, and operators' licenses for the last three months of 1931. A total of \$122,863 was collected of which the state highway commission will receive \$61,000. The last quarter of the year shows the smallest distribution of the fund the secretary of state reported.

Multnomah county's share of the fund is \$12,593; Lane county \$2399, Marion county \$2282, Klamath county \$2487, Baker \$810, Benton \$865, Coos \$1285, Douglas \$1158, Jackson \$1993, Josephine \$798, Umatilla county \$1121, Union \$770, Clackamas \$1509 and Washington \$1152.

U. S. ACTION NOT PLEASING TO JAPANESE

Officials at Mukden Receive News With Surprise and Resentment

INTERVENTION NOT JUSTIFIED, BELIEF

Formal Reply May Be Made to American Note Later—Chinese to Invoke Article 16.

WASHINGTON, Jan. 8 (AP)—With Japan and China formally notified by the Washington government that it cannot recognize legality of the situation in South Manchuria created by Japanese military occupation of Chinchow, international tension as to developments in the Orient was tightened today, but with no indication what the next move might be.

MUKDEN, Manchuria, Jan. 8 (AP)—Japanese officials here received with surprise and some evidence of resentment the news the United States had invoked the nine-power treaty.

They refused to comment. An informal discussion, Japanese officials disclosed an almost unanimous contention that the Japanese Manchurian policy can be reconciled with the nine-power treaty and that there are numerous precedents for the course which has been followed.

TO INVOKE ARTICLE 16

NANKING, China, Jan. 8 (AP)—Vice Minister of Foreign Affairs Kan Chai Hou, in addressing a group of students today, said China would invoke article 16 of the league of nations covenant in the Manchurian dispute at the next meeting of the council on Jan. 25.

Article 16 of the league of nations reads in parts as follows:

"Should any member of the league resort to war in disregard of its covenants under article 12, 13 or 15, it shall ipso facto be deemed to have committed an act of war against all other members of the league, which hereby undertake immediately

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NANCE O'NEIL, 52 OTHERS ARE TAKEN IN RAID

LOS ANGELES, Jan. 8 (AP)—The modernized Greek comedy, "Lysistrata," landed Nance O'Neil, famous New York stage actress, and 52 members of her company in the Lincoln Heights jail early today. They were charged with a violation of a city ordinance which makes it unlawful to take part in a "low production."

The 53 actresses and actors were released a short time later on bonds of \$100 each. They are due to be arraigned in municipal court this afternoon to plead to the charge.

Mrs. O'Neil and her supporting cast were arrested last night at the end of the performance of the play, presented at the Gertray City Theatre in the Winifred district. The majority of the performers were given a ride to the jail in patrol wagons, but at the leading woman's request, she was permitted to ride to the station in her own automobile accompanied by an officer.

Three Murderers Executed Today

CHICAGO, Jan. 8 (AP)—Frank H. Bell, 31, twice reprieved in three months, died in the electric chair early today for the murder of Christ Patras, a restaurant owner, killed during a holdup on June 16, 1930.

OSISSING, N. Y., Jan. 8 (AP)—Joseph Garlanti, 27, and Alfonso Carrato, 41, were executed in the electric chair shortly before midnight last night for the murder of Giovanni Volpe, of New York.

Wheat Today

CHICAGO, Jan. 8 (AP)—Abrupt falling off in overseas demand for North American wheat did much to put speculative buying support out from under all grains today.

Late advances in securities were largely ignored, and there was a material narrowing of the spread between Liverpool and Chicago wheat quotations, with Liverpool May delivery quoted only 3/4 of a cent over Chicago at the time Liverpool closed today. On the other hand domestic milling demand here for wheat showed substantial improvement.

Wheat closed unsettled 3/4 to 1/2 cent lower than yesterday's finish, corn also 3/4 to 1/2 cent, oats 1/2 cent, and provisions unchanged to 7 cents decline.

PORTLAND, Jan. 8 (AP)—There was no change in the price of futures wheat today on the Portland grain exchange. Total sales included 3000 bushels May delivery. On the merchants exchange cash wheat was unchanged as were coarse grains.