

THE WEATHER:
Friday, fair; continued warm; gentle northerly winds.

The Oregon Statesman

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The Statesman receives the leased wire report of the Associated Press, the greatest and most reliable press association in the world.

SEVENTEENTH YEAR

PRICE FIVE CENTS

WASHINGTON CONSIDERING POLE REQUEST

Polish Officials Want Permission to Purchase War Materials and Recruit for Polish Army in America

MANY LEGION MEN WISH TO VOLUNTEER

President May Suspend Law Under War Time Powers Say Officials

WASHINGTON, Aug. 12.—Moved by the reiterated pleas for aid from Poland, the war department has under serious consideration today the request of Prince Lubomirski, Polish minister for permission to purchase war materials from the United States.

Desire to Help Poles
After conferences yesterday and today between the Polish minister and Secretary Colby the state department also took up the problem of finding means of re-investigating the obsolescence of the Polish state and thereby of fulfilling the assurance of support contained in the American note to the Italian ambassador.

Want to Recruit Here
Polish officials explained that, in addition to the desire for war materials, they were anxious to obtain authorization to permit recruiting for the Polish army in America. It was said that not only had many offers of enlistment been received by the legation from Polish citizens resident in the United States, but that many offers had come from former American veterans.

The Polish government, it was said officially at the legation tonight, had not made a formal request for the extension to it of so unusual a privilege. At the same time it was conceded the privilege was one of which Poland would gladly avail itself if tendered by the United States.

Law May Be Suspended
While a statute forbids enlistment of armed expeditions in the United States for employment against a friendly power, some officials explained the president could suspend operation of the law under his war time powers. Raising of recruits by Poland under Paderewski before the United States entered the war, it was recalled, was agreed to by the American government, and many Poles enlisted to fight under the allies, were removed from the United States and trained in Canada and abroad. So that the United States may keep in more intimate touch with developments in Poland, Hugo Gibson, American minister, said Poland, home on leave, will depart tomorrow for Warsaw. He will be accompanied by W. B. Robbins, acting chief of the division of near eastern affairs, who has been temporarily assigned a chancellor of the legation.

Recognition is Official
The official communique announcing the intention of the United States as a de facto government that represented by General Wrangel in Southern Russia, was received today.

ARMY MAN WINS GOVERNOR'S CUP

Has Score of 149 Out of Possible 150—Governor Cox Presents Cup

CAMP PERRY, Ohio, Aug. 12.—Captain Charles Vanamborg of Bridgeport won the governor's cup match of the National Rifle association shoot here today with a score of 149 out of a possible 150. He was presented the cup by Governor James M. Cox. Lieutenant C. C. Simons, U. S. M. C., had the same score but made his miss on the 200 yard range, while Captain Vanamborg missed at 600 yards.

The next six leaders in the event were:
O. M. Wiggs, U. S. M. C.; C. R. Nordstrom, U. S. M. C.; Sergeant T. G. Vereer, infantry; T. B. Crawley, U. S. M. C.; J. W. Hessian, New York A. C.; and E. J. Blade, Minnesota civilian. They each had 148 out of a possible 150.

The Catrow cup match concluded today, went to J. W. Hessian, New York A. C., who made a perfect score of 105 with 14 bulletseyes extra, making a string of 35 bulletseyes.

The Catrow contest was shot from the 800, 900 and 1000-yard ranges, slow fire.

"BABE" RUTH BACK IN GAME.
CLEVELAND, Aug. 12.—Despite the injured right knee, "Babe" Ruth was in right field for the New York team today. His knee was bound in an elastic bandage.

TILLAMOOK COUNTY TO GET RARE HONOR

FREEDOM FROM TUBERCULIN CATTLE TO BE DECLARED

Cheese Producing Section to be Largest Segregated Area in United States

The largest segregated free area in the United States with respect to tuberculosis in dairy herds is a distinction that will probably be won by Tillamook county as soon as government experts have made a recheck of all herds that already have been tested by the county veterinarians.

