Local Bank To Issue $100,000 In New Currency Here

WEATHER FORECAST
Oregon: Fair tonight and Thursday, but overcast on coast; slightly warmer in interior of west Thursday. Local weather Monday: max 89, min 58. Clear. Today: min 57, 7 a. m. —65. Partly cloudy.

La Grande Evening Observer

Only Newspaper Printed in La Grande Covering Union and Wallowa Counties

VOLUME 31 | EASTERN OREGON'S LEADING NEWSPAPER | LA GRANDE, OREGON, WEDNESDAY, JULY 19, 1933 | MEMBER ASSOCIATED PRESS AND A. B. C. | NUMBER 270

POST FORCED DOWN IN RUKHLOVO

FIRST BATCH OF NEW BILLS GIVEN TODAY

Local Institution Joins Roosevelt Plan To Aid Circulation.

GOVERNMENT BONDS ARE BEHIND ISSUE

Acceptable in Payment of All Obligations — Bank Receives Premium On First Sheets.

La Grande started off today in doing its part in carrying out the Roosevelt an mild form of inflation and increased circulation of currency throughout the nation. Ten thousand dollars worth, the first consignment of $100,000 worth of the new bank notes ordered by the First National Bank of La Grande, were received at the local banking house and are being placed in circulation in the city today.

Backed principally by government bonds these notes, issued locally in amount of $5, $10, and $20, are recognized in payment of all obligations. They bear the name of the First National Bank of La Grande and carry the signature of David I. Stoddard, president, and A. K. Parker, cashier, along with the signatures of W. O. Woodin, treasurer of the United States, and E. E. Jones, register of the treasury.

The local banking house has se-

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Advisory Board Urges Approval Of Bond Issues

"The reconstruction advisory board wishes to urge the absolute necessity of each of the bond issues coming up for vote this month passing by a substantial vote of the citizens." This was the word received here today from Burton E. Palmer, of Portland, executive secretary of the state board, which passes upon various projects which are being boosted in Oregon for help from the federal public works program.

"In every case the amount which has to be paid by the community for the next few years, for the repayment of the 70 per cent borrowed would be less than the cost of providing the people hired at a dole rate of 50 cents a day on a strict charity basis," the communication said, pointing out that it has been made plain at Washington that the government will no longer carry the entire load of relief work, and that it is up to communities to co-operate from

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RECRUITING IS RESUMED, NAVY OFFICER SAYS

Navy recruiting has again been resumed after a virtual shut-down since the first of May, Recruiting Officer C. E. Younge, announced today. The Portland district will have an increased quota for the months of August, September and October and all able bodied young men between the ages of 17 and 25, interested in what the navy has to offer, may write or cal at the local recruiting office in the post office building.

While there has been an increase in the number of enlistments to be made, there has, however, been no lowering in the standard as regards physical, moral and mental fitness, the recruit officer adds.

WILL ROGERS says:

SANTA MONICA, Cal., July 18 — Mr. Roosevelt, most of your plans are working, recovery is slow, but is fairly sure in most all lines.

But one gang beat the barrier, it recovered entirely, and is now re-recovering. I don't think I need remind you what "industry" this is.

I think a signal sign saying "slow" on a street called Wall (placed there by you personally in order to let 500 essential industries catch up to them) would be appreciated by all other traffic headed for recovery.

It wouldn't be so bad, but these are the same traffic violators who got too far ahead and gummed up our last parade. Yours,

Will Rogers.

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ELECT WALZ MODERATOR, STATE SYNOD

Pastor of First Presbyterian Church of La Grande is Honored

Rev. J. George Walz, pastor of the First Presbyterian church of La Grande, today holds the highest position in the Presbyterian synod of Oregon.

He was elected moderator of the synod at a two-day meeting in Albany, Ore., yesterday.

Mr. Walz, after his election, appointed Rev. J. Stanley Jewell, of Merrill, vice moderator. Rev. George H. Wilbur was named temporary clerk; Rev. D. A. Thompson, Portland, stated clerk; Rev. William Large, Eugene, treasurer; Rev. J. Y. Stewart, Albany, permanent clerk, and Rev. J. Stanley Van Winkle, Prineville, recording clerk.

During the convention it was stated that church work is being greatly curtailed and hampered by prevailing economic conditions, but that Presbyterians are carrying on, and in this

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WESTERN UNION PRESIDENT HERE

H. A. White, president of the Western Union, with headquarters in New York City, was in La Grande this morning en route from Seattle and Portland to Salt Lake City in his special car. He was accompanied by Vice President W. C. Titley, in charge of the plant department, and Vice President J. C. Willever, in charge of the commercial department. The officials are making a general survey of the Western Union system.

