

# Rebellion Flares In Spain Today

## COUNTRY IS IN GRIP OF MARTIAL LAW

Attack in Madrid at Dawn Repulsed With Machine Guns—Seven Dead.

## PART OF SEVILLE IN REBEL HANDS

Uprising Believed Inspired By Monarchists—News-papers Forbidden to Print Extras.

MADRID, Aug. 10 (AP)—Royalist army leaders plunged Spain into rebellion today, attacking the ministry of war at Madrid and seizing control of the city of Seville.

General Jose Sanjurjo, who escorted Queen Victoria into exile, appeared to be an outstanding figure in the movement. He took over Seville and the smaller town of Jerez de La Frontera.

The entire country was practically under martial law as the Republican government mobilized to prevent the uprising from spreading. Troops patrolled the streets of the principal cities of the south and excitement ran high.

MADRID, Aug. 10 (AP)—Rebellion flared in four Spanish cities today, resulting in at least seven deaths in Madrid during an attack at dawn on the building which houses the ministry of war and the office of the premier.

Fragmentary reports from Seville, in the southwest, said that a rebel force under General Sanjurjo had captured the communications buildings. From Algeciras, in the south, near Gibraltar, reports said a detachment had mutinied in the nearby town of Linares. The naval

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## SLAYER STILL AT LARGE; NO DEVELOPMENTS

There were no developments today in the E. L. Smith murder case. Officers were continuing their investigations, and throughout the day a close watch was being maintained for a man known only as "Shorty," and suspected of being the man who killed the U. P. railroad detective at Hilgard last Thursday night.

Eleven transients, including an ex-convict from Texas, were still being held this morning, but District Attorney Carl Heisterly expected to release about half of the men later today. The ex-convict will be held pending word from Texas authorities.

## Northwest Growers Withhold Produce

CORVALLIS, Aug. 10 (AP)—Unsettling market conditions caused growers to withhold produce resulted last week in the lightest fruit and vegetable shipment from the Pacific Northwest in more than two years, according to a fruit and vegetable review issued today by the federal market bureau and the state college extension service.

Only 493 cars were loaded in the Northwest last week, compared with an average weekly volume of 600 to 900 cars during June and July and against 1500 to 1900 cars during April and May.

Eastern Oregon, Washington and southern Idaho potatoes are being withheld. Some advance in sales of pears and apples are reported but hardly sufficient volume, the review said, to establish market values.

## Erpelding Jury Deadlocked Today

SALEM, Aug. 10 (AP)—The jury deliberating the fate of Harry Erpelding, charged with first degree murder of Lloyd Eddy, 19, last March, was still out today after receiving the case at 4:30 last night. Five possible verdicts ranging from acquittal to hanging were handed over to the jury with the state demanding the death penalty.

Eddy was killed following an all night drinking party at the Eddy residence, information against Erpelding pending charged. The trial started last week. The jury of nine men and three women retired after midnight last night when they failed to reach an agreement.

## Dunne's Bill To Oust Education Board Completed

PORTLAND, Aug. 10 (AP)—J. E. Dunne, state senator from Multnomah county, announced today he completed the draft of a bill to abolish the state board of higher education and its secretary. He will introduce the measure at the opening of the next legislative session.

Senator Dunne said he already had pledged votes of 17 senators, including himself, for its passage. This is more than the necessary majority. The bill would replace the present board, Senator Dunne explained, with a board of three members, one from each congressional district. No member now serving would be eligible for appointment.

## Weather Chilly; Fire Situation Growing Worse

West Wind Brings Rain to West Oregon, But Causes More Trouble in Inland Area.

The somewhat chilly west wind that broke the inland empire heat wave Monday afternoon, continued to play over Eastern Oregon last night and this morning, and temperatures were lower early today than for weeks.

## COMMODITIES, SECURITIES MOVE HIGHER

Wheat Shows Gain of Nearly Two Cents a Bushel in Chicago

STOCKS BULLISH IN WALL STREET

Cotton Gains \$1.50 a Bale; Hides, Sugar and Rubber Quotations Are Stronger.

NEW YORK, Aug. 10 (AP)—Securities and commodities joined forces in another active demonstration of bullishness today.

After soaring \$2 to \$8 a share under leadership of rails, utilities and farm implements, reacted from their best prices but the market strengthened again with buying of stocks in the final dealings. Volume swelled to approximately 4,500,000.

