

CHOICE OF HUGHES, DAWES HELD SURE

Two Cabinet Selections Practically Made.

HOOVER BEING CONSIDERED

Harding Views Qualifications for Interior Portfolio.

DECIDED LEANING NOTED

Some Politicians Oppose ex-Food Administrator on Only Recent Identity With Republicans.

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WASHINGTON, Jan. 2.—(Special.)—Here is the way the probable cabinet lies today.

It can be taken as practically positive that the secretary of state will be ex-Justice Hughes of New York, and that the secretary of the treasury will be Charles G. Dawes, the Chicago banker.

These two selections are practically made. Only some extraordinary unforeseen complication could change them, and the public announcement of them can be expected at almost any time.

No other appointment is so nearly fixed as these, but the following things can be said:

Hoover Being Considered. For secretary of the interior, Harding is seriously considering Herbert Hoover. If Harding's mind continues to run as it has run, more and more in the direction of excluding men whose recommendations are political only, and more and more in the direction of including men on the basis of their standing in their professions and with the public generally, the great likelihood is that he will appoint Hoover.

Hoover is being vigorously opposed by some of the politicians on the familiar ground of his prolonged absence from America and the recentness of his identity with the republican party.

On the other hand, some of the biggest and most broad-minded of the politicians encourage Harding to name Hoover, considering the matter from a political point of view.

"Game" Declared Playful. These more substantial politicians say that in the last campaign Hoover "played the game" from a republican organization standpoint more faithfully than any of the other republican leaders who are advocates of the league of nations.

Hoover endorsed Harding within a few days after the latter was nominated, and thereafter worked wholeheartedly in behalf of Harding's election. Hoover made his decision on the theory that the republican party was likely to win anyhow, and that the best policy of the republican friends of the league was to stay in the party and do the best they could for the solution of the league problem within the republican organization.

Strenuous Support Recalled. The bigger politicians who now endorse Hoover point out the difference between this whole-hearted course of Hoover's and the decidedly less whole-hearted attitude during the campaign of some of the other prominent republicans who are pro-league.

Moreover, Hoover's generous support of Harding from the beginning of the campaign is in marked contrast to the conduct of some of the irreconcilables, who, for the first two-thirds of the campaign, sukked and devoted their effort to putting Harding in a hole. Some of these same irreconcilables are now among those who oppose Hoover for the cabinet.

Probably on the whole the best guess is that Harding's own inclination, added to the endorsement of the broader-minded republican politicians, will prevail over the protests of those other politicians who are trying to keep Hoover out of the cabinet.

Hoover Frequently Mentioned. All the present trend of Harding's mind is in the direction of non-political considerations which would favor Hoover.

Hoover is frequently mentioned in connection with the department of labor. There is nothing in that. It is the interior department that Hoover is being considered for. If this department should not be given to Hoover, it is likely that Senator Albert B. Fall of New Mexico will be considered.

For the department of labor Charles M. Schwab has been publicly suggested. This is a grotesque suggestion. There is nothing in it.

The department of labor post will go to some distinguished labor leader. Among the labor leaders who have been most strongly recommended and most favorably considered are W. G. Lee of Cleveland, president of the Brotherhood of Railway Trainmen; John L. Lewis of Springfield, Ill., president of the United Mine Workers of America; James Duncan of Quincy, Mass., president of the Granite Cutters' International association, and James O'Connell of Minersville, Pa., president of the International Association of Machinists.

Of these four the latter would seem to be the best choice.

PRICE DECLINE NOTED IN FEDERAL REPORT

RESERVE BOARD SAYS DROP IS 8 1/2 PER CENT.

Agricultural Products, Textiles, Hides, Leather, Iron and Steel Are Reduced.

WASHINGTON, Jan. 2.—Further decline in prices, coupled with increased unemployment, accompanied the continued progress in business readjustment during December, according to the federal reserve board's monthly review tonight. The price decline was placed at 8 1/2 per cent by the board, which added that the decrease was mainly confined to commodities which had shown a decline previously rather than an extension of price-cutting to other commodities.

