

HUGHES WOULD HAVE FINANCE EXPERTS MEET

Secretary Believes More Can Be Accomplished Than by International Conference.

GOVERNMENT ADVISED TO ACT CAUTIOUSLY

Full Reparations Advocated But Prostrate Germany Not Tolerated

NEW HAVEN, Conn., Dec. 29.—A suggestion that an international commission of men competent in finance could accomplish more than a general international conference toward solution of the European reparations tangle was put forward by Secretary Hughes here today in the first public pronouncement on the economic crisis to come from responsible officials of the administration at Washington. The secretary who spoke before the American Historical association, added that he had "no doubt" distinguished Americans would be willing to serve on such a commission.

Would Go Slow
Referring to suggestions that the United States assume the role of arbiter in the reparations dispute, Mr. Hughes said a sufficient answer to that was the fact "that we have not been asked."

Throughout his discussion the secretary recognized that the questions of German reparations lay at the foot of any economic settlement. The problems abroad, he said, are world problems and could not be disposed of "by calling them European."

He declared the United States would "view with disfavor measures which instead of producing reparations would threaten disaster" and said no one could foresee the "serious consequences" which might ensue if forcible means were adopted to obtain reparations from Germany.

Indebtedness Explained
Mr. Hughes emphasized the interest of the administration in economic conditions in Europe and the difference between the problem of inter-allied indebtedness and German reparations.

"There has been a persistent attempt ever since the armistice to link up the debt owing to our government with reparations or with projects of cancellation," he said. "The matter is plain enough from our standpoint. The capacity of Germany to pay is not at all affected by an indebtedness of any of the allies to us. The indebtedness does not diminish Germany's capacity and its removal would not increase her capacity."

The secretary of state criticized action of congress as in placing "definite restrictions on the powers of the debt funding commission, then turning to the subject of reparations said:

Must Be Industry

We have no desire to see Germany relieved of her responsibility for the war or of her just obligations to make reparation for the injuries due to her aggression. There is not the slightest desire that France shall lose any part of her just claims. On the other hand, we do not wish to see a prostrate Germany. There can be no economic recuperation in Europe unless Germany recovers. There will be no permanent peace unless economic satisfactions are enjoyed. There must be hope and industry must have promise of reward if there is to be prosperity.

"There ought to be a way for statesmen to agree upon what Germany can pay, for no matter what claims may be made against

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MANY VICTORY NOTES STILL OUTSTANDING

Treasury Department Reminds Holders Interest is Due—No Response Yet

WASHINGTON, Dec. 29.—About \$250,000,000 of the Victory notes called for redemption announced tonight in a statement urging all holders of this issue to present for immediate payment all notes bearing the letters A, B, C, D, E, and F, prefixed to their serial numbers. Interest on these notes was stopped December 15, it was added, and holders of registered notes called for redemption were reminded that interest due on that date would be paid with the principal when the notes were presented, the usual interest checks not having been issued.

MARION GRAND JURY REPORTS

Indictments Are Returned in Fifteen Cases—Three to Be Dismissed

Fifteen true bills were returned by the Marion county grand jury yesterday afternoon which had been considering 18 county cases since last Wednesday morning. Three bills were found not true. In these cases the defendants will be dismissed.

Among those against whom indictments were brought were Ernest Crabtree and Wayne Dimnick, sons of Oregon pioneers. They were charged with assault and robbery with a dangerous weapon. Cases were dismissed against Fred Larkin, accused of stealing a woman's coat; James Taylor, charged with forgery and Arthur Zielke, accused of contributing to the delinquency of a minor.

Fifteen Indicted
Indictments were as follows: Sam Witly, forgery of a \$2 check; James W. Rosell, larceny of a gas drag saw; M. N. Crow, assault against Roy Rowland with a dangerous weapon; Lewis Mathews, stealing of a diamond and agate ring; William P. Clemens, charged with forgery of a \$25 check; Louis Hollver, polygamy; Martin Dietrick, rape; Paul Schindler, injury to personal property; William L. Bryant, indecent exposure; Ernest Crabtree and Wayne Dimnick, assault and robbery; Alfred H. Berg, unlawfully connecting a pipe to a gas main; H. Ambrose Cain, forgery; Fred Bartow, burglary of Schel clothing store; Clarence Clement, larceny of three overcoats.

Arraignments to Begin
Arraignments of cases in which indictments were returned are expected to begin in the circuit court today.