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## DR. ZOOK TO BE IN OREGON SOON

May Stop in La Grande For a Time Thursday En Route to Portland.

PORTLAND, Ore., Aug. 10 (AP)—Members of the state board of higher education today confirmed reports that Dr. George Frederick Zook, president of Akron (Ohio) university, will be in Oregon this week to confer with the board about the possibility of his being appointed chancellor of Oregon's institutions of higher learning.

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## New Tax Ruling Major Problem To Many Firms

Firms or corporations, including creameries, co-operative organizations, are now facing a problem over the country today with the news that the internal revenue department has reversed itself and now declares that any draft issued which carries the word "obligation" on the part of a bank, to pay, is subject to the two-cent tax on checks.

Firms in La Grande deeply concerned by the new ruling, today were studying the proposition and were hopeful of working out some new system whereby they could avoid the heavy tax.

## RULING REVERSED

PORTLAND, Ore., Aug. 10 (Special)—As far back as June 30, the Portland revenue office issued its interpretation of the new tax law enacted by congress holding in effect that drafts drawn on firms, corporations or individuals payable at or through a bank were taxable. This interpretation was overruled July 19 by the revenue office in Washington, D. C.

The position taken previously by the Portland office has now been upheld in revised regulations, just received here, and which are effective immediately. The new regulations read:

"A draft in form drawn upon the drawer or upon any officer of the bank, and payable at or through a designated bank is an order for the payment of money and subject to the tax, unless the bank is a bank of deposit and the draft is direct or implied to pay such instrument and is without authority to charge the amount thereof against an account of the drawer. The draft is not to be subject to the tax in the absence of both obligation and authority."

In a statement issued by T. P. Cramer, secretary, Oregon Bankers' association, and sent to all member bankers, he quotes the following memorandum prepared by Thomas B. Paton, general counsel, American Bankers' association:

"The above is quite plain and definite and the amended regulation is no doubt designed to meet the needs of business. Large numbers of checks to order of drawer, (Continued on Page Four)

## Restoration of Trade With The Russians Likely

Old-Fashioned System of Barter and Exchange About the Only Solution to Credit Problems.

By Victor Eubank (Associated Press Financial Writer)

NEW YORK, Aug. 10 (AP)—Plans for the improvement of trade relations with soviet Russia are being discussed in important political and financial circles. Outside of the old-fashioned system of barter and exchange, however, those interested find that methods of extending further credit to the soviet republic present perplexing problems.

While there are no official figures showing the present indebtedness on the soviet union to the rest of the world, last October it was estimated at somewhere near \$425,000,000. Debts due American manufacturers, aggregating \$40,000,000, are due this year and in 1933-34.

Russian exports have been sharply curtailed during the past year owing to the world slump in commodity prices. For some months the soviet government has had considerable difficulty in obtaining foreign exchange. The result has been that American corporations have lightened their credit regulations or have declined to deal in other than very short term credit.

Barter Plan Considered Notwithstanding the shortages of money and credit, one large American firm is at present negotiating a barter arrangement with the Russians whereby it is hoped to exchange certain machinery, badly needed by the soviet, for commodities usable in this country. The machinery is valued at around \$25,000,000.

If the trade goes through, money (Continued on Page Four)

## Prescott, Ariz. Bank Robbed Of \$16,848 in Gold

PRESOTT, Ariz., Aug. 10 (AP)—Two men, binding up six employees as they arrived over a period of more than three hours, robbed the First National bank of approximately \$16,848 in gold, silver and currency today, and escaped in an automobile. Insurance covered the loss.

Both men were masked. One threatened the employees, as they entered, to get into the bank and to get out. The other applied balling wire, and placed adhesive tape over the mouth and eyes.

The men, assured they had captured the robbers, were taken to the opening hour hunted Hobart W. Falkner, teller, and forced him to open the vault.

## Colorado Pioneer Shoots Son Today

COLORADO SPRINGS, Colo., Aug. 10 (AP)—George A. Thomas, 80-year-old pioneer of the Pikes Peak region, shot and killed his eldest son, Harry Thomas, 41, as they stood in the back yard of his home here last night. The father died and was sought by police.

The shooting was witnessed by Mrs. Julia Thomas, 74-year-old wife of George Thomas, and a granddaughter, Gladys, 16.