The decline was reported most marked in agricultural products, textiles, hides, leather and iron and steel products, while coal, petroleum, gasolines, paper, brick and cement remained largely unaffected. Some increases were reported in the open market in the latter group, the board said, but contract prices appeared to be little changed.

Reduced business activity, the board stated, cut operations in many lines, from 10 to 75 per cent of normal and brought unemployment. The shrinkage of demand, the board reported, also was responsible for wage cuts as high as 25 per cent.

Banking power was well maintained, the board asserted, normal credit accommodations extended to legitimate business, the reserve ratio growing stronger, and inter-reserve narrowing in part liquidated. With liquidation of loans at the member banks beginning, the board forecast better conditions.

COLONEL GARDENER DIES

Resident of Portland for Nine Years Succumbs.

Colonel Cornelius Gardener, 70 years old, ex-army officer and resident of Portland for many years, died yesterday morning at Claremont, Cal., according to a telegram received by B. S. Huntington, attorney in the Lewis building.

Colonel Gardener came to Portland about nine years ago after having retired from the army. Previous to that time he had served in the Philippines and Cuba and immediately preceding his retirement he was at the Presidio.

When he left Portland Colonel Gardener retained extensive holdings in the Mosier district and his home on Portland heights.

He is survived by two sons and three daughters. The telegram said that the body would be cremated today and a telegram received by the Arlington national cemetery for interment.

14 KILLED IN EARTHQUAKE

Tumbler in Albania Leaves 10,000 Persons Homeless.

PARIS, Jan. 2.—Fourteen persons were killed, 300 injured and 10,000 rendered homeless by an earthquake which nearly obliterated Elbasan, Albania, according to a dispatch today from the American Red Cross at Tirana.

The only Americans there were two Junior Red Cross nurses, Miss Nora Ruddy, St. Louis, and Miss Winifred Warren, Chicago. Both were reported safe. They immediately took charge of relief work, and the American Red Cross is sending supplies.

CHICAGO, Jan. 2.—Miss Winifred Warren, one of the two American Red Cross nurses aiding victims of the Albanian earthquake, is the daughter of Mr. and Mrs. Patrick Warren of Chicago. She formerly was a nurse at Cedar Rapids, Ia.

BUSINESS GAIN FORESEEN

Upward Trend in Next 90 Days Predicted by Railroad Man.

ST. PAUL, Minn., Jan. 2.—The next 90 days are expected to bring an upward trend in business, according to a statement here by Howard Elliott, chairman of the board of directors of the Northern Pacific railroad.

"There is considerable grain and much lumber ready to move in the northwest," said Mr. Elliott, "and it is probable that some of the commodities will begin to move within the next 90 days. This will in turn create other business. Just now the relation between daily income and daily outgo is not satisfactory and is serious for most railroads of the country."

Hard work on the part of everyone is needed to solve the after-the-war readjustment problem, Mr. Elliott said.

FORMER GERMAN CHANCELLOR DIES

Bethmann-Hollweg Notorious for War Stand.

ILLNESS IS ONLY BRIEF ONE

Leader Who Called Treaty Scrap of Paper Passes.

BELGIUM ENTRY UPHELD

Ex-Official Succumbs on Estate Near Berlin—Neutrality Violation Declared Necessary.

BERLIN, Jan. 2.—Dr. Theobald von Bethmann-Hollweg, German ex-chancellor, died last night, after a brief illness, on his estate at Hohenfinow, near Berlin.

Dr. von Bethmann-Hollweg was apparently in good health until Wednesday. He passed Christmas with his family, but contracted a cold which developed into acute pneumonia. His condition grew worse and he became unconscious. He never regained consciousness, dying late Saturday night. His wife died in 1914, and he lost his eldest son in the war. He is survived by a daughter, Countess Zech, wife of the secretary of the Prussian legation at Munich, and a son, Felix, a student at Berlin.

Diary of War Is Written.