Tillamook county has 13,000 dairy animals. As soon as all herds are found free of disease the free area will be officially declared and a prohibition placed on the importation into any county of any cattle except those that are tested and found free from tuberculosis.

That Tillamook county is a free area will be indicated on labels attached to cheese produced in the county.

WOULD HAVE NO RASH PROMISES

Governor Coolidge Pays Tributes to Harding in His Boston Speech

BOSTON, Aug. 12.—Governor Calvin Coolidge, addressing the Republican club of Massachusetts, tonight said that in these troubled times, "no man and no party ought to be rash enough to promise performance of plans for long in advance" but that "this is no excuse for failure to do our best."

He praised Senator Harding as a "sound man, tried in the fire of public service, unworried and unafraid."

"We must look to the past for guidance," he said, "but to ourselves for success. To despise the past is to destroy the future. It is not in a desire for constant change but satisfaction in the contemplation of established truth, as well as unyielding effort for improvement, that character in men and parties is revealed."

"It is desirable to restore our government to a more even balance. Representative government ceases to represent when its decisions reflect only upon its own or result from any influence, save for a desire to promote public welfare."

Judge Wallace McCamant of Portland, Or., who presented Coolidge's name to the Republican convention in Chicago, told of the honor in which the governor is held where he is the Oregon. Other speakers, including Former Mayor Charles S. Whitman of New York and Mrs. Alexandra Carlisle Pfeffer, a Massachusetts delegate, who seconded the nomination, added appreciative words.

Judge McCamant said that his presentation of the name of Governor Coolidge at the convention was spontaneous.

"The subject had been discussed by the members of our delegation, he added, "Nor was it in our thoughts until the moment we acted. It is nevertheless true that our action was representative of the overwhelming sentiment of our people and that action has been enthusiastically approved in all parts of our commonwealth."

Error Found Which Gives Julian Lead in Primary

COLUMBUS, O., Aug. 12.—W. A. Julian of Cincinnati, jumped into a substantial lead of 2,318 votes over Judge A. F. O'Neill of Akron in the race for the Democratic nomination for senator when an error was discovered in the tabulation of returns from all but 155 precincts. The corrected vote was: Julian, 63,888; O'Neill 61,567.

Additional returns did not make any material change in the vote of the leading candidates for other offices. Former Mayor H. L. Davis of Cleveland still was leading Ralph D. Cole for the Republican nomination for governor by about 17,000 votes. Former Governor F. B. Willis apparently will be the nominee for senator by a plurality of approximately 10,000 over his nearest opponent, Walter F. Brown of Toledo.

Oregon Editors Open Astoria Convention

ASTORIA, Or., Aug. 12.—With the arrival today of President C. E. Inalls of Corvallis, and a large number of editors from various parts of the state, all the preliminaries are arranged for the annual convention of the Oregon state editorial association which will convene here tomorrow for a three-day session.

BYERS' WEEK SUCCESSFUL.

PORTLAND, Aug. 12.—Buyers' week in Portland this year has proved the most successful yet held, according to statements made today by members of the executive committee of the 1920 Buyers' week. The number of visitors has nearly doubled, it is said, and purchases from Portland manufacturers and wholesalers is understood to have been unusually large. Buyers are here from all sections of the west. There were 1400 buyers registered at headquarters today.

AMERICA IN LEAGUE MAY SAVE POLAND

Franklin D. Roosevelt Declares Moral Effect of America in League Would Have Halted Russians

LAYS BLAME ON FEW NARROW POLITICIANS

As Result of Great War Have Gained New Theory of International Law

MILWAUKEE, Wis., Aug. 12.—Endorsement of the league of nations by the United States would have saved Poland, Franklin D. Roosevelt declared here tonight. The moral effect of American membership in the league would have halted the Russian armies without a single American soldier crossing the seas, he said.

Blames Politicians
"History will lay a great share of the responsibility for the plight of Poland upon those little, narrow men in the United States senate, those little, narrow men who today control the machinery of the Republican party," he declared.