While here, D. W. Hall, manager of the local office, conferred with the visiting officials.

PORTLAND CREDIT OFFICE TO STAY

"'Do not contemplate at this time moving the regional agricultural credit corporation at Portland to Spokane," said a telegram received by Congressman Walter M. Pierce from Henry Morgenthau Jr. Mr. Pierce is opposed to such a move.

"In any event, full consideration will be given to the matter of locating these corporations where the public interest will be best served," the telegram adds.

ENGLISH SPARROWS? FEW OF THEM HERE

What we commonly call the English sparrow, isn't the English sparrow at all! In fact, there are very few true English sparrows in this section.

And the little birds that we commonly call the English sparrow do much more good than harm!

This is undoubtedly real news to hundreds of La Granders who have wondered whether they should seek to exterminate the little sparrows or let them live.

Nephi P. Combs, who has spent a great many years studying the birdlife of this section, contributes the following article on this subject:

The little bird commonly called the "English Sparrow" is possibly the most well known bird to people who live in the populated districts. They seem to spend most of their time in the streets and about our buildings. Some people wonder what they find to eat and if they are beneficial or detrimental to society.

In our vicinity we have two families of sparrows called English sparrows. Their true names are the Tree sparrow, (Spizella monticola) and the Chipping sparrow, (Spizella passerina). These birds look very much alike. The tree sparrow has a dark spot on its breast as an identifica-

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WILEY POST

Wiley Post, round-the-world flier seeking to set a new globe girdling record, is in Siberia now, more than halfway around the earth. He left New York the other day accompanied only by a robot to aid him in controlling the airplane — and the robot hasn't been much help so far, but he's streaking away after a new record just the same.

OREGON VOTERS TO ACT FRIDAY; LIGHT VOTE SEEN

Day after tomorrow Oregon voters will go to the polls to vote on some nine measures, and in La Grande a tenth will be before the people—that of the Beaver Creek pipeline bond issue.

Most of the statewide interest in the election appears to be centering on three measures — the proposed sales tax, repeal of the 18th amendment and repeal of the state dry law.

In spite of interest in these three issues, as well as considerable interest in the others, predictions today were that the vote would be between 40 and 50 per cent.

In Union county a light vote also is being expected, in spite of the activity of several organizations and

(Continued on Page Four)

OPENS OFFICE AT TUCKEY'S

Miss Katheryn Moran has established her office as public stenographer at the Tuckey Typewriter company and is specializing in all types of stenographic and duplicating work. She will have mimeographing, multigraphing and ditto machine facilities.

FROG HEAVEN C. C. C. CAMP TO BE OPENED

Building of Camp 40 Miles West of La Grande is Nearing Completion

FORMAL OPENING TO BE SATURDAY

Camp Equipped With Fine Water Supply; Most of Purchasing is Done in This City.

The citizens conservation camp at Frog Heaven, located about 40 miles west of La Grande along the Grande Ronde river and in a place of thickly wooded hills, is now almost finished, according to word received here.

The official opening will be held Saturday, July 22, with a dance in the mess hall.

The commanding officer, Captain C. R. Rhoads, and First Lieutenants Price and Coughlin are at the disposal of any visitors who might wish to inspect the camp and, it might be added, they will meet all visitors with a hearty welcome.

Purchase Supplies Here

At present this camp is purchasing practically all of its supplies in La Grande, and army trucks may be seen in the business district of this city every day or so.

The camp itself is located at the end of a clearing and is rapidly nearing completion. The mess hall

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Queen Bee And Her Tribe Visit Portland Market

PORTLAND, July 19 (AP) — A queen bee, whooping down Yamhill street at the head of a group formation of her stinging subjects, threw Portland's public market district into distinct disorder here at the height of the late afternoon traffic. Retailers exited by the wholesale. Shoppers sought shelter. Motorists sped to safer zones. And then the police came led by Patrolman Ernest Seitzinger. He surveyed the scene, consulted with the queen bee in that mysterious manner known only to apiarists, and soon had the entire swarm buzzing into a box. Only a few incidental casualties were reported.

DEMPSEY AND HIS NEW WIFE

Jack Dempsey, former heavyweight champion, married Hannah Williams, former wife of Roger Wolfe Kahn, in Nevada yesterday. If this picture of them is any evidence, they should get along very well together.