HUNTING, FISHING POPULAR PASTIMES

Revenue Received by Marion County from Licenses Shows Increase

Hunting and fishing is becoming increasingly popular among Marion county residents according to a report recently compiled by U. G. Boyer, county clerk. Total revenues from anglers and hunters' licenses for the year of 1922 is listed at \$3663, against \$7966.50 for the year 1921. Combination licenses were in greater demand this year than last, a total of 651 being issued, against 333 last year.

A total of 2087 separate hunting and fishing licenses were issued this year, which brought in a revenue of \$2661. Combination licenses yielded \$3255. County anglers' licenses sold aggregated 21, and hunters' licenses 28. Six non-resident hunters licenses were given out at 25 cents each.

COMMISSIONS FIXED

NEW YORK, Dec. 29.—The committee on commissions of the New York stock exchange today fixed commissions on all stocks selling for less than \$1 and not less than 50 cents at three cents a share. On stocks selling for less than 50 cents the commission may be one mutually agreed upon.

SCIENTISTS FIND CAUSE OF PARALYSIS

Spread of Epidemic Laid to Rats and Fleas—Another Outbreak is Forecasted For U. S.

CAUSES OF INSANITY ARE INVESTIGATED

World-Wide Spread of Poliomyelitis Declared on Way—1923 is Date

CAMBRIDGE, Mass., Dec. 29.—The conviction that infantile paralysis is spread by rats and fleas, just as the bubonic plague is spread, was expressed by Professor Charles T. Brues, of Harvard university in an address before the medical science section of the American association for the advancement of science today. He indicated that there may be another serious outbreak in the United States soon, possibly during 1923.

Epidemic on Way

"The animal reservoir to which the finger of suspicion points is the rat and the insect intermediary, the flea; exactly the combination which we know to be responsible for the perpetuation of the bubonic plague," said Professor Brues.

The epidemic prevalence of paralysis, he said, had been strikingly intermittent, "with a tendency to exacerbation every second, or, more notably, every seventh year. If this frequency is repeated we may soon expect another serious outbreak in the United States, possibly during 1923, and if such should come to pass it seems very probable that a world-wide epidemic wave of poliomyelitis is under way, similar to the present tropic-demic of plague which began at about the same time."

Practically all epidemics of the disease, said Dr. Brues, occur during the summer.

Deportation Explained

Transmission of disease not only to other people, but also to animals and fish, with a potential influence on the food industries, has to be considered by the United States public health service in its attitude toward immigrants. Professors of that service, revealed in an address today, also before the medical science section of the session. He explained the reason for the policy of deporting Asiatic immigrants suffering from the Asiatic liverfluke disease.

This type of disease, he said, had been known since 1879, but the cure of only one case appeared to be recorded.

Floods Discussed

Dr. J. E. W. Wallin, director of the bureau of special education, and professor of clinical psychology, said that a 12-year study of 3,500 juveniles of all grades of intelligence and the observation of thousands of parents of defective children had led to the conclusion that most cases of feeble mindedness, insanity or epilepsy was in the ancestry.

General Henry Taylor of the United States army engineer corps, speaking on the problem of controlling floods of the Mississippi and Missouri rivers said that reforestation of the watershed would not be practicable for this purpose. To bring about a reduction of one half in the flood discharge, he said two square miles of forest would be necessary for every second foot of reduction, or 400,000 square miles of forest along the Missouri and 100,000 square miles at the headwaters of the Mississippi.

Dr. G. F. Cottrell, director of the government fixed nitrogen laboratory at Washington, speaking at a chemical symposium, said this country was well on its way to complete independence from Germany in nitrogen fixation.

Police Have Stolen Coats and Bicycles at Station

The Salem police department reports that three overcoats which were stolen a short time ago from Salem churches, have been recovered and are now at the station. In addition a Harley Davidson and Grant bicycle have been recovered. Owners of these articles are asked to call at the local station and identify them.

WOMEN REFUSE JURY DUTY IN COUNTY

Eight Out of Eleven Decline to Serve—Farmer Jurors Found Most Numerous

Eight of the 11 women whose names were drawn for the January 1923 term of court for Marion county have declined to serve according to information received from the county sheriff's office. Thirty-one names were drawn on December 12, by county officials, of which 11 included women. Thus far only one man has asked to be exempt from jury service. He is employed as a clerk by the state.

In occupations listed, women lead, each having listed their occupation as "housewife." Among the men, farmers head with a total of seven. Other occupations listed are widely scattered and diversified.