"But for their desire to satisfy personal spite, the Bolsheviks would not be knocking at the gates of Warsaw."

Our Hands Are Tied
"The heart of America goes out to the Polish nation. Our hands are tied, because of the obstructionist methods of Senator Harding's group of senators. The United States is technically at war. It is not a member of the league of nations. All it can do is to offer advice and sympathy."

Mr. Roosevelt's speech came in answer to criticism that he avoided the issue in his Chicago speech last night.

"Under the league of nations the presumption of neutrality is reversed and the nation which plans to attack another can assume with far more probability that all the other nations will be against it. The league of nations is but an expression of the new law of nations."

"As a result of the great war, the chief gain, I like to think, has been a complete change in the theory of international law," he said. "The league of nations is but an expression of the new law of nations."

"Under the league of nations the presumption of neutrality is reversed and the nation which plans to attack another can assume with far more probability that all the other nations will be against it. The league of nations is but an expression of the new law of nations."

The plea for the league of nations, the plea which so far only Russia, Mexico, Turkey and the United States have failed to heed, is that we discard the old policy of dangerous neutrality and adopt the same principle which has long been the cornerstone of common law and of man's relations with man."

In speaking of Poland he said: "If America had been a member of the league of nations, the Polish nation would not be today fighting Bolshevism with its back to the wall. If America had been able to throw into the scale the splendid moral force of its hundred millions of people the Bolshevik armies would not be where they are. Events which led up to the present deplorable situation would never have occurred. Do not let us forget the moral force of the United States in such an undertaking. It would have been necessary for a single American soldier to cross the seas. It would not have been necessary for America to become entangled in European politics. Ours would have been the quieting and steadying hand in a league without which America is incomplete."

MAKES SECOND SPEECH

KENOSHA, Wis., Aug. 12.—Franklin D. Roosevelt, Democratic nominee for vice president, in his second speech in his western campaign, today defended the Democratic administration in its conduct of the war and assailed Republicans who have attacked it on the grounds of "sinful squandering" of the people's money.

Investigations Useless
"This morning, for instance, we find the old guard campaigners talking about 'Democratic maladministration, sinful squandering and a betrayal.' Luckily the American people know that this Republican congress undertook \$7,000,000,000 of the war, that the investigations have cost more than \$3,000,000,000 and that not a single responsible official, Democrat or Republican, has been indicted or found guilty of dishonesty or dishonorable conduct."

"There is only one impeachment. We did purchase too much in the munitions of war. We did build too many ships. We did lay in more supplies than we could use. Hind-sight proves all this. The guilty party has been discovered. All this would have been unnecessary if Germany had had the decency to tell us before hand that she was going to ask for an armistice in November, 1918."

"This country will pay little attention to these investigations and attacks."

Man Rejoins Wife After Eighteen Years' Absence

CRIPPLE CREEK, Colo., Aug. 12.—Walking 30 miles over the mountains in a rainstorm when a washout halted his train on the Colorado Midland, William Ziesenshenne rejoined his wife and family today after eighteen years absence during which Mrs. Ziesenshenne had remarried and been widowed by death. The man had suffered loss of memory for 12 years.

VETERAN FARMER TO DEAVE STATE POST

MR. BROWN QUILTS HOSPITAL AFTER 37 YEARS SERVICE

Resolutions of Appreciation Are Passed at Meeting of state Board of Control

With the weight of nearly 80 winters upon him and his health showing some indications of decline, D. T. Brown, who for almost 37 years has been farmer at the state hospital for the insane, has felt it necessary to give way to a younger man. His resignation has been handed Dr. H. E. L. Steiner, superintendent of the hospital, and the state board of control, in appreciation of his diligent service through the long period of years, has recorded special resolutions, which also have been presented Mr. Brown.

