

CIRCULATION
Average
Distribution 7047
June, '32
Net paid, daily, Sunday 6667
MEMBERS A. B. C.

The Oregon Statesman

FOUNDED 1851

WEATHER
Fair today and Sunday,
temperature and humidity
unchanged; Max. Temp. Fri-
day 83, Min. 50, river -1
foot, north wind.

EIGHTY-SECOND YEAR

Salem, Oregon, Saturday Morning, July 9, 1932

No. 89

TAG STEPCCHILD NOBODY WANTS HUSTLED AGAIN

Meier Lays it on Doorstep Of Hoss but Secretary Sends Back Again

Alternatives, Both Legal, are Cited in Response to Governor's Claim

Governor Julius L. Meier yesterday took his quarterly license baby and laid it firmly on the doorstep of Secretary of State Hoss' office but no sooner had the governor ducked away from the problem than Hoss promptly returned it to the chief executive.

Refusing to take any blame for the disturbed conditions of the last fortnight, Hoss called upon the governor to adopt the Hoss plan for handling auto licenses which would be:

1. Extend the existing moratorium until August 15 to allow motorists ample time to pay annual fees, or

2. Call a special session of the legislature to vote to effect a quarterly license plan, legislators to serve without pay. Statements issued by both principals

Both the governor and the secretary of state issued lengthy statements during the day, the former attributing the failure of his plan to "evasions, delay and refusal to cooperate" on the part of Hoss. The latter retorted in a statement issued late Friday: "I have just been notified by the press that you have come to the same conclusion that I did two weeks ago regarding quarterly license fees and that you will not be able to carry out the promise you made of selling them through the treasurer's office."

Hoss went on to score the governor for refusing to cooperate in launching a test mandamus suit against Hoss following the planned refusal by the latter of a quarterly license payment.

"My suggestion that you file action against me to test the legality of the quarterly payments is logical and would answer all questions involved," Hoss declared.

Governor Meier was equally categorical in his response to Hoss' letter read, "I have given careful consideration to the plan relative to a test case in the supreme court on the quarterly license angle. As I advised you last night, by telephone, I do not see my way clear to be a party to the proceedings. I have discussed the matter with Henry Hansen and my chief deputy, who sat in on the conference yesterday, and talked further with Attorney General VanWinkle about the plan. He concurs with me in several points involved."

Hoss then set out six reasons which he said justified his action in declining to enter the proposed mandamus suit against the state treasurer, as proposed by Governor Meier.

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Billion in Gold "Taken for Ride"



In the midst of depressing reports that our dear old Uncle Sam is limbering up for the long walk over the hill to the porch, it is comforting to learn that the fine old gentleman still has a tidy nest-egg. In the near future more than \$1,000,000,000 in gold will be taken for a ride through the streets of New York. It represents the amount of bullion now in the old United States assay office at Wall Street which is to be transferred to the new government treasure house in another part of the city. To the ordinary individual, unless he's on back-slapping terms with J. P. Morgan, this amount is almost inconceivable, so we'll reduce it to truck loads—400 of them. The moving job will be done by an armored car service company on contract and is expected to take about fourteen days. This calls for the removal of \$1,000,000 every four minutes for seven working hours every day. As the amount of bullion in the assay office fluctuates, the amount to be moved may be nearer the two billion than the one billion mark before the big haulage job is completed. Elaborate precautions have been taken to provide against any raid on Uncle's nest-egg. Besides the regular crews and guards on the armored cars, there will be a picked escort of federal men, who are quick on the draw, with each shipment.

BORAH BARS WAY TO VOTE ON BEER

No Decision Reached Upon Barbour's Endavor to Raise Repeal Issue

WASHINGTON, July 8.—(AP)—The whirling prohibition controversy whirled about both sides of the capitol today in extended debate but there was no final decision on proposals to repeal the 18th amendment and to legalize beer.

In the senate a move by Bingham (R., Conn.) to obtain a vote on his bill to legalize beer was thwarted temporarily through a parliamentary maneuver by Borah (R., Idaho).

Earlier the senate debated vigorously but reached no agreement on a motion by Senator Barbour (R., N.J.) to bring up for consideration his legislation for repeal of the 18th amendment.