PIERCE EXPLAINS HIS VIEWS ON 2 STATE MEASURES

Congressman Walter M. Pierce is conducting a very active opposition to the sales tax and the debt and taxation limitations for municipal corporations constitutional amendment both of which will be voted at the special election on Friday, July 21. The latter, which, if passed, will require a two-thirds vote for municipal corporations to issue bonds is aimed against public water power, Rep. Pierce says, since opponents of public water power would be able to marshal a sufficient number of voters to kill any attempt to issue bonds to obtain power from publicly owned corporations. Rep Pierce believes that only a majority vote should be necessary.

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CAMPAIGN TO RAISE WAGES, LIMIT HOURS

Special Industrial Advisory Board Approves Johnson's Recovery Plan

WASHINGTON, July 19 (AP) — The special industrial advisory board composed of cabinet members today formally endorsed the plans of Hugh S. Johnson, recovery administrator, for a campaign to bring all industry and business quickly into wage-raising and hour-limiting voluntary agreements. Johnson expects to have the plan ready for the president within 24 hours.

Changes in procedure from the plans originally drawn were suggested by Attorney General Cummings and Secretary Wallace.

The board decided these should be made and General Johnson set about revising the forms by which subscribing firms will come under the general limit.

After this he will take them direct to President Roosevelt for his final approval.

The chief executive had indicated that he would rely chiefly on Johnson's judgment as to what is needed to make the recovery campaign successful.

Johnson has indicated that separate types of agreement have been drawn up for manufacturing industries, business and trade organizations.

These agreements are to be in effect temporarily until the more deliberate process of passing upon and

(Continued From Page Four)

Wheat Today

CHICAGO, July 19 (AP) — Severe setbacks of more than 13 cents a bushel in wheat prices took place late today, with 3 cents drop in corn, 2 cents in oats, 6 cents in rye and 5 cents in barley.

Pit observers said the breaks in values were largely the result of readjustment of accounts after nine days of incessant speculative buying by the general public which disregarded marketing conditions and the relation of cash grain to futures. The markets snapped under the strain of overbought conditions.

Reports of big falling off in purchase of flour at Minneapolis contributed to the weakening of grain values. Reports also were current that Ohio mills had stopped buying wheat, whereas until recently they had taken all country offerings.

Final quotations on wheat were 9⅞@12¼c under yesterday's finish, corn 3½@4¾c down, oats 2¾@6¾c off, rye 11¼@12¼c lower and provisions showing setbacks varying from 2c to 52c.

JUST BEFORE PRESSTIME

CLOSE FORGOT HIS GUN

N. Y. LEGISLATURE CALLED

FARLEY ASKS REPEAL VOTE

KIDNAP SUSPECT TAKEN

PORTLAND, Ore., July 19 (AP)—Rev. R. E. Close, superintendent of the Oregon Anti-Liquor League, revealed today that throughout his alleged abduction by two men Sunday night, his own revolver rested in the side pocket of his automobile in which the two men reputedly drove him over country roads. When police, frankly skeptical of his story, asked him today why he did not use the weapon during the several excellent opportunities, he replied that he forgot it was in the car.

ALBANY, N. Y., July 19 (AP) — Governor Herbert H. Lehman issued a proclamation today calling the New York legislature into extraordinary session next Wednesday primarily for the purpose of helping New York City raise new unemployment relief funds.

PORTLAND, July 19 (AP) — James A. Farley, chairman of the Democratic national committee, declared in a telegram received here today that "it is highly essential that Oregon votes overwhelmingly in favor of repeal this week."

ST. LOUIS, July 19 (AP) — Department of justice agents today arrested Frank Douglas, 41, a second suspect, as they pressed investigation of the kidnaping and later release of August Luer, 77-year-old Alton, Ill., banker.

WASHINGTON, July 19 (AP) — Dr. George Otis Smith today resigned as chairman of the federal power commission at the request of President Roosevelt, who designated Commissioner Frank R. McNinch, of North Carolina, as his successor.

18 STATES VOTE FOR REPEAL OF 18TH AMENDMENT

By the Associted Press

Arkansas and Alabama, first states of the "solid south" to speak on the prohibition amendment, have voted for its repeal.

Approximate and incomplete figures showed today that Alabama favored repeal by about two to one. The vote for repeal in Arkansas was three to two.

Yesterday's vote brought the number of states on record for repeal to 18, with prohibitionists yet to score their first victory.

Tennessee voters will register their decision tomorrow, with Oregon following Friday. Thirty-six states must vote for repeal if the prohibition amendment is to be nullified.