It was on October, 1883, that Mr. Brown began his work in Salem. That was when the state hospital began to operate, and Mr. Brown not only was employed under the first superintendent, Dr. Horace Carpenter, but every other superintendent since. Mr. Brown came to Salem with the patients transferred from the old Haverhill institution in Portland, where the state's insane were kept before the establishment of the hospital here and where Mr. Brown had been employed for some years.

The resolutions passed by the board of control read as follows: "Since D. T. Brown has been in the employ of the Oregon State hospital for more than 37 years, and during that time has rendered the state most faithful and efficient service, always seeking the highest good of the department in which he was employed, and."

"Since Mr. Brown has felt it necessary to give up his work at this time on account of ill health, we, the members of the board of control, hereby tender to him our appreciation of his long and service and tender him our best wishes."

GERMAN SPY IS CAPTURED

Posed as American Army Lieutenant in Europe and United States

SAN FRANCISCO, Ca., Aug. 12.—Theodore Schude, arrested here as Private LeGrande of the 44th Infantry, and said by army authorities to be a former intelligence officer of the German army, who posed as an American army lieutenant in Europe and the United States, will be returned to Chicago for trial, the United States attorney announced here today. He will be tried on a charge of fraudulently obtaining money from the government.

Schude was sent to this country as Lieutenant Arthur Kinkaid and admitted to the Fort Sheridan convalescent hospital, where he was paid \$1,858 belonging to Lieutenant Kinkaid, honorably discharged and subsequently enlisted as a private under the name of LeGrande, the army authorities say.

The United States attorney has ruled that the local federal courts have no jurisdiction in the case as the alleged crime was committed in Illinois.

Further investigation here today developed that Schude had kept in touch with the German military authorities after his enlistment as a private, officials stated. They said that letters written in German and containing military information were found in Schude's effects.

1920 HEAT RECORD BROKEN.

PORTLAND, Aug. 12.—Two heat records were broken in Portland today. One was the August heat record, the other the record for 1920. Weather bureau officials said it was the hottest day of the year and the hottest August day in the history of the bureau.

Sixty-eight was the top mark reached by the mercury, recorded at 3 o'clock. A half hour later the weather bureau reported a drop of one degree. The mercury climbed steadily from 6 o'clock this morning when it registered 68 degrees.

Mannix Declares He Will Visit Ireland

LONDON, Aug. 12.—Archbishop Mannix of Australia, today declared his intention of visiting Ireland before leaving the United Kingdom, despite the government edict. He said he would not consider himself bound by the government's order.

Movements of the archbishop at Nazareth house are being closely watched by the police.

Man Rejoins Wife After Eighteen Years' Absence

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SPECULATOR ARRESTED ON TWO CHARGES

Ponzi Surrenders Explaining He Could Not Meet His Obligations Because of Closing of Hanover Trust

ACCUSED USE OF MAIL TO DEFRAUD AND LARCENY

Officials Unable to Understand How People Believed in Him

BOSTON, Aug. 12.—Some forty-two investors entrusted a total of \$20,000,000 to Charles Ponzi in a money-making scheme which postal officials today declared impossible of fulfillment.

Ponzi surrendered to federal authorities this afternoon, explaining he could not meet his obligations because of the closing yesterday of the Hanover Trust company, where most of his funds were deposited. He was arrested charged with having used mails to defraud and larceny and held in bonds of \$25,000 for hearing August 19. Morris Rudnick, real estate dealer, furnished the securities. Meanwhile, a warrant charging the Italian with larceny had been obtained by the state police in the municipal court and while leaving the federal building Ponzi was re-arrested and held by the city court in \$10,000 bail for appearance August 23. Rudnick again went on Ponzi's bonds.

Liabilities Millions.
Developments came fast today. As Ponzi was being arraigned before United States Commissioner Hayes, Edwin L. Pride, auditing the books of the Securities Exchange company for the federal authorities, announced that it already had been shown Ponzi owed \$7,000,000.