The motion remained on the calendar, however, and that will permit a decision any time before adjournment. Barbour said he would press for an early vote.

On the house side a petition signed by 77 congressmen making for an opportunity to vote on legalization of beer before adjournment was presented to Speaker Garner.

After Borah displaced the Bingham proposal with other legislation, the 77 congressmen were charged that they were attempting to save the "timid souls in the democratic party" from having to vote on prohibition.

Borah, a prohibitionist, contended a currency expansion bill he introduced as a substitute for the beer "rider" on the home loan bank measure "is of more concern than either beer or red liquor."

Free-Milling Gold Lode in Idaho Found

LEWISTON, Idaho, July 8.—(AP)—Although guarded for several days, news of discovery of a free-milling gold lode 10 miles west of Brown's creek, was obtained today from J. M. Malloy, Orofino business man, by the Lewiston Tribune. Malloy admitted the discovery after he was presented with evidence he had made application for state mineral leases.

Malloy said a prospector named J. R. Crawford located the ledge of ore, six feet thick, after building a water line three miles long to sluice higher ground.

"It's the mother lode of all stamped into the Pierce region in the '60's," Malloy said. Under the law, the state must receive one-eighth of all gold extracted from state lands.

Malloy said samples assayed as high as \$1110 a ton, with others more frequent showing \$20, \$297 and \$326 to the ton.

Use of Name
Will Rogers
Objected to

OKLAHOMA CITY, July 8.—(AP)—Use of the name Will Rogers by a county school teacher who led the democratic race for congressman-at-large in Tuesday's Oklahoma primary is challenged by a defeated opponent as a "misrepresentation."

Howard asserted the attorney general had held a candidate could not properly file under a nickname. Expressing the belief voters had confused the Moore, Okla., teacher with the noted Claremore comedian, he said he would investigate registration of the former.

"My name's been Will for years," said Rogers, no relation to the famous wisecracker. "I was named Willie, but that's a girl's name and I decided to use Will."

MYSTERY PILES UP IN PROBE OF REYNOLDS CASE

Private Secretary is Held As Material Witness; Inquest Secret

Widow Says Mind is Blank Except for "Flash" at Time of Tragedy

WINSTON SALEM, N. C., July 8.—(AP)—Ab Walker, life long chum and more recently private secretary of Smith Reynolds, was being detained by officers tonight as a material witness to circumstances surrounding the fatal shooting early Wednesday of the heir to the R. J. Reynolds tobacco millions.

The 19 year old youth, who made public the first bare details of the shooting, indicating Reynolds killed himself, was at first taken to jail, but later was allowed to go to a hotel where he was spending the night under guard.

Assistant Solicitor J. Eric Michael said the move was made merely to prevent intermingling of witnesses prior to completion of a coroner's inquest which was begun this afternoon and recessed until tomorrow.

WINSTON SALEM, N. C., July 8.—(AP)—Apparently on the verge of a breakdown, Libby Homan Reynolds was quoted as telling a coroner's jury in a secret session tonight that she had no recollection of her husband's death, except for a brief "flash" in which he called her name, followed by a pistol shot.

An official connected with the closely guarded inquiry at the magnificent Reynolds estate gave a synopsis of the testimony of Mrs. Reynolds; former blues singer on Broadway, but declined to permit the use of his name.

"She said her mind was an absolute blank from the time she went to bed Monday night," he said, "until some time Wednesday afternoon, except for a brief 'flash' when she saw Smith Reynolds with a pistol held to his head by her name 'Libby,' and then heard a shot."

Reynolds, heir to the R. J. Reynolds tobacco millions, was found dying on sun porch of the palatial Reynolds home, Reynolds, about 1 a. m., Wednesday. He died in a hospital four hours later.

Earlier in the day Coroner T. N. Dalton said he had heard of a marital rift developing between the young couple when Reynolds learned for the first time recently that his bride was of Jewish blood. Miss Holman's father was described by Winston-Salem newspapers as a Jewish member of the Christian Science church.