JAPAN SURLY OVER CHINA

Privy Council Condemns Weak Policy of Cabinet—Impeachment Due

TOKIO, Dec. 29.—(By the Associated Press)—The privy council's action today in adopting a resolution for presentation to the present regent condemning "the weak policy of the cabinet toward China, amounts to impeachment of the Kato ministry," in the view of the Tokio newspapers.

The press expresses the opinion that the resolution is a stronger instrument than the mere warning which the privy council added to the ratification of the Washington agreements, when it suggested that the Takahashi cabinet would more closely guard Japanese interests.

Attitude Not Liked

The cabinet on the other hand is said to hold the view that the privy council, being only an advisory body, has no power to interfere with the administration.

The privy council's action was the result of a recommendation by its special committee considering the Sino-Japanese postal agreement. It was decided to carry out this agreement in the spirit of the Washington conference, but as an expression of the privy council's opinion of the cabinet's attitude toward Chinese affairs the resolution of censure also was passed.

ARBuckle MOVIES TO BE PRODUCED

Star's Former Attorney to Organize Company—Will Defy Public

LOS ANGELES, Cal., Dec. 29.—Gavin McNab, San Francisco attorney, who defended Roscoe ("Patty") Arbuckle in his three trials in the northern city for manslaughter in connection with the death of Miss Virginia Rappe, screen actress, has organized a company to star the motion picture comedian in the "come back" he plans. It was announced here tonight by Joseph M. Schenck, producer who previously stated he would re-arrest Arbuckle.

According to Schenck, McNab has interested a group of San Francisco financiers in the plan and they have organized a motion picture producing corporation to be capitalized at \$100,000.

It is understood the new company will seek a producing site in Los Angeles and that McNab will direct its affairs, but that it will be known as Arbuckle's company and that the comedian will be its active head.

"I had a long talk today with Roscoe," Schenck was quoted. "He has recently returned from San Francisco, where he conferred with McNab and the San Francisco capitalists interested. Roscoe said McNab had organized a company which would produce his future pictures."

Roscoe is already working on his first picture. The production will start immediately. I understand negotiations are in progress for studio space.

MILLIONAIRE WIDOW ELUDES NEWS HOUNDS

Mrs. McCormick Enjoys First Day of Freedom to Remarry—Actions Veiled

CHICAGO, Dec. 29.—Mystery veiled the movements of Mrs. Edith Rockefeller McCormick, daughter of John D. Rockefeller on the first day of her freedom to remarry under the Illinois divorce laws. It was a year ago, a day since her divorce from Harold F. McCormick, who married Ganna Walska, the Polish opera singer last summer.

Silence greeted all inquiries at Mrs. McCormick's home regarding reports of her intended marriage to Edward Krenn, 261 26-year-old Swiss architect. Mrs. McCormick remained in seclusion in the grey stone castle she occupies on the lake shore and even the butler told newspapermen that he couldn't talk. Mrs. McCormick is 56 years old.

KLAN GATHERS FOR ACTION

Louisiana Chiefs Meet to Consider Accusations in Morehouse Cases

NEW ORLEANS, Dec. 29.—Klan chiefs of Louisiana met here today to consider action to be taken in regard to reports that klan members were responsible for the Morehouse kidnappings and murders.

A reporter of a New Orleans newspaper was permitted to be present, and at the conclusion of the conference he was authorized to announce that agents of the klan would be sent to Morehouse to investigate what had occurred on August 24, the date of the kidnapping.

May Outlaw Members
"If the klan of Morehouse parish is in any way responsible for the murder of Watt Daniels and Thomas Richards, the charter of that klan will be lifted and the klan outlawed," it was announced. "If any individual members of the klan are found guilty of those murders, not only will they be outlawed from the klan, but every bit of power the klan has will be used to help obtain their convictions before the criminal courts of the state."

The story told by United States department of justice agents that members of the klan in black hoods formed the "wrecking crew" for the kidnapping and murder of Daniels and Richards, is absurd. There is no such regulation in any part of the Ku Klux Klan or in any of its degrees.

No Lawyer Retained
The klan chief scouted the tale that Clarence Darrow, "or any other prominent lawyer" had been retained by the klan to fight in the defense of the men who might be charged with the murders.

HUBBARD BANK IS HELD NOT GUILTY

Court Concludes Cashier Was Justified in Endorsing Name on Check

A judgment against the plaintiff and in favor of the defendant was handed down by the Marion county circuit court yesterday in the case of Amos Yoder vs. the State Bank of Hubbard.

