

# LaGrande Evening Observer

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The Lord shall preserve thee from all evil: he shall preserve thy soul.—Psalm 121: 7.

## WAVE OF SMALL HOME BUILDING AWAITS FINANCING

WASHINGTON (AP) — The National Lumber Manufacturers association reports that 300,000 persons in this country are awaiting only adequate and conservative financing to start construction on new small homes.

The association based its statement on a survey made by 1,743 lumber dealers in every state. The report included as "live prospects" only persons who have sufficient cash or a lot on which they intend to build.

The survey also said that moderate financing will release a demand for 250,000 farm buildings, 35,000 small business structures and innumerable remodeling and repair jobs.

The new construction jobs in eight ways from \$500 to \$11,000 in value, the association said. Fifty-six per cent of them need 75 per cent long term, amortized loans, 25 per cent can be handled with loans up to 50 per cent of appraised value and 19 per cent could go ahead with loans to five year interest bearing loans.

The report said it would provide a market for 7,000,000 feet of lumber a year.

## Yes, Robert Montgomery Admits "Jealousy"

By Robin Cook  
HOLLYWOOD — Robert Montgomery, one of the town's outspoken residents, especially about himself, admits that he's "jealous."

"There are two kinds of jealousy in this world," he explains. "One is the constructive kind and the other is the destructive kind. I am the former kind because — it's the other kind that makes for unhappiness and failure."

"The first, commonly called jealousy, is more an admiration which makes you want to go and do likewise. Whenever I see a really fine performance on the stage or read a really fine piece of writing, I feel that terrific urge to do something equally good."

Which explains his assurance that he actually feels more like vying hard at his acting when there is real competition in the picture.

Jealousy — Busy Firm  
And the best of competition is something that carries over into outside interests. His tennis game was poor until he took up the game here and met some of the city's best players. He is still no champion, but his game is better.

It was "jealousy" — the kind Bob claims that prompted his acquisition of a firm outside New York City recently. His wife's brother had one near by that Bob admired, and he set his heart on establishing a home there that would be as satisfactory as his brother-in-law's. It is there he expects to relax and work when pictures are through with him.

Bills, Not Favorites  
It has been many weeks in point of time since Billie Dove made a picture (she is now Mrs. Robert Keane), but she still has a couple of fans of the sort who love her.

Until recently there was no exhibitor in Kentucky who really enough to include such films, made up his program as completely as possible with Billie Dove pictures, showing old and new ones with equal delight.

He and his sister-in-law attended the showings, as he explained to a rival exhibitor who wanted to buy the house, because "if like Billie Dove."

PRESIDENT OF PRESIDENTS  
DORA CITY, Ia. (AP) — Tim Moore of Waterloo, Ia., captain of the University of Iowa's 1933 football team, has been chosen president of the Association of Senior Class Presidents. As such he will direct plans of the university's 19 colleges and advocate the six June commencement.

NOTICE  
Series "B" Time Certificates of Deposit issued by the First National Bank of La Grande, Oregon on March 7, 1933 and due on December 13, 1934, have been called for payment on February 14, 1934. Payment on same ceases after that date.

First National Bank of La Grande  
David L. Stoddard, President  
A. K. Parker, Cashier

## In Washington

By Herbert Plummer  
WASHINGTON (AP) — It wasn't in the ranks of the Republican strategists of the senate for Arthur Robinson of Indiana to make the anti-administration speech he did the other day.

Following the transmission of the president's budget message to congress, Vandenberg of Michigan, one of the younger Republican leaders and sometimes put down as a possible presidential candidate in 1936, issued a statement.

Among other things, Vandenberg called for careful scrutiny of the budget. He said that the greatest distribution of other people's money in the history of government.

The inference seemed to be that the Republicans would arm themselves with the facts before launching any open attacks on administration policies on the floor of the senate.

The system was working  
They were going after the facts in a systematic fashion.

Vandenberg had obtained a resolution calling upon the secretary of agriculture to supply the senate with a complete statement on collection of processing taxes.

Carey of Wyoming had obtained a similar resolution calling for information regarding pigs and hogs.