On the last of his visits to Berlin, in mid-November, Dr. von Bethmann-Hollweg was seen walking in Unter den Linden, but the once stalwart figure was no longer upright. Pedestrians recognized in the stooped figure and careworn face the ex-chancellor.

Von Bethmann-Hollweg recently concluded the revision of the final proofs of the second volume of his war diary.

Dr. von Bethmann-Hollweg was a witness in 1919 before the national assembly investigating the responsibility for the war. His testimony brought out that he had opposed submarine warfare and had issued warnings not to underestimate America's strength.

One of the most famous utterances during the war was that concerning "a scrap of paper" as regarded the treaty guaranteeing the neutrality of Belgium. "This treaty was so characterized by Von Bethmann-Hollweg during an interview with Sir Edward Goschen, British ambassador to Germany. The chancellor expressed his

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EARTH AVALANCHE WRECKS BOULEVARD

NEW SLIDE THUNDERS INTO MARQUAM GULCH.

Hospital Draw Again Cause of Mud Flowing Down Hill Onto Road.

Another slide from the hospital draw thundered into Marquam gulch about 2:30 yesterday afternoon viewed by Mark O'Neill, 600 Fourth street, and a party of friends, who were opposite on the Patton road. First there was a small quantity of mud and stones involved—probably ten or 12 tons. Ten minutes later the watchers were rewarded with the sight of tons of earth tearing loose from the draw and starting on the downward path.

The avalanche dropped over the rough places like flowing water. O'Neill said, tore a piece out of Terrillinger boulevard about 20 feet wide and ten feet deep, then with a roar descended into the gulch. As Terrillinger boulevard has been closed to traffic at this point on account of former slides, there was no one injured.

COURTESY BRINGS \$80,000

Sexton of New York Cathedral Rewarded by Aged Worshiper.

NEW YORK, Jan. 2.—Courtesy he extended several months ago to an aged worshiper has made Joseph A. Boyle, sexton of St. Patrick's cathedral, richer by \$80,000, he said today. Boyle returned from Ireland, where he said he was called by attorneys of the late Daniel Cassidy, 76, of Cork, who had bequeathed him the money.

HUNTER KILLED BY FALL

Drop From Cliff in Darkness Fatal to Harry Laird of Brewster.

MARSHFIELD, Or., Jan. 2.—(Special.)—Harry Laird, son of James Laird of Brewster valley, was killed by a fall over a cliff while hunting near here. The young man had been trailing a wildcat and was carrying a deer he had killed. The time of his death was supposed to have been after dusk.

He fell over a cliff 150 feet high and was dashed to his death on rocks at the bottom of the canyon.

HOOF DYNAMITES BARN

Male's Kick Connects With Explosive in Man's Hip Pocket.

UNIONTOWN, Pa., Jan. 2.—Frank Pelona, a stable boy, today found a stick of dynamite and put it in his hip pocket.

Later while working in the stable he was kicked by a mule. The stable also was blown to pieces.

MISSING BALLOONISTS AT HUDSON BAY POST

NAVY CREW OF 3, LOST SINCE DECEMBER 14, IS SAFE.

American Officers Also Reported to Have Started Back From Ontario About December 27.

ROCKAWAY, N. Y., Jan. 2.—The missing navy balloon A-5598 landed ten miles northwest of Moose Factory, Ontario, December 14, and the crew of three men is safe at a Hudson Bay trading post, according to a telegram received at the naval air station here tonight.

The A-5598 left here shortly after noon Monday, December 13. No definite destination was planned, but the prevailing wind blowing northwest indicated a landing somewhere in Canada. With the exception of a report that the balloon was seen passing over Wells, N. Y., late that same night, no definite word was received here of the progress of the flight.

The balloon carried a crew of three men. Lieutenant Walter Hinton of Belle Harbor, N. Y., a pilot under Commander Albert C. Read, on the NC-5 trans-Atlantic flight, was in charge. His companions were Lieutenant Stephen A. Farrell, a line officer of this city, and Louis Kloor Jr. of New Orleans, naval reserve force, pilot.