The men quarreled after the father had asked his son to sell bonds in a building and loan association, Mrs. Thomas said.

## U. S. Women Sweep Diving

Lower Division College Privileges Available at East Oregon Normal

OLYMPIC SWIMMING STADIUM, Los Angeles, Aug. 10 (AP)—The United States captured the first three places in the women's Olympic springboard diving finals today with Georgia Coleman, Los Angeles, winning the 1922 championship.

Miss Katherine Baswik, 14-year-old Miami, Fla. girl, finished second and Miss Jane Fauntz, Chicago, third.

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## Road Permits Must Come From State

SALEM, Aug. 10 (AP)—Permits to use secondary highways in Oregon for transportation of threshing machines and any other equipment not covered by specific hauling regulations must be secured from the state highway department. This information was sent to all county courts today by the highway commission.

In the past such permits had been issued by the county courts for market roads, but since the chief market roads have been taken over by the state, such permits had been issued no longer can issue permits, it was pointed out in the letter.

## Mrs. McCormick Is Very Seriously Ill

CHICKAGO, Aug. 10 (AP)—Mrs. Edith Rockefeller McCormick, daughter of John D. Rockefeller, was today reported to be in a serious condition. She is recovering from a stroke which occurred last week. Her condition is being watched by her physician.

## Ben Sholdstrom Killed

BEN SHOLDSTROM, of near Hilgard, was killed in an automobile accident about a quarter of a mile west of the state hospital about 2:30 o'clock this afternoon, when his car left the road and overturned.

## HITLER MAY BE NAMED AS CHANCELLOR

Von Papen Reports Political Situation to President This Afternoon

NAZI TROOPS IN CONCENTRATION

"All Or Nothing" Hitler's Reply to General Von Schleicher When Asked For a Statement.

BERLIN, Aug. 10 (AP)—Adolf Hitler, head of the powerful national socialist party, today announced from his headquarters in the chancellery that he would accept the presidential nomination to be chancellor of Germany.

Chancellor Franz Von Papen reported the political situation to the president this afternoon when the aging field marshal returned from his summer estate at Neudeck.

All concerned in organizing a new cabinet did their best to prevent any information from leaking out, but they did not succeed entirely and there was evidence that the president was wavering in his previous determination to maintain a non-partisan cabinet.

The facts of the situation were laid before him not only by Chancellor Von Papen, but also by Otto Meiser, the presidential secretary who was an important figure behind the scenes in unseating the Bruening cabinet.

Inclined Toward Hitler On the basis of these facts the president was reported as inclining now toward asking Hitler to form a cabinet.

The evening papers, speculating on the personnel of a possible Hitler (Continued from Page Four)

## Officers Nab Rustlers in South Oregon

MEDFORD, Ore., Aug. 10 (AP)—State police who for the past several weeks have been investigating the activities of a gang of cattle rustlers operating in the range territory between the Umpqua divide and the Skagitum mountains, announced today that four youths have confessed they were involved in the cattle thefts.

The four, identified by the officers as Victor, 19, and Ora Goble, 20, of Trail; Tyrus Beck, 19, of Medford and Kireh Peck, 20, of Trail, are said to have admitted cattle stealing operations over the past three months.

## Young Stribling Batters Renault

BRISBANE, Australia, Aug. 10 (AP)—W. L. (Young) Stribling, Macon, Ga. heavyweight, battered Jack Renault of Canada so mercilessly tonight that the referee halted their scheduled 15-round bout in the fifth round.

The fight almost severed one of Renault's ears with his punching and had him retreating from the start. The fight was the second of Stribling's Australian tour.

## Georgia Coleman Takes First In Olympic Event

OLYMPIC SWIMMING STADIUM, Los Angeles, Aug. 10 (AP)—The United States captured the first three places in the women's Olympic springboard diving finals today with Georgia Coleman, Los Angeles, winning the 1922 championship.

Miss Katherine Baswik, 14-year-old Miami, Fla. girl, finished second and Miss Jane Fauntz, Chicago, third.

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## More Farmers Study Wheat Holding Plan

THE DALLES, Ore., Aug. 10 (AP)—A movement to withhold local grain from the market until the price advanced to at least 15 cents a bushel above the present level, was inaugurated here Tuesday by the "Waco county wheat growers financial advisers" plan is in line with the "seller's strike" recently instituted in the mid-west.