The secretary of the treasury has been asked to outline for senators the status of war debts.

This was only a beginning. Older Republican senators have resolutions in their pockets calling for the termination of other administration policies.

Democratic Leader Robinson and his aides seized the strategy being employed across the aisle. Since the beginning of the session Robinson has had on his desk for longer use a large pile of newspaper clippings and expressions of all sorts setting forth the progress toward recovery made since March 4.

He had to await the proper moment to use them. He didn't want to put himself in the position of defending the administration before it was attacked openly on the floor.

The Robinson class  
The outbreak of Republican Robinson was just what Democratic Robinson wanted. The attack of the Robinson senator on the president's message as "guttering generalities" and on his relief plans brought the groups of material which the other Robinson had been saving.

The Republican leaders apparently had expected nothing like this.

## CE STARS TOOK COUNTRY TO POPULARIZE THE SPORT

CHICAGO (AP) — Seven outstanding billiard experts have been selected by the National Billiard Association to tour the country with a view to increasing interest in the sport.

They are Willie Hoppe, 181, Baltimore and stadium-cueer champion; Ervin Sutcliffe, pocket champion; Charles Peterson, former shot artist; Johnny Layton, former three-cue champion; and Andrew Foster, former top 100 player. They will tour for one 1934 pocket cue and Robert Moore, national junior champion.

## VIOLINS

Special Display of Fine Instruments at the La Grande Music Co. for a Few Days. You are invited to see them without obligation. 1104 Spring

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### BIG CUTS IN RAIL FARES

Only 2¢ A MILE FOR ONE-WAY TRIPS  
10% OFF FOR ROUND TRIP

One-way tickets good in Pullman sleeping cars — berth cost 3¢ PER MILE  
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Round-trip tickets good in Pullman sleeping cars — berth cost 2½¢ PER MILE

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## The Weather

WEATHER FORECAST  
Oregon: Unsettled, rain in the west and light rain or snow in the north and portion tonight and Friday; no change in temperature; strong southerly wind at times of gale force offshore.

LOCAL WEATHER  
Wednesday, January 24, minimum 21 above, partly cloudy.  
Friday, January 25, 7 a. m. — 38 above, cloudy.

## 216 Burned, Drowned When Ship Explodes

SHANGHAI, Jan. 23 (AP) — Two hundred and sixteen men, women and children were burned to death or drowned the night of Jan. 21 when the Chinese steamer Weiching caught fire in the Yangtze river, besides reports revealed today.

The vessel exploded and sank a few minutes after the blaze started. Only 34 persons escaped.

## Young Negro Lynched By Kentucky Crowd

Deputy Jailer W. C. Kerkelke was cut down in a jail corridor, and the lynch mob was broken up. The lynch mob was broken up. The lynch mob was broken up.

## TURKEY CHEAPER—DRINK TO BOOST PUBLIC REVENUE

ANKARA (AP) — The Turkish government in launching a "drunk money" campaign to speed up state monopoly sales of alcoholic tobacco and molasses.

The old Molasses prevent forbidding strong drink wasn't mentioned in parliament when a Kemalist deputy urged that the alcohol monopoly produce 10-cent bottles of molasses (war of "Alabama corn") so that "citizens even of modest means may contribute to this source of national revenue."

To stimulate molasses sales, there are to be "bottle money" containing one cent which bears with a green label. To the purchaser of such a label, prices ranging up to \$75 will be given.

## PRINCETON ADMS. BOXING TO ITS SPORTS PROGRAM

PRINCETON, N. J. (AP) — Climaxing a six-year campaign on the part of the students, the faculty committee on athletics at Princeton university finally has approved boxing as an official sport.

The fight will be coached by Spier Kelly, who has been in charge of the wrestling teams and wrestling. Spier Kelly, former graduate and assistant boxing coach. The first match will be held Feb. 18 with the Newark Athletic club.

## ITALY MANAGES VATICAN RAILWAY

VATICAN CITY (AP) — Management of the Vatican's state railway, a short stretch of track connecting the church's domain with Italian lines outside the walls, has been entrusted to the Italian National Railways under a concession, just signed.