15 Others to Vote

In addition to Tennessee and Oregon, 15 states have fixed definite dates before early November to vote on repeal.

States that have voted for repeal are:

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GILBERT HAUGEN PASSES IN IOWA

NORTHWOD, Ia., July 19 (AP)—Gilbert N. Haugen, 74, veteran Iowa congressman who spent 34 years in the national house of representatives as a chairman of agriculture, is dead.

The holder of the record for longest continuous membership in the national house succumbed to heart disease and complications late yesterday.

Best known of his laborious endeavors for farm relief is his co-authorship of the McNary-Haugen measure in which he collaborated with Senator Charles L. McNary of Oregon.

Haugen was one of many Republican leaders who went down to defeat in the Democratic landslide last fall.

WEATHER BAD AND AVIATOR LOSES TIME

Winnie Mae Damaged Slightly by Brushing Trees Before Landing.

ITALIAN FLIERS IN GOTHAM TODAY

News From Moscow Says Plane Will Start For Alaska Tomorrow With Mattern as Passenger.

MOSCOW, July 19 (AP) — Wiley Post landed at Rukhlovo, Siberia, at 2:32 p. m. today (8:32 a. m. E. S. T.) bad weather preventing him continuing on to Blagoveschensk on his round-the-world flight.

Post left Irkutsk at 7 a. m. Moscow time proposing to go to Blagoveschensk, 1000 miles to the east, and was sighted at three points along the route during the day.

Shortly before reaching Rukhlovo, the American airman was forced to fly so low, because of weather conditions, that his monoplane Winnie Mae brushed the treetops and was slightly damaged.

Despite the damage to his plane, Post made a perfect landing at Rukhlovo.

The filer, however, was very near exhaustion.

LEAD REDUCED

IRKUTSK, Siberia, July 19 (AP)—His lead over his 1931 record having been cut sharply to three hours and 24 minutes, Wiley Post zoomed out of Irkutsk today towards Blagoveschensk nearly 1000 miles eastward, on the sixth lap of his world flight.

Bad weather, which caused him to lose precious hours on the jaunt from Moscow to Novosibirsk, again dogged him, and forced him to stay here, longer than he wanted to.

ITALIANS IN NEW YORK

FLOYD BENNETT FIELD, New York, July 19 (AP) — The Italian air armada, homeward bound, completed the first lap of the return journey to Italy this afternoon, arriving from Chicago.

Police estimated the welcoming crowd at 30,000. Many American planes swung through the air in escort to the foreign fliers and the airship Macon hovered nearby.

NEWS FROM MATTERN

MOSCOW, July 19 (AP) — A dispatch from Khabarovsk, Siberia, reported today that Pilot Levanovsky landed at Anadyr yesterday and plans to take off with Jimmie Mattern, the American who was stranded there, for Alaska tomorrow.

Levanovsky was dispatched from Khabarovsk by Soviet air officials to get Mattern and return him to United States soil.

Officials Fear That O'Connell May be Murdered

ALBANY, N. Y., July 19 (AP)—District Attorney John T. Delaney said today he was becoming fearful that John J. O'Connell Jr., kidnaped 13 days ago, would not be returned to his family. Delaney added that "the time limit for the boy's safety has about been reached."

Pittsburgh Paper Boys Go On Strike

PITTSBURGH, July 19 (AP)—Streets were littered today with papers torn up by striking newsboys as police guarded the plants of all three Pittsburgh newspapers and held 19 persons.

Newsboys selling on the streets were protesting an increase in the price charged them for papers from $2 to $2.50 a hundred.

INFLUENCE OF THE BUSINESS ETHICS CODES

INQUIRING REPORTER

Each day as the Inquiring Reporter makes the rounds two persons will be stopped at random on the street corner and asked some question of the day. Through the courtesy of Manager C. M. Wight each interviewed will be granted two complimentary tickets to the Liberty Theatre. The current attraction is Walter Huston in "Gabriel Over the White House."

Wheat, which has been steadily rising in price, took a fall of from 10 to 12 cents today.

Lyle Kittle, 1309 Eighth street, says, "Reduction of wheat acreage, while it would not eliminate speculation on the market, would hold the price more nearly firm with fewer radical changes if wheat would get down to a domestic basis. I am in favor of reduction of acreage because it seems to be the only way to raise the price of wheat."

John Speckhart, 1615 Fifth street, say, "Reduction of acreage seems to be a solution if it is world wide. I think it can be worked out all over the world and will subsequently raise the price of wheat."