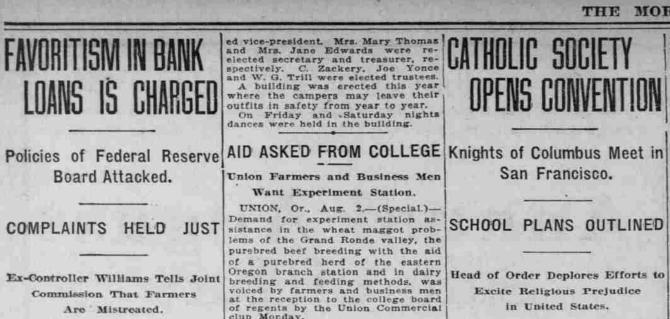
THE MORNING OREGONIAN, WEDNESDAY, AUGUST 3, 1921



WASHINGTON, D. C., Aug. 2.—Pol-icles of the federal reserve board dur-ing the last 18 months or more were attacked today before a joint con-gressional commission by John Skel-ton Williams, ex-controller of the currency, who charged that the board or and James T. Jardine, director of the experiment station; E. L. Potter, head of branch station; E. L. Potter, head of and James T. Jardine, director of the currency, who charged that the board branch station; E. L. Potter, head of an and station; E. L. Potter, head of branch station; E. L. Potter, head of currency, who charged inat the board had displayed undue favoritism in lending to New York banking groups while southern and western borrow-ers were unduly curtalled. There was "abundant ground for complaints of discrimination by farmers generally," he said.

The congressional commission was appointed to inquire into the agricul-tural situation and summoned Mr. Williams in connection with its inestigation into credit facilities for GOVERNOR'S AIDE QUITS farmers. Many of Mr. Williams' assertions

Hollis Fultz to Be New Secretary were challenged in cross-examination by Representative Ogden Mills, re-publican, New York, a commission member.

Disagreement Is Expressed.

I did not agree with the policy of the reserve board in indiscrimi-nately raising interest rates in 1919," Mr. Williams said, "nor did I agree with it previously in a policy of mak-ing prodigal advances to institutions in the east to the disadvantage of the west and south.

"I found that the board in 1919, was advancing directly and indirectly a total sum of \$130,000,000 to a single institution is

pla, secretary of the Olympia cham-ber of commerce, as his new secre-tary. The new secretary, who will go into the governor's office imme-diately in order to become acquainted with his duties before Secretary Shuff departs is a past exalted ruler of a total sum of \$130,000,000 City." Mr. Williams read statistics which he said showed New York. Chicago and other large city banks were get-ting more reserve loans than all the country banks during the period. He was asked to present 1921 figures, too, and promised to do so. Borrowings Are Cited. Hary. The new secretary, which go into the governor's office imme-go into the governor's office imme-second and prome acquainted via second and real the ington State Elks' association at their meeting in Seattle.

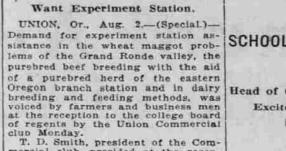
Williams said, always was a tremendous borrower, "to the extent of four times its capital," for use in OLYMPIANS OUT FOR HIKE speculative operations and promo-

It developed that the reserve board established "basic lines," compound-ed from resource totals of banks which controlled amount of rediscounts.

authorities."

Law Declared Evaded.

Senator Harrison, democrat, Missis-sippi, asked if the reserve law did not forbid "speculative borrowings." Mr. Williams said it did. "But that does not prevent an in-



mercial club, presided at the recep-tion. Speakers were: J. K. Weather-

SAN FRANCISCO, Aug. 2 .- A de-ision to establish what it terms the largest correspondence school in the United States," which shall be devoted exclusively to the education and general welfare of ex-service men, and announcement that the order had in-creased by 87.660 since hast year, made up the outstanding feature today of the opening session of the Knights of Columbus' 39th annual supreme convention.

CATHOLIC SUCIET

San Francisco.

UPENS

William J. McGinley, supreme sec-retary, outlined the correspondence system, which will have its headquar-ters in the new building which the or-

der is erecting in New Haven, Conn. "No limit will be placed upon the number of ex-service men seeking en-

rollment in the correspondence school, and no limit will be set upon practical subjects in the course of study," Mc-Ginley reported. The system, he said.

to Washington Executive. will cost approximately \$1,000,000 to establish and will call for a first-year enrollment of 100,000 students. OLYMPIA, Wash., Aug. 2.-(Spe-ial.)-Governor Hart today an-nounced the resignation of his secre-Four Million Dollars Spent on Schools

tary, Carl L. Shuff of Spokane, who James A. Flaherty, supreme knight, has been secretary to the governor practically ever singe he took office on the death of Governor Lister. The reported that approximately \$4,000,000 had been expended by the Knights in the past year in maintaining 132 free night schools and 500 university and resignation is effective August 31. At the same time that the announce-ment of the resignation was made. Governor Hart announced the ap-pointment of Hollis B. Fultz of Olymollege courses for ex-service men.