According to findings and conclusions at law the court held that since Yoder had received and retained a part of the purchase price of the farm sold he had ratified his brothers act and demanding the proceeds from the collection of the check he had in endorsing it.

The brother, N. J. Yoder, according to conclusions, had paid to Amos Yoder \$3,330 and extinguished certain liens on the farm which amounted to \$3,400, the agreed selling price of the farm. Evidence showed that in reality the farm was sold for \$4,500 but that N. J. Yoder was sold for \$1,100, less than \$150 per acre, the agreed selling price. The court held that the bank was justified in endorsing the check made out to Amos Yoder by John Kaufman in part payment and paying same over to N. J. Yoder.

FEDERAL GRAND JURY INDICTS NEW YORK MEN

Thirteen Prominent Residents Charged With Wholesale Violation of the Volstead Act.

MANY PERMITS FOR LIQUOR SAID FORGED

Agents Give Broadway Driest Christmas in History—More Raids Are Due

NEW YORK, Dec. 29.—Investigation by a federal grand jury into a bachelor's dinner at the fashionable Racquet and Tennis club on Park avenue, at which liquor was alleged to have flowed freely, today brought indictments of 13 men, including four members of the La Montague family, prominent in society.

Two indictments were returned charging conspiracy to violate the Volstead and internal revenue acts, through which approximately 30,000 gallons of assorted liquors were alleged to have been illegally sold. Some of those indicted also were charged with having forged liquor permits and other papers.

Return Two Indictments

Federal Judge Knox received the indictments on a day on which two other juries—one in the court of general sessions in New York and the other in Brooklyn—had handed up presentments urging repeal of the state prohibition enforcement act on the ground that it was ineffective and wasteful of public funds.

The principal defendants, according to United States Attorney Haywood, were Montague La Montagne and his three younger brothers, Rene, William and Morgan. Rene has long been in the public eye as one of the foremost American polo players, having several times appeared in international competition.

To Close Cabarets

"While prohibition enforcement was occupying the attention of various New York courts prohibition agents were claimed to have given Broadway the driest Christmas eve in its history, were planning to usher in the New Year just as aridly.

Aided at sea by gales which have dashed several rum craft on the rocks, dry agents ashore were obtaining scores of injunctions destined to close various cabarets as public nuisances.

Director Appleby of the dry navy admitted several big ships were hovering off the harbor but calculated that their chances of transferring their cargo to smaller craft in the rough sea were decidedly slim.

BREWERY PASSING CAUSES SUICIDE

Millionaire Who Shot Himself Said Despondent Over Business Turn

ST. LOUIS, Dec. 29.—(By the Associated Press.)—Worry over the passing of his famous brewery and a resultant heavy financial loss was given by business associates tonight as the reason for William J. Lemp, millionaire president of the brewery bearing his name, shooting himself to death in his office here this morning.

Coroner Richter said he was convinced that Lemp, who was the third and last president of the brewery which before prohibition was considered one of the largest in the world, had committed suicide, the third suicide in the family of brewers, his father and sister having taken their own lives, but that he would hold on inquest tomorrow as a matter of form.

Friends and members of his family declared he had been despondent since last June, when the brewery plant here, which was valued at \$7,000,000, was auctioned off for approximately \$600,000, although, they stated, his financial affairs were in good shape.

MOVIE TURNS INTO ROUGH HOUSE FIGHT

Extras Think Fistic Display Demanded—Police Settle But Arena is Wrecked

LOS ANGELES, Dec. 29.—A motion picture director at Universal City, near here, hired 500 extras today to be used as the audience in the filming of a prize fight scene.

In the excitement of the make-believe pugilistic fiesta, two of the hired spectators forgot themselves and came to blows. The fight quickly spread to the other 798 members of the "audience" and after the dust settled and a hurriedly summoned squadron of police had herded the combatants into the streets, it was found that the arena was wrecked.

WOULD REPEAL OLD STATUTE

Report of Secretary of State Advocates Permitting Treasurer to Borrow

Amendment of the present laws so as to authorize the state treasurer to borrow money to care for the immediate needs of the commonwealth instead of indorsing warrants "not paid for want of funds," will be recommended by Sam A. Koser, secretary of state, in his biennial report to the legislature.