The officers were supplied with normal rations for three days, which it was said, would serve them for ten days in an emergency. They had fur-lined garments and electrically heated warmers to make their voyage more comfortable.

Ninety-six hours after the balloon's departure, when fears were first felt for the safety of the aeronauts, wireless stations and forest rangers in northern New York and southeastern Canada were notified to be on the lookout for the balloon. A few days later, two army airplanes were sent from Milledgeville, Ga., to begin an aeronautical search over the Adirondack mountains.

Canadian officers, who were apprised of the flight, first advanced the theory that the aeronauts were probably on their way to a lumber camp or trading post.

News of the aeronauts' safety was received in a telegram from Mattice, Ont., as follows: "Driven by storm Monday, 12-13, forced by north at Hudson Bay; forest to land 2 P. M., 12-14, about three miles north by east of Moose Factory, Ontario. Latitude, 51.50; longitude, 91.00. Lost in forest four days. Crew safe at Hudson Bay company post. Will leave on first available means of transportation, which is by dog sled to railroad, and will take about nine days. Leaving December 27."

BOMB DAMAGES HOME

Explosives Tear Porch Off House of Chief of Police.

PORT DODGE, Ia., Jan. 2.—The house of E. M. Flattery, chief of police, was damaged today by a bomb. The porch was blown away and windows broken, as well as the windows of a nearby house. Mr. Flattery was thrown from his bed. Two men were held by the police.

7 HOUSES IN ERIN BURNED BY POLICE

Governor Orders Reprisal Because of Ambush.

LAWS MADE MORE DRASTIC

Persons Knowing Others to Possess Arms Must Report.

NEUTRALITY UNDER BAN

Six Adults Considered Meeting Which Is Forbidden; Code Messages Prohibited.

CORK, Jan. 2.—(By the Associated Press.)—Seven houses in nearby towns and their contents were burned by the military last night as a result of an ambush of the police near Midleton, it was announced today. The story was related in a statement issued today by military authorities.

"As a result of an ambush on the police at Midleton and near Glebe-house," it stated, "the military governor decided certain houses in the vicinity should be destroyed, as inhabitants were bound to have knowledge of the ambush."

"A notice was handed each household stating why the houses were destroyed. Each resident was given an hour to remove valuables and the houses were then destroyed. Nothing apart from the houses and the furniture was destroyed."

Reports on Arms Demanded. Any persons knowing others to possess arms and ammunition must report immediately or render themselves liable to prosecution, Major-General Strickland, commanding the troops in Munster, announced today.

It is also forbidden to assist rebels. The order is effective Tuesday.

The people are warned that they must not fail to report the rebels and their movements at once. Appearance before a military court is the alternative, the notice states, adding that an attitude of neutrality is punishable.

It declares persons who do not do their utmost to prevent damage to government property will be dealt with severely in person and estate.

Code Telegrams Forbidden. Sending of code telegrams without permission of the police inspector is prohibited.

All meetings and assemblies are forbidden, six adults being considered a meeting.

A report reached Cork today that a large party of soldiers and police visited Midleton Saturday and held and searched everybody in the streets. Soon after 9 P. M. the Midleton gas and engineering works were burned to the ground. Only the energy of the fire brigade prevented the flames from spreading. Several shops were wrecked and looted. Some houses in Carrigrohilly are reported to have been burned.

Starting Events Will Week. Midleton has been the scene of startling events during the week. Following the ambush of a police patrol by civilians Wednesday in which one policeman was killed and another wounded, conservation prevailed. Many residents took refuge with their relatives in Cork and elsewhere.

Nothing further occurred, however, until Saturday, when parties of military police arrived. Persons on the streets were searched and then ordered to go home and draw the blinds. This was obeyed, after which came sounds of battering on doors and windows, followed in some instances by explosions.

It was not until Sunday that residents realized the full extent of the destruction, the principal part of which occurred on Main street. There a house and shop owned by John O'Shea, chairman of the Midleton board of guardians, was destroyed.