Warehouses here say they already have received more than 50,000 bushels of new crop wheat. The association said banks are encouraging the holding policy by not calling on ranchers to sell to meet current obligations.

## Two Captured In Front of Safe

PORTLAND, Aug. 10 (AP)—Eddie (Speck) Morris and Melvin Bergesen were captured in front of an open safe in a suburban pharmacy early today when two radio equipped police cars carrying six officers converged on the scene after a street car motorman had reported he had seen burglars in the place. The two were sent to jail with bail of \$250 each. Police said their manner of operation was similar to that used in several safe robberies in recent weeks.

## Vandal Slashes Tires

PORTLAND, Aug. 10 (AP)—A vandal who ripped and slashed the tires of 19 automobiles parked on East Flanagan street last night, escaped after being chased by a posse of citizens and police. The man, about 25, escaped into Sullivan's gulch. One of the pursuers exchanged blows with the man before he escaped.

## Wheat Today

CHICKAGO, Aug. 10 (AP)—Wheat jumped more than 2 cents a bushel today, the market taking its cue chiefly from action of New York stocks.

## UNIQUE TASK

WASHBURN, Okla., merchants believe the way to lure better times around the corner is with a blond, blue-eyed, with a personality that will turn red ink to black. They have chosen Carol Wiley, 19-year-old Oklahoma A. & M. college co-ed, as "Miss Prosperity" in a trade revival campaign.

## FOE OF GANGLAND IS GIVEN REWARD

George E. Q. Johnson Named Federal District Judge By Mr. Hoover

CHICAGO, Aug. 10 (AP)—George E. Q. Johnson, who was largely instrumental in putting Al Capone behind prison bars, has been named by President Hoover as federal district judge for Northern Illinois.

The appointment, announced in Washington yesterday, was interpreted by Chicago friends of the federal district attorney as a reward for his 100 per cent record in sending a dozen other gangsters and politicians to prison for evading their income tax.

The president named Assistant U. S. Attorney Dwight H. Green to take Mr. Johnson's place as chief federal prosecutor in Chicago. Both are re-appointments and must be confirmed by the senate in December.

Thorn in Gangland's Side For three years Johnson, a quiet slender little man of 58, has stood as a thorn in the side of Chicago's gangland. The way to decimate gangland's ranks, he reasoned, was to strike at them with the income tax, and strike he did.

Ralph Capone, brother of "Scarface" Al, was the first of the "big boys" to feel the full effect of the district attorney's campaign. He was one of those in Chicago who expected the trial would be just another acquittal for a gangland leader, but they were in for a surprise. Capone was convicted and sent to prison.

Terry Druggan, Frankie Lake, Jack and Sam Guzik and Frank Nitti, once the reputed "paymaster" of the Capone gang, were among others who were outwitted by Johnson.

Little To Say Throughout his anti-gangster campaign Mr. Johnson had little to say. "I'll talk," he said, "with indictments and verdicts."

Mr. Johnson has been affiliated with the political organization of former United States Senator Charles D. Denen, who recommended him to President Coolidge for the district attorney's position in 1927.

Assistant district attorney has been (Continued on Page Two)

# Crop Report Is Bullish

## G. O. P. Planning Vigorous Drive In East States

Hoover to Make Speeches in New York and Boston—Notification Ceremonies Tomorrow.

WASHINGTON, Aug. 10 (AP)—Republicans today mapped out a vigorous eastern campaign in support of the prohibition submission plank against the Democratic repealer.

The tentative program called for a speech by President Hoover in Frankfort, O. Roosevelt's own state of New York and another in New England, possibly Boston.

Victory in the entire strategic section was predicted by G. O. P. leaders as they scanned the condition of the party in the east. Mr. Hoover will make tomorrow night. To Senator Hebert, of Rhode Island, an opponent of prohibition and eastern campaign manager for the Republicans, President Hoover's much-awaited reference in that speech to prohibition is "satisfactory."

Hebert added that the reference would "back the Republican re-submission plank."

Aggressive Drive Planned The tentative plans for the president's eastern speeches, probably after mid-September, mean, said Republican campaign managers, that they intend an aggressive drive in the (Continued on Page Two)

## Pres. Hoover 58 Years Old Today; No Celebration

WASHINGTON, Aug. 10 (AP)—President Hoover today observed his 58th birthday anniversary, but his celebration consisted of practically no celebration at all.