Douglas and
Vicinity Aid
Merger Plan

Douglas and adjoining counties produced 8000 signatures for the university college merger petitions, it was shown here Friday when a recheck of the completed petitions was made at the secretary of state's offices. Douglas county's support of the proposal is supposed to come from the fact that Eugene appeared last year as a strong bidder for the soldiers' home Roseburg was seeking.

United States Will Listen to Requests For Debt Reduction

No Promises Made to Cancel and Congress has Final Word; Individual Pleas to be Welcomed, Officials Repeat

WASHINGTON, July 8.—(AP)—The United States stands ready to hear appeals from European powers for a reduction of the \$11,000,000,000 they owe this country on loans during and immediately after the world war.

Since Europe has finally agreed at Lausanne to cut Germany's reparations down to \$780,000,000, the state department said today the United States is willing to consider individual proposals for revision of debts from the 15 nations which owe this country.

No promises to revise or cancel debts have been made by the United States. But this government has repeatedly stated in recent months that it would grant a rebearing to European debtors individually after they have agreed among themselves to settle reparations.

Until the Lausanne conference works out its agreement in detail a full text is available to the state department, Secretary Stimson and his assistants will not be able to arrange plans for hearing appeals of the debtors.

Any change in the amount of war debt payments would have to be approved by congress which is on record against further reduction or cancellation. Both the house and senate took this position in approving the Hoover one-year moratorium on intergovernmental debts.

Meanwhile Representative Rainey, democratic leader, told the house the Lausanne agreement "comes with crushing effect upon this country."

"Last June when President Hoover agreed to a year's moratorium, he canceled for one year a \$100,000,000 indebtedness," Rainey said.

"When the president did that he canceled the \$10,000,000,000 they owe us. Our taxpayers are going to pay this \$10,000,000,000 (Turn to page 2, col. 5)

SERVANT HELD ON
EXTORTION COUNT

OAKLAND, Cal., July 8.—(AP)—Paul Atkins, 23, employed as a houseboy in the apartment of Ralph P. Jacobs, wealthy chain store superintendent, was arrested here tonight and charged with threatening to kidnap Jacobs' 11-year-old son, Ralph, Jr. Police said the first extortion threat was made Monday in a letter which demanded \$5000. The letter, written on a piece of paper shaped like a foot, was signed with five cross marks. Thursday night, Mrs. Jacobs reported, some one called her by telephone and asked if the letter was received. Two more telephone calls were received today.

Mrs. Jacobs notified authorities she had recognized Atkins' voice and his arrest followed. Police said he admitted the extortion plot. He had been employed by the Jacobs three months and said he came here from Los Angeles 10 months ago.

Mr. and Mrs. Jacobs said their son is visiting relatives in Long Beach.

POST-WAR BILL OF GERMANY IS MUCH SLASHED

Bonds of 750 Millions Will Be put up, About one Per Cent of Debt

LAUSANNE, Switzerland, July 8.—(AP)—Germany's post-war reparations bill, filed after the war at nearly \$85,000,000,000, was cut to about \$750,000,000 today in the greatest single financial deal in history.

This amounts to about one cent of the dollar. Doggedly persevering against what seemed insurmountable difficulties, the European powers, urged constantly by Prime Minister Ramsay MacDonald of Great Britain, finally cut through the persistent deadlock between Germany and France to pave the way for what debt negotiations with the United States.

Germany agreed to put up approximately \$750,000,000 in bonds in lieu of further reparations payments. She dropped her insistence on deleting the war guilt clause of the Versailles treaty, and France accepted the compromise. Cooperation from U. S. is indicated.

A new effort for peace in relations among nations is commenced, the document went on, on the basis of reciprocal confidence.

Shortly after the agreement was announced, there came a statement from Washington that the United States was ready to consider any proposals the European debtors may care to make for reconstruction of war debt settlements.

The announcement created a profound impression on the heads of the delegations, when it was taken to them by the Associated Press.

Louis Germain-Martin of the French delegation said, "We are naturally happy to hear that; it bears out the policy France has followed."

Dino Grandi, Italian foreign minister, hailed it as "good news." Speaking for central Europe, Stephan Czekanowski of Czechoslovakia declared it "the best news since the opening of the conference."