Membership Is 758,155.

the Knights of Columbus was 758,155, and New York led the states with 107,649 members, McGinley reported. The Knights were instrumental in raising \$4,000,000 for charity during the year, principally for Herbert Hoo-ver's relief work, relief in Ireland and Cardinal Mercier's Belgium re-habilitation fund. He expected that the order would have 1000,000 mem-

the order would have 1,000,000 mem-bers in another year. Pontifical Mass Sung.

At they knelt on the flowered square in the convent gardens of Mission Dolores (the Mission of Sorrows), where the Franciscan Strenuous Attempt to Be Made to Scale Olympus.

padress intoned their first high mass more than a hundred years ago. Knights of Columbus from all parts of the United States and from Canada, Mexico, Cuba, Hawali and Porto Rico opened the 29th interna-tional supreme convertion of the ar-HOQUIAM, Wash., Aug. 2.—(Spe-cial.)—For two weeks of hiking and camping, with Mount Olympus as "On December 26, 1919," the report showed, "the New York federal reserve bank had lent to one New York bank \$130,000,000," Mr. Williams said. He said he had protested to the board at the extent of the credit, "because the bank was conspicuous for its specu-lative activities." "This was not a national bank?" Chairman Anderson asked. "It was not," Mr. Williams returned, authorities."

MEDALS TO BE AWARDED

Citizen-Soldlers Conclude Work at Camp Lewis Saturday.

Suit that noes not prevent an in-stitution from borrowing \$16,000,000 in liberty bonds," Mr. Williams added, "and rediscounting it with the reserve system and then lending the money to its president for speculative op-erations, "The reserve board has always becad isserve and the structure of the citizens' military training camp who show proficiency. Major-General Charles H. Muir will present the tro-phares the final review of the camp, a response was made by Supreme

He denounced what he termed "pro-fessional purveyors of prejudice." whom he charged with seeking to divide American citizens into classes FUGITIVE BANKER and to create suspicion and distrust Oath Story Cited.

Mr. Flaherty's address drew atten-tion to the widespread circulation of an oath attributed to the fourth de-gree members of the Knights of Columbus, which was characterized as a "vile invention." "This oath." he declared, "is impos-tible and ridulous on its face hut

sible and ridiculous on its face, but it now is being circulated by millions of copies through the country, bear-ing the imprint of the Congressional Record, because by accident it ap-peared as an exhibit in the proceed-ings of congress

SCHOOL PLANS OUTLINED I dead of Order Deplores Efforts to Excite Religious Prejudice in United States. I united Stat gs of congress.

Warren Spurgin, missing president of the Michigan-avenue Trust company of Chicago, has crossed Presidio coun-

CHICAGO, Aug. 2.—A telegram from María, Tex., was received by Bank Examiner H. S. Savage today inquiring if there was a reward for the capture' of Warren C. Spurgin, missing president of the closed Mich-igan-avenue Trust company. The message contained no other details. It was turned over to the state's at-torney's office, which immediately be-gan to trace the source of the mesholy church to the end that she may flourish and our country prosper to the greater honor and glory of God."

Fatalities, However, Declared to

Have Been Few in June.

SALEM, Or., Aug. 2 .- (Special.)-20 per cent in the state during the past six months and that the month

of June was notable for the few fatalities recorded. As the payed 1

Astoria Salmon Run Slackens.

ASTORIA, Or., Aug. 2.—(Special.)— While some fairly good catches of salmon were made by the gear inside the river Sunday night, they were only a spurt, following the Sunday closing period. On account of the fog only a few of the purse selners op-erated on Sunday and this was said to have permitted the fish to come in. The catch last night was slack, the The catch last night was slack, the hauls by the selning grounds are fall-ing of and the principal catches by the gill netters are either almost at the breakers about the mouth of th river or in what is known as the "chute" above Tongue point. Archbishop Edward J. Hanna of the archdiocese of San Francisco preached

the sermon. Three hours later, after a series of Peace Union Delegates to Sail. receptions had been held, the business sessions of the convention were WASHINGTON, Aug. 2.—Senators McKinley, republican, Illinois; Robinson, democrat, Arkansas, and Walsh formally opened with the announce ment of the convention programme. son, democrat, Arkansas, and Walsh, democrat, Montana, will sail Wednes-day from New York on the steamer George Washington as American del-egates to the inter-parliamentary peace union at Stockholm.