Early to work and a long day at his desk, was the word as to what Mr. Hoover would take of his anniversary.

Mrs. Hoover, however, insisted upon following the usual custom. A cake was served, which might be lighted with 58 small candles.

In addition prepared the biggest birthday card ever to come his way was prepared for the president. It was a collection of 10,000 signatures of citizens and members of state legislatures and congresses, and mayors, and other public officials.

Mr. Hoover's first school teacher, Ernest Dudley Chase, of Winchester, Mass., who engineered preparation of the card, also obtained the signature of Mrs. Mollie Carron, of West Branch, Iowa, Mr. Hoover's first school teacher.

Other observation of the president's birthday also was on scheduled. Two groups of boy scouts from the capital, Brooklyn and other sections of the country were given an appointment to pay their respects in accordance with their annual custom.

A second birthday cake has been presented by officials of the United States lines. At least part of the president's day was spent in completing his speech to be delivered tomorrow night. His aides do not expect it to be completed finally, however, until Thursday.

## Public Utilities District Formed

TILLAMOOK, Ore., Aug. 10 (AP)—The first public utility district in Oregon to be formed under the provisions of the recent legislative act was created by the voters of Tillamook county yesterday.

The vote for 98 out of 90 precincts was 1035 to 782 for creation of the district under which the county is authorized to organize its own privately owned power company.

## Golden Gate Span Obstacle Removed

SAN FRANCISCO, Aug. 10 (AP)—The way was clear today for construction of the San Francisco Golden Gate bridge, a project dreamed of for many years.

The Southern Pacific-Golden Gate Ferry, Ltd., yesterday announced it had abandoned opposition to construction of the span.

## Obtains Divorce And Goes to Altar

RENO, Nev., Aug. 10 (AP)—Mr. and Mrs. John Wanamaker Jr., were on their wedding trip today, no one knew or would say, exactly where. Wanamaker, member of a wealthy Philadelphia family, married Mrs. Elizabeth Peitz Warburton, divorced wife of his cousin, C. Edgerton Warburton of Philadelphia, a few hours after he obtained divorce from Mrs. Pauline Diaston Wanamaker here yesterday.

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## Wheat Production Estimated at 722,687,000 Bushels on Aug. 1.

WASHINGTON, Aug. 10 (AP)—Estimates of this year's crop issued today by the department of agriculture on the basis of the condition August 1 place crop production at 2,819,794,000 bushels as compared with 2,995,850,000 bushels forecast a month ago and 2,859,371,000 bushels produced last year.

The total wheat crop is estimated at 722,687,000 bushels, compared with 736,971,000 bushels a month ago and 684,104,000 bushels last year.

Wheat production totals 441,788,000 bushels, compared with 443,792,000 a month ago and 789,462,000 last year.

All spring wheat 280,899,000 bushels compared with 305,900,000 a month ago and 104,742,000 last year.

Durum wheat 312,000,000 bushels compared with 347,450,000 a month ago and 18,468,000 last year.

Other spring wheat 229,504,000 bushels compared with 250,496,000 a month ago and 86,347,000 last year.

Other winter wheat 2,112,087,000 bushels compared with 2,112,087,000 last year.

Barley 308,000,000 bushels compared with 312,000,000 last month and 198,000,000 last year.

Rye 42,500,000 bushels compared with 44,300,000 last month and 22,500,000 last year.

Planned 15,800,000 bushels compared with 15,800,000 last month and 11,100,000 last year.

Hay (tame) 67,400,000 tons compared with 68,300,000 last month and 64,200,000 last year.

Apples 138,000,000 bushels compared with 134,000,000 last month and 202,000,000 last year.

Peaches 45,100,000 bushels, compared with 47,000,000 last month and 78,600,000 last year.

Pears 21,100,000 bushels compared with 21,500,000 last month and 28,800,000 last year.

Grapes 2,000,000 tons, compared with 2,140,000 last month and 1,850,000 last year.

Potatoes 387,000,000 bushels, compared with 378,000,000 last month and 378,000,000 last year.

Hops 24,500,000 pounds, compared with 23,500,000 last month and 26,900,000 last year.

The condition on Aug. 1 of the principal crops was:

Corn 77.4 per cent of a normal; Durum wheat 71.7, other spring (Continued on Page Four)

## CORN, WHEAT FIGURE LESS THIS MONTH

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