THREE POLICEMEN KILLED

British Headquarters Says Attack on Barracks Was Planned.

DUBLIN, Jan. 2.—A general headquarters report today, the first of its kind issued, explains that the burnings at Midleton and near Glebe-house resulted from an ambush on a police patrol near Midleton by armed civilians Wednesday night, when one policeman was killed and eight wounded, two of whom have since died.

A constable and a civilian were killed and five persons wounded last night at Ballybeg, county Monaghan. The fighting began when a police patrol of four was fired on, two being wounded. Three men coming to their assistance also were fired on, resulting in the death of a constable and the wounding of another policeman. In a continuation of the fight one civilian was killed and several wounded.

Preparations had been made for an attack on the police barracks, trenches having been cut in roads, trees felled and stone barriers erected. Soldiers were sent from Dundalk, but were held up by blocked roads and obliged to walk a part of the journey, delaying their arrival. At Listowel, county Kerry, in the

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WICKED WASHINGTON DUE FOR CLEANSING

REP. TINKHAM TO BLISTER J. BARLEYCORN.

42,000 Persons, or Ten Per Cent of Capital's Population, Arrested During 1920.

WASHINGTON, Jan. 2.—(Special.)—Representative Tinkham, republican of Massachusetts is getting ready to let loose a broadside at the enemies of John Barleycorn. He will call attention to a report compiled by Frank A. Sebring, chief clerk of the police court, which shows that the nation's capital is not only very "wet," but is becoming more wicked every day.

During 1920 more than 42,000 persons were arrested for crimes varying from petit larceny to first-degree murder and allowing for persons arrested more than once, this means that nearly 10 per cent of the city's population violated different laws.

Compared with the number of arrests for 1917, of which two months, November and December, were "dry," this report shows an increase in crime and misdemeanors of nearly 29 per cent—the number of arrests for 1917 being 35,498.

The receipts of fines for 1920 were, according to the report, \$372,500, compared with receipts for 1917 of \$185,654—showing an increase here of \$186,846, of 43 per cent, in the cost of crime and irregularities.

Most of this money was derived by fines imposed upon persons arrested for drunkenness, disorderly conduct, possessing, selling and transporting liquor, traffic violations including driving while drunk, petit larceny, assault, craps shooting and other misdemeanors.

From the annual report of the metropolitan police department of this city it appears that during 1919 5716 persons were arrested for drunkenness and only 9328 during 1916.

During 1917, the beginning of prohibition and only ten "wet" months in the year, 5616 persons were arrested for drunkenness. During 1918 only 6822 persons were arrested for drunkenness.

During 1919, when prosecutions were being had under three different liquor laws, 6565 persons were charged with being drunk.

During 1920 only 5000 persons were arrested for this offense, showing by the total number of arrests made last year that while the citizens did not drink so much, they committed other offenses of a more serious nature.

CARDINAL GIBBONS GAINS

If Improvement Continues, Prelate May Be Removed to Home.

BALTIMORE, Jan. 2.—Cardinal Gibbons' condition was improved today that his physicians said should the improvement continue they will consider the advisability of removing him to his home.

He was visiting his friend, Robert T. Shriver, at Union Mills when stricken.

The cardinal's physicians said he was not suffering from any organic trouble but simply the weakening effects of his advanced age, 86 years. There has been no recurrence of the alarming sinking spells for two days.

AMERICA WASHING AWAY

In Million Years United States Will Be Under Ocean.

WASHINGTON, Jan. 2.—(Special.)—The United States is slowly but surely being washed away. An average of 95 tons of soil, pebbles and loose rock is carried by the rivers into the ocean every year from every square mile of the 3,685,500 in the country, according to the geological survey.

For the benefit of people who like to have something to worry about, it may be stated that the United States will all be washed into the ocean in about a million years.

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ETHERIDGE SILENT; IS DUE BACK TODAY

Mystification at Arrest Is Only Assertion.