Paris Paper Predicts Signing.

CHICAGO FINANCIER BELIEVED

Into Mexico.

EL FASO, Tex., Aug. 2 .--- United States immigration officials at Presidio, Tex., 200 miles east of here of

try and regardless of all personal con-sequences. "I pledge myself to do all in my power to preserve the integrity and purity of the ballot and to promote reverence and respect for law and order. I promise to practice my re-ligion openly and consistently but without ostentation, and to so con-duct myself in public affairs as to re-flect nothing but credit upon our holy church to the end that she may

CHICAGO, Aug. 2 .- A telegram

AUTO MISHAPS INCREASE

gan to trace the source of the mes-SALEM, Or., Aug. 2.—(Special.)— "Make Oregon safe to drive in" was the motto that has been adopted by T. A. Raffety, chief inspector for the state automobile department. "Reports submitted at last week's conference of the traffic officers in-dicated that accidents had increased 20 per cent in the state during the the man thought to be Spurgin had fled across the Mexican boarder, but was still under surveillance.

The shortage in the Michigan av-enue Trust company, of which Spur-gin was president, is \$1,124,368, according to publication here of a state

had

Highway Work to Begin. WALLA WALLA, Wash., Aug. 2 .-

Special.)-Work of resurfacing the ighway from the end of the 'oil nacadam to Touchet will start within closure proceedings. F. C. Chambers and Homer A. Miller were appointed receivers to act under the new suit brought by the bondholders. The court's order combined all suits pending against the company.

the money. The county commission-ers today called for bids on con-struction of ten miles of macadam road from the city toward Eureka. This road will be built under the Donahue road plan. The bids will be opened August 15.

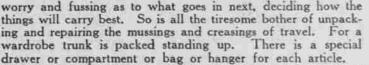
Treaty Becomes Law in Hungary. BUDAPEST, Aug. 2 .- The Trianon treaty, by which peace between Hun-gary and the allied nations was es-tablished, became a law in Hungary resterday

Railroad Shop to Resume Operation

SEDALIA, Mo., Aug. 2.-Announce-ment was made today that the Mis-slouri Pacific railroad shop would reume full operation tomorrow.

\$900 EQUITY IN \$2200 CHICKERING AMPICO PIANO Almost New, Fine Condition. \$128 Carefully Selected Records.





"DUSTPROOF" WARDROBS

ecially at the seashore,

Belatone is easy to sp-ply-simple directions with

At Any Druggist's or Department S

LEONARD

MENDEL

As the paved highways increase, Mr. Raffety said, it probably would be necessary to increase the number of traffic officers. We shall stay with the veterans until the end," he said. On June 1 the total membership of the Knights of Columbus was 758,155. CARS WILL STOP TONIGHT gin, were given as \$471,126. Halt Ordered in Des Moines Pending Foreclosure Action. DES MOINES, Aug. 2 .- Federal Judge Wade this afternoon ordered

loaned largely and at low rates of interest." Mr. Williams continued, "to certain New York institutions and maintained the practice in good times and hard times alike, when the board was forcing liquidation at immense sacrifices to borrowers in Richmond. Atlanta and Dallas districts."

PIONEERS' MEETING ENDS

Reunion of Old Wheeler and Gil-

liam County Residents Enjoyed.

FOSSIL, Or., Aug. 2.—(Special.)— The 23d annual reunion of the pio-neers of Wheeler and Gilliam coun-ties came to a close Sunday night at the Julia Henderson pioneer grounds, 12 miles southeast of Fossil. The cree for the hearing. Chase has filed ploneers had been in session since a map of the locality under investi-

OLYMPIA, Wash., Aug. 2.—(Spe-cial.)—To determine the water rights of Crab creek and Moses lake, a hearing will be held at Ephrata, August 24, by the Neppel Townsite company and other claimants in Grant and Agene counties. Mariin Chast and Adams counties. Marvin Chase supervisor of hydraulics, will be ref-

Water Rights at Issue.

12 miles southeast of Fossil. The ploneers had been in session since Thuraday. There were about 20 families camped on the grounds with many daily visitors, the largest crowd been arranged for the day. At 11 o'clock Rev. C. A. Slas, recently of Forest Grove, delivered an eloquent sermon-lecture on "Dual Citizenship." At noon a plcnic lunch was enjoyed At 2 o'clock a patriotic programme was held. S. H. Edwards delivered a most interesting address on ploneer history. Following this meeting came the business meeting of the association. W. J. Edwards, who are elected. Mike Dukek was re-elect.

m. Sichel 331 washington st.

announces the new retail prices of arrow, earl & wilson and ide collars, to take effect immediately.

> \$2.65 per doz. 1.35 per half doz. .25 each