State Funds Tied Up.
Attorney General G. Weston Allen, who is conducting a separate investigation, said he believed Ponzi's liabilities would total millions. State Bank Examiner Joseph Allen, in a statement declared that the capital of the Hanover Trust company, of which Ponzi until yesterday was a director, was seriously impaired and probably wiped out. State Treasurer F. J. Burrell attacked the bank commissioner for not having given him opportunity to withdraw state funds before the Hanover club was closed. In response to Governor Coolidge's demand that he make known how much state money had been tied up, Burrell announced the sum was \$125,000.

Had Wide Field.
Ponzi's field appears to have included New England and New Jersey. The line that formed daily at Ponzi's office appears to have been far from representative of his clients. This was made up largely of foreigners interested largely in getting their money.

Anxious inquiries at the newspaper offices and feverish conversations indicated that the proprietor of small business, professional men and women, clerks and stenographers by the thousands, accepted the bait of "50 per cent profit in 45 days."

Many Fall for Scheme.
Agents working in offices and factories interested many, particularly among Italians. The mystery of Ponzi's methods added to the attractiveness of his promises. It is said that in many cases the possibility of profitably exchanging American dollars for French francs and francs for Italian lire and the latter for something else, seemed plausible enough without a clear comprehension of just how the things worked out. Among the amazing disclosures was that the bulk of Ponzi's millions was gathered in after the postoffice department had begun its investigation last February.

People Were Warned.
In discussing the case tonight, Chief Postoffice Inspector H. E. Moseby said that so far as their investigation had shown, Ponzi had never done any business in international reply coupons. He said he had warned hundreds against Ponzi when inquiries began to come in; that no man could manipulate or speculate in international reply coupons in the manner they alleged Ponzi had explained to them.

In reply to inquiries, Inspector Moseby said: "Our attention was first called to Ponzi's operations last February when inquiries began coming into the office from investors and prospective investors. Since that time we have been working in Europe and elsewhere."

Method Impossible.
"We have obtained evidence that there has been no abnormal issue or redemption of international reply coupons, while in some countries the use of coupons has been greatly curtailed."

(Continued on page 2)

DELTA REED, 15, FEARS OFFICERS—SHOOTS SELF

WAS TO BE SENT TO INSTITUTION AS DELINQUENT

Said She Would Go For Her Clothes, Took Father's Revolver and Shot Herself

ASHLAND, Ore., Aug. 12.—When officers from Portland arrived here today to take back Delta Reed, 15, for commission to an institution as delinquent, the girl told the officers she would go to her room and get her clothes. Instead she took a revolver from her father's room, went behind a barn and shot herself, dying instantly, the officers reported.

PRICE OF SUGAR TAKES BIG DROP

Holder of Large Stock Fear They Overstayed Market Suffer Loss

NEW YORK, Aug. 12.—Heavy depressions in the sugar market overshadowed by movements during the past few days, took place today. One large dealer reduced his list price on the fine granulated from 21 cents to a fraction over 17 cents a pound, and raw sugar sold on a basis of 13.04 cents, 10 cents less than the high level of three months ago.

Holder of large stocks of sugar expressed the fear that they had overstayed their market. Dealers declared the weakness a due to lack of demand for refined sugar, free offerings and a feeling of unrest.

RATIFICATION IS ASSURED

Second Victory Won When Anti-Suffrage Resolution Is Tabled

NASHVILLE, Tenn., Aug. 12.—The eve of the vote in the Tennessee legislature on suffrage brought unbounded optimism among suffrage advocates. Governor Roberts, who has been one of the leaders in the fight for ratification, declared tonight adoption of the ratification resolution was assured tomorrow "unless something miraculous occurs."

Suffrage leaders in both houses reported further accessions to their strength and pointed to the victory won today—the second of the session—when the house tabled a resolution which would have prohibited consideration at this session of the suffrage ratification resolution.

Opponents of ratification, however, refused to see any reason for optimism of the suffragists. They declared their ranks were holding firm and expressed satisfaction with the preliminary vote in the house.