"It transpires frequently in the ordinary course of business," says the recommendation, "that upon the presentation of general fund warrants to the state treasurer, there is no money in this fund from which the warrants may be paid. This means that the general fund has become depleted because of demands thereon in excess of receipts accruing through the annual tax apportionments to the several counties which have not yet been collected and turned over to the treasurer."

Law Passed in 1859

"The law defining the duties of the state treasurer requires him to pay all warrants drawn on the treasury in the order in which they are presented. If there are

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JAPS PREPARE TO QUIT CALIFORNIA

Anti-Alien Law Throws Hundreds of Farmers Out of Land Coming Year

LOS ANGELES, Cal., Dec. 29.—Japanese farmers in California are planning to quit the state and establish themselves either in Sinaloa or Nayarit, Mexico, according to a story the Los Angeles Times will publish tomorrow.

The Times states it is "able to announce that negotiations" for the removal of "the entire Japanese agricultural colony in California" already "have been taken up with the Mexican government."

"The anti-alien land law of California throws thousands of Japanese farmers out of their land with the first of the year," the paper continued. "What these farmers would do has been a question until now unanswered."

N. Kabayshi, who has lived in Mexico many years and who is married to a Mexican, a native of Guadalajara has become head of a new department of the Japanese Chamber of Commerce of Los Angeles, to handle Japanese Mexican industrial affairs, and to arrange for the new Japanese colony on the Mexican west coast if the Mexican government grants the necessary permission.

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BORAH PLANS TO WITHDRAW NAVAL RIDER

Assurance First Given That Harding is Sounding Situation Which May Lead to Adjustment.

PRESIDENT REGARDS ACTION AS WISE MOVE

Irreconcilables Start Warm Debate When Action of Senator Known

WASHINGTON, Dec. 29.—The fight over the proposal of Senator Borah that President Harding call an economic conference came to a senatorial climax in the senate today when the Idaho senator announced that he would withhold his proposed amendment to the naval appropriation bill on administration assurances given by Senator Watson of Indiana that the president already was sounding out the situation in a way that might lead to some movement that would aid the adjustment of conditions prevailing in Europe.

Borah Wants Action

Senator Borah made known his decision during the debate after Senator Watson, one of the administration spokesmen who was instrumental in lining up the administration forces in opposition to the proposal, appealed to the Idaho senator not to press his proposed resolution for substantially the same reasons outlined in President Harding's letter yesterday.

Senator Watson disclosed that administration "feelers" had been made as to European policy, and referred to the statement in President Harding's letter that it was necessary first to ascertain whether overtures for a conference would be "welcome." He admitted that the situation was not one of "negotiations," but of diplomatic "conversations." Senator Borah, pressing for more definite information, asked if the administration course might "ultimately lead to a conference covering the question of the economic conditions."

Feelers Are Out

"Or, to some gathering for the purpose of determining the problem," Senator Watson replied. "But the senator does know that the feelers have been put out," Senator Borah pressed. "That is my understanding," Senator Watson replied. "And that it has for its ultimate object the adjusting of the conditions which now prevail in Europe?"

"The timing of the adjustment," said Senator Watson, adding that "feelers have been put out for the last two or three months for the purpose of ascertaining the situation and just how far we could go." He declared, however, that he was not advised that they looked to the conference proposed by Mr. Borah, and added that he did not know to what length the administration's efforts had gone.

Position Explained

The administration position was further emphasized by Senators Lodge of Massachusetts and McCormick of Illinois. The former declared that American ambassadors and ministers for months had been inquiring as to the possibility of American action, and contended that Senator Borah's amendment, if adopted, would be "harmful" to the administration's efforts. Senator McCormick referred to negotiations for the Brussels conference, but remained silent when Senator Borah pressed for information as to whether the United States proposed to participate.

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NOTICE TO OUR READERS

The Statesman carriers will call to make their monthly collections today. Your newspaper boy is just starting in business for himself. This is his first effort to learn business and his success or failure depends to a considerable extent on your good will and cooperation. A pleasant smile and a cheery word will encourage your boy and help him make a success of this, his first venture in business life. He will appreciate it and show his good will in any way he can. If your subscription is already paid, ignore this notice and accept our thanks.

STATESMAN PUBLISHING CO.

THE WEATHER

OREGON: Saturday rain in west portion; rain or snow in east portion.

LOCAL WEATHER

(Friday)
Maximum temperature, 45.
Minimum temperature, 42.
River, 13.8 feet above normal level, falling.
Rainfall, 1.8 inch.
Atmosphere, cloudy.
Wind, south.