## "Compensated Dollar" Plan Called Another Experiment

By Byron Price  
(Chief of Bureau, The Associated Press, Washington)

Congressional and popular discussion of the newest Roosevelt monetary departure has raised such a fog of technicalities that it is impossible to see the wide and easily-understood background has faded into obscurity.

What Mr. Roosevelt is trying to do is to get prices back to a normal level, because it is one of his deepest convictions that until that is done, there can be no real recovery.

He felt at first he might be able to restore prices by merely getting rid of the hoards of the currency. He tried various experiments — the farm credit plan, the NRA, the public works program and others — all designed directly or indirectly to lift the average paid producer for his products.

After several months' trial, he considered that these experiments had helped, but not enough. Prices still were some 30 per cent below what he had in mind. He turned capably to the old concept that if money were made more plentiful, and consequently less valuable, the other side of commodities would respond.

It is that program, loosely, he still is pursuing.

Not So Easy  
But the process of compensating the dollar has not proved so simple as might be supposed.

Mr. Roosevelt rejected the proposal that he put more money into circulation simply by printing it and paying government debts with it. He felt that would be to "print money" and that system, once it was inaugurated.

The first real step was inauguration of the "open market" operations by which the treasury and the reserve banks put a limited amount of new money into trade channels by purchasing government bonds. The results were not impressive.

The "Compensated Dollar"  
Late last fall he embarked on the price-buying campaign, designed to take the price of gold and thus lower the price of the dollar. Again, the effect was not up to expectations.

Prices started crawling from day to day for the president's information, lagged.

Now he has turned rather definitely toward the "compensated dollar" — a dollar of variable value which can be changed periodically as necessary demands. But he has proposed the authorization of this plan, which looks like free to go only so far as he deems desirable at any given time.

Washington Paraded  
There is no widest difference of opinion whether the possibilities for such a plan are great. The whole possibility, whether the least experiment will work, or prove a cure worse than the disease.

It is no secret that the answer is not known to many of those who are discussing the subject. The "compensated dollar" has pushed the whole currency dispute into a field of advanced economic theory pending to most of Washington, but anything it possibly had experienced, even in these puzzling times.

Eye on Prices  
Many members of congress have hesitated to say anything because they haven't the slightest idea what to say. It is doubtful whether Mr. Roosevelt himself would make any claim to infallibility in reading the future effects of the plan he has proposed, although his whole demeanor toward the project is one of confidence.

One or two things Washington economists certain it will be the day-long price under the president will wait for results. And if the desired results are not forthcoming, he will cast about for some further means of attacking them.

## APPOINT SPAETH FLAMO DEALER

ANNOUNCEMENT was made today by Fred Spaeth, 1165 Washington ave., that he had been appointed as authorized dealer in this territory for Flamo natural gas and for the application.

Mr. Spaeth reports that this gas long used economically and efficiently, lately it being used extensively also for brooder and dairy work. For the rural home, he said, it gives city conveniences of a dependable character.

Mr. Spaeth has installed a line of Flamo gas appliances in his store, with a number of installations already in operation in all parts of this territory.

## WILL RAISE \$36,000,000 MORE YEARLY

600,000 more revenue than now, as compared with the \$279,000,000 additional that had been estimated in the last report in a previous committee stage.

The committee established a flat 4 per cent normal income tax rate on net incomes of \$4,000, eliminating the eight per cent levy on net incomes of \$5,000 and more, but substituted a surtax beginning on incomes of \$4,000, net, less reduction for family and state personal exemptions.

The new surtax rates begin at 4 per cent on net incomes over \$4,000 and less than \$5,000, and are graduated up to 38 per cent on taxable incomes of over \$1,000,000, which with the normal 4 per cent rate, brings the total on the income in excess of \$1,000,000 to 62 per cent.

## Clark Wood Says

Clark Wood, 1104 Spring street, said today that he would not be a candidate for mayor in 1934.

It would seem that for every one employed by the movie star, their divorce lawyers open one.

If and when the plain people become air-minded, they'll be a surprise people.

Alphonse asserts that the sun may explode and destroy the planets, as though people needed any further excuse for not paying ahead for their home-town paper.