WIFE HAS NOTHING TO SAY

Accused ex-Head of Bond House Is Confident.

INTERVIEW IS DIFFICULT

Reporter Finally Manages to Get Past Deputy Sheriffs Who Are on Guard on Car.

SPOKANE, Wash., Jan. 2.—(Special.)—John L. Etheridge, ex-president of the defunct Morris Brothers, Inc., bond house, passed through Spokane at 7 o'clock tonight in the custody of two deputy sheriffs. He was being returned to Portland under two warrants, having been arrested at Minneapolis. Mrs. Etheridge voluntarily accompanied her husband.

When the North Coast limited was met at the Northern Pacific station by a reporter tonight, Etheridge was carefully guarded. Sleeping-car conductors and porters had been warned to head off possible interviewers.

Under the protection of Deputy Sheriff Schirmer and Scott of Multnomah county, Mr. and Mrs. Etheridge were kept in the station room when the train stopped in Spokane.

Car Is Transferred. Here the car was transferred to the North Bank train scheduled to reach Portland at 8 o'clock tomorrow morning. Portland newspapermen attempted to gain access to the station room while the car was being transferred to the other line, but failed.

Deputy Sheriff Schirmer finally admitted one reporter to the station room. Mr. Etheridge was adamant. His toilet carefully made, his linen spots and his big serge suit in perfect condition, Etheridge greeted the newspaper man with a "poker" face. Despite his worried demeanor, he retained the genteel attributes of the aristocracy.

"Sit down," he said coldly. "Mr. Etheridge, your acquaintances in the northwest are awaiting a statement from you regarding conditions of the Morris Brothers' race and will appreciate receiving it at this time," he was told.

"I have absolutely nothing to say," he replied. "I am at a loss to know just why I was arrested. I have not had the opportunity of consulting with counsel and, until I have been advised regarding conditions, it would be folly for me to talk. I have absolutely no idea why Mrs. Etheridge and I were arrested at Minneapolis. We were going east on a vacation. I am glad to be being back among friends in Portland and thus far have enjoyed the trip."

While Mr. Etheridge made this statement, the two deputy sheriffs watched over him. Mrs. Etheridge being seated on the divan in the Pullman apartment. Etheridge was notably disturbed by the entrance of a newspaper man. With hands folded she gazed intently forward through her horn-rimmed spectacles and during the entire interview did not change her position. When asked if she wished to make a statement, the little woman did not change her position, nor did she nod her head. She demurely remarked, "I have nothing to say."

\$10,000 on Mrs. Etheridge. Etheridge is being returned to Portland under two warrants, one charging larceny by bail of \$181 and the other larceny of \$75,000 in bonds from Fred S. Dietrich.

Deputy Sheriff Schirmer is returning to Portland valuable belongings found in the possession of the Etheridges when they were taken from the train in the railway yards at Minneapolis. Mrs. Etheridge, who insisted on accompanying her husband to Portland, was not under arrest. When she was searched by the matrons at the Minneapolis police station \$10,000 in bills was found secreted in her waist, according to Deputy Schirmer.

"Rather than carry the ten \$1000 bills back with her on the train, Mrs. Etheridge purchased a draft at Minneapolis and had the money telegraphed to her order at Portland," said the deputy sheriff at the train tonight. "Mrs. Etheridge has not been blamed or held by Oregon authorities. She may be made defendant in a civil action, but no criminal proceedings have thus far been brought against her. She, like her husband, is an ideal prisoner. We have had no trouble whatever with them. Both have refused to discuss the difficulties except to say that they do not know the reasons for which they have been detained."

Articles Taken From Etheridge. The list of articles taken from Etheridge at Minneapolis, which is in the form of a receipt given by Deputy Sheriff Schirmer to John Francis Walker, superintendent of the police at Minneapolis, includes the following:

Twelve \$100 bills. Receipt for property consisting of notes, bonds and stocks, real estate and other property turned over to F. S. Morris December 28, 1920. Three bunches of keys. One package of time cards.

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