Ask America to Attend New Parley

When the final session of this conference is held, probably tomorrow, a resolution will be offered asking the United States to attend a world economic conference.

This conference in the view held here would be expected to weave the Lausanne convention into a universal accord, under the resolution, which was believed sure of adoption.

Today's agreement, which will be initiated by Germany and the creditor nations tomorrow, indicated the German bonds would be a fund to be placed in a common cash box. Powers other than the six represented here—Great Britain, France, Italy, Japan, Belgium and Germany—will not sign the agreement.

It was explained this will not be done until after debt settlements with the United States, if ever. The former Allies expect to use part of the funds to pay their American debts if Washington insists.

(The books at Washington in June 1931, showed the United States had received something over \$1,000,000,000 on account of debts totaling more than \$11,000,000,000.)

Mt. Hood Climb
Perils Removed
By New Project

PORTLAND, July 8.—(AP)—The Zig-Zag ranger station reported today that a party of five men and eight horses have started up the slopes of Mt. Hood today to place poles and make the mountain as safe as possible for climbers.

Ropes will be placed along the slope where Glen Gullickson, Portland, slipped and crashed to his death Tuesday.

A phone line will be extended to the cabin on top of Mt. Hood, and a look-out will be placed there for the remainder of the season.

Fruit Jars Wanted
By Associated
Charities

The Associated Charities, 219 Court street, is making an appeal for fruit jars. Much fruit is coming in, and the organization is sending men and women out to pick fruit and berries but jars are needed for canning the fruit for preserving.

Those desiring to help out are requested to bring their jars to the Associated Charities.

Oregon Briefs

JOB FRAUD CHARGED
PORTLAND, Ore., July 8.—(AP)—Police here today had what they declared to be something new in the way of arrests. S. Patterson, 23, and Matt Kohn, 44, were arrested on a charge of obtaining employment unlawfully.

New Crime is Invented Truxillo Tragedy Eyed Judge Martin Pipes III Klamath to Cancel Fair

meet tomorrow in Portland where survivors of the accident will be questioned.

CONDITION SERIOUS
PORTLAND, Ore., July 8.—(AP)—Judge Martin L. Pipes, former justice of the Oregon supreme court, was reported today to be seriously ill at his home here.

FUNDS ARE LACKING
KLAMATH FALLS, Ore., July 8.—(AP)—R. E. Bradbury of the Klamath county fair association announced today that the fair will not be held this year.

WEATHER HAMPERS EFFORT AT RESCUE

CHERBOURG, France, July 8.—(AP)—Strong currents and a rising tide halted efforts to salvage the sunken French submarine Promethee today and small harbor craft, unequipped for their heavy task, sought shelter in the harbor.

Late Sports

SEATTLE, July 8.—(AP)—Taking two out of three falls here tonight, Nore Jerlstrom of Seattle defeated Tom Alley of Spokane in the main event of a wrestling show. Both are heavyweights.

Des Anderson, Seattle, suffered his first defeat in the welterweight tournament when he lost two of three falls to Joe Reno of Dallas, Texas, in the semi-wind-

Grocer Grapples
With Robber but
Some Loot Taken

PORTLAND, July 8.—(AP)—Two armed men entered the grocery store of Ned Farah here this morning, and while one of them went to the till, the other covered Farah with a gun, ordered him to put up his hands.

Instead, Farah lunged at the gunman. The latter fired three shots, apparently trying to intimidate the grocer, and that falling, he fled outside.

As the second robber reached the sidewalk, Farah jumped on him, and struggled with him until the intruder broke loose and ran. Farah chased him several blocks, crying "Thief! Thief!" but the robber eluded him. Farah told police \$11 was missing from the till.

Raspberry Work
Starts; 102 Get
Jobs on Friday

Raspberry pickers were called for at the U. S.-Y. M. C. A. employment office for the first time this season yesterday. Wages offered were 20 cents for 12 pounds of berries.

The employment situation continued stable. During the day 102 persons were sent to work, 98 of them in the orchards and berry patches. Two laborers were placed, two woodcutters, one farmer, one brick mason and one truck man.