There were rumors of an attempt at a filibuster in the camp of the ratification opponents tonight. Speaker Todd said a filibuster would not be permitted in the senate while Speaker Walker of the house, an opponent of ratification, declared that if the opposition was in for a defeat he "would not delay the game."

The most optimistic poll of the suffrage advocates tonight showed 57 votes in the senate where 17 is a majority, and of 60 in the house where the majority is 50.

The committee on constitutional conventions and amendments of the Tennessee senate after hearing on the federal woman suffrage amendment ratification resolution, announced late tonight that it would return a favorable report on the resolution tomorrow. A similar committee of the house, which conducted a joint hearing with the senate committee and that it would report on Monday. This action means, legislative leaders said, that the suffrage amendment will not be finally disposed of tomorrow as suffrage leaders had planned.

Baby Burns to Death in Portland House Boat

PORTLAND, Aug. 12.—The 15-month old son of Mrs. George Blackburn of Kenton, near here, was burned to death today when the Blackburn home, a houseboat, was burned to the water's edge. The fire started when an oil stove exploded, according to the fire department officials. The mother was unable to reach her child in time to save from the flames.

Jefferson Teacher Held to be Illegally Employed

The employment of a teacher for the Jefferson school recently was illegal, Attorney General Brown holds, for the reason that George P. Griffith, one of the directors who voted for the teacher, had resigned as a director and his resignation had been accepted by the county superintendent. One other director voted for the teacher and the third voted contrary. While the resignation of Griffith had not been accepted, the vacancy had not yet been filled.

FRANCE AND BRITAIN ON GOOD TERMS

Paris Foreign Office is Surprised at "Evident Misunderstanding of Attitude of France on Pole Question"

FRANCE FOLLOWED HER TRADITIONAL POLICY

Officials Declare Press Giving Too Much Prominence To Incident

PARIS, Aug. 12.—"Too much importance is being given by the French and British press to the divergence in views between the French and British governments on the 'Wrangle incident,'" was the statement to the Associated Press today at the French foreign office.

"France," it was stated, "follows its own tradition policy towards Russia and towards Poland."

"There was a feeling of surprise at the foreign office over the 'evident misunderstanding of the attitude of France.'"

"The small misunderstanding is annoying," said one official, "but it is not preventing in any way the cordial relations existing between the two great allies."

NOYON, France, Aug. 12.—Premier Millerand at a reception here today, after declaring France placed no consideration above that of national reconstruction, continued:

"The allies are united and will remain so. There are unavoidable differences due to the different characteristics of the nations, but their bond of unity was forged amidst severe trials, and a union firmly formed in such conditions must not be dissolved."

LONDON, Aug. 12.—Great Britain has been officially notified of the recognition by France of the government of General Baron Wrangel, as the de facto government of South Russia, and the question is being discussed between the two governments.

Some think akin to consternation is evinced by the evening newspapers over the French action, which is characterized as contrary to British ideas and a menace to entente relations.

Meanwhile King George, who was to leave for Scotland tomorrow, has postponed his trip, owing to the situation.

BOY DIES OF PLAGUE

BEAUMONT, Tex., Aug. 12.—City health authorities stopped a negro funeral today, turned the hearse back to the undertaking parlor and, after an examination, confirmed the presence of a seven year old negro boy, announced that the child had died of bubonic plague.

This is the fifth death from the plague here, out of 12 cases reported.

BOLSHEVIKS NEAR CAPITAL

Red System of Fighting Tends To Disorganize Polish Defense

PARIS, Aug. 12.—The situation at Warsaw continues critical. The Russian plan of delivering successive blows at different points tends to disorganize the Polish defense, compelling the Polish staff to rush reserves to widely separated points.

The red northern forces have been heavily reinforced and pushed to within 20 miles of the capital. The Poles are making a desperate stand on defenses hastily thrown up around Pultusk and, although badly equipped, half trained and not too well supplied with ammunition, they are holding their own, according to the latest news. But the issue still is in the balance.

There is little change on the remainder of the front, except in the south, where activity of the Bolshevik General Budenny is creating a new danger.