He who is called the "Son of Heaven" is soon to become emperor of Manchuria, but there may have been some mistake with regard to his parentage.

## FORM FARM CREDIT GROUP

PENDLETON, Ore., Jan. 25 (AP) — A group of 28 persons last night organized the Pendleton Production Credit Association for the relief of farmers in Umatilla, Morrow and Walla Walla counties and in parts of Union and Grant counties. The association was incorporated at \$200,000, with 75 per cent of the capital to be paid by the federal production credit corporation, and 25 per cent by the borrowers. The association was authorized to make loans to the extent of five times the capital.

## BILL KILLS AGED FARMER

SEASIDE, Wash., Jan. 25 (AP) — An angry bill butted and trampled to death Grant Mathews, 72, a farmer living near here for nearly 90 years.

## HOLMAN WINS POINT

SALEM, Jan. 25 (AP) — Governor Julius L. Meier, following refusal of State Treasurer Rufus O. Holman to retype two \$5,000 bonds as requested by the legislature because he thought the type too dim for reading, has signed the bonds in their original state.

Meier last week criticized the governor for delaying state business because he "didn't like the blacks" of the ink used. The bonds were previously signed by Secretary of State Meier who also asked they be retyped in conformity with the view of the governor. Holman refused to have the done.

## VEATCH ASSUMES HOUC DUTIES

PORTLAND, Jan. 25 (AP) — John C. Veatch, member of the legal firm of Joseph, Gray & Veatch today assumed his new duties as Oregon attorney for the home owners' loan corporation, succeeding Edgar Freid, recently designated state director of the national emergency council.

Veatch, a Democrat, the appointment of Veatch was announced Wednesday by J. P. Lipscomb, Oregon HOUC manager.

## DR. SIMMS PROMOTED

CORVALLIS, Jan. 25 (AP) — Dr. B. T. Simms, head of the department of veterinary medicine, and volunteer coach of variety tennis teams for many years, has been appointed a member of the Oregon State college board of control, succeeding Wallace

# TODAY IN BRIEF, IN AND AROUND OREGON

AS CHRONICLED BY THE DAILY LEASED WIRE OF THE ASSOCIATED PRESS

FORM FARM CREDIT GROUP  
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BIG TAX REVENUE MADE  
WASHINGTON, Jan. 25 (AP) — Tax refunds totaling \$28,789,900 were made by the treasury department to the Portland, Railway Light, and Power company during the fiscal year 1933. It was revealed here today in a report by the department on refunds of income and estate taxes in Oregon.

Monmouth Team Will Play E. O. N. Tonight  
(Continued from Page One)

for the contest, which will be played in the L. D. S. Recreational hall, beginning at 8:00 o'clock. Ira Woods will referee.

The probable starting lineup for the Mountaineers will be Conkin, center; McCully and Westly, forwards; Burns and Peterson, guards.

A preliminary game between two teams from the Normal school will begin at 7:30 p. m. and there will be a preliminary.

After the games here tonight and tomorrow night, the remainder of the E. O. N. home schedule follows:

Monday, Feb. 5, College of Idaho here.

Wednesday and Thursday, Feb. 7 and 8, Lewiston Normal school here.

Tuesday, Feb. 20, House of David here.

MONMOUTH TRIMS COYOTES  
CALDWELL, Idaho, Jan. 25 (AP) — College of Idaho Coyotes learned, last night, how basketball really should be played. They took the lesson from Coach Larry Wolfe's Oregon Normal quintet from Monmouth, Ore. In a 29 but fans said the Oregon team might have won just as easily with twice that margin.

The Indian is also promised a new deal, and like the rest of us, will probably be looking for the Jack-

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Lucky Strike presents the Metropolitan Opera Company  
Saturday at 1:15 P. M., Eastern Standard Time, over Red and Blue Networks of NBC, LI CNY STRIKE will broadcast the Metropolitan Opera Company of New York in the complete Opera, "Aida."

NOT the top leaves—they're underdeveloped  
The Cream of the Crop  
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Always the Finest Tobacco and only the Center Leaves

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