

# AID FOR DAWES BANK DEFENDED

### Was Provided at Insistence Of Democrat Members Of R. F. C. Board

(Continued from page 6) upon them which they in turn pay to their depositors.

#### Depositors Millions

Now, it was found on examination that these 755 depositing banks had 6,500,000 depositors scattered over 15 states. But that is not all. There were 31,000 other banks scattered throughout the country, which had deposits in the 755 banks depositing with this particular city bank; and in these 21,000 banks were more than 20,000,000 depositors; and they involved widows, orphans, workers, insurance companies, manufacturers and merchants.

And in addition to all this, there was the position of the borrowers from all this mass of banks. If this city bank should fail, there must be immediate demand for the payment of the money due from its borrowers. If any of the banks dependent upon it should fail, their borrowers in turn would be compelled to make immediate payment of money due and to realize upon their property at a time when property could not be turned into cash at anything like its real value. In this city bank and in the 755 banks which carried their reserve deposits in this city bank, there were 695,000 men and women and institutions owing money on their notes. They were scattered throughout the length and breadth of the land. They were on the farms, in the cities, the villages and hamlets. Most of all these groups of people were unaware of their danger. They were in their homes and in their churches, concerned with their own affairs—but they were not being forgotten.

The men who had conducted this bank over a great number of years were men of high esteem in the whole community. To their credit be it said that their chief concern was the preservation of these hundreds of thousands or millions of people from disaster. They were not asking aid for themselves.

The investigations and the conversations occupied many hours of continuous communication from these two cities to Washington and back again. Remember this was on Sunday when the normal processes of business were difficult to conduct. Countless difficulties were encountered and solutions worked out. They were working against time.

#### Crisis Averted

Finally, three hours after Sunday midnight, the task was completed. The assets had been valued by the examiners of the reconstruction corporation. The banks of the two cities joined in lending assistance and the Reconstruction corporation agreed to furnish a sufficient sum to assure that this bank could open without fear and meet every demand of its depositors.

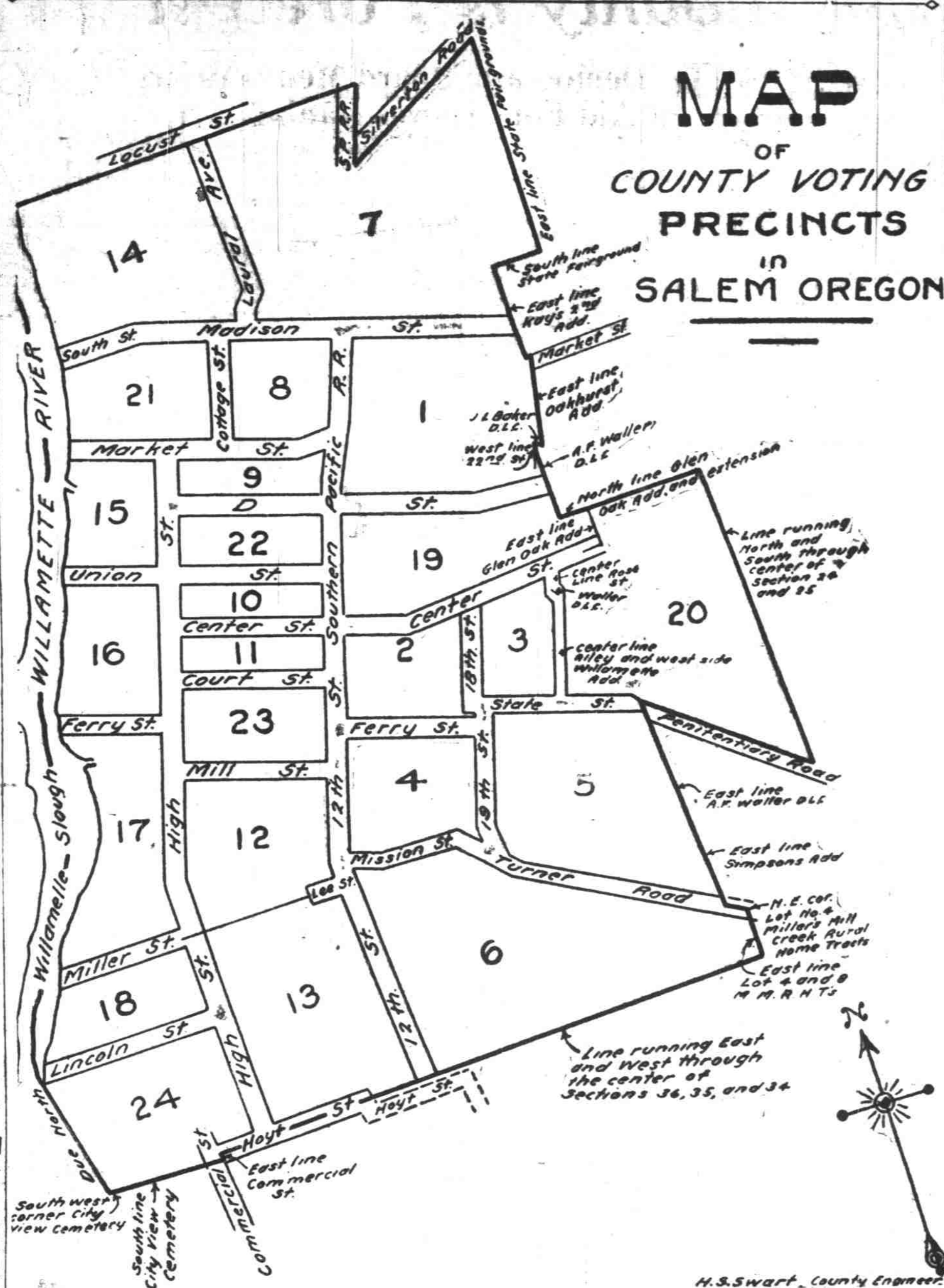
At 10 o'clock Monday all these banks opened for business as usual. Public announcement was made that ample funds were on hand to pay every depositor. As had been anticipated, immediately excitement and panic subsided and confidence was restored. The crowds melted away—deposits began to return. The situation was saved, not only in this bank, but in the other banks which had been subject to heavy withdrawals.

The loans offered by the cooperating banks and the Reconstruction corporation were never fully called for and have since been largely repaid, and every danger in connection with that episode is now over.

The central human figure of that bank was a man who had served his country for 40 years in many high capacities, who in recent years had been absent from the country in a position of first importance to the American people.

That is the story of the Dawes bank in Chicago. You know the use our political opponents have made of this incident. They ignore the fact that General Dawes resigned from the reconstruction corporation three weeks before, on his first news that attacks were being made on the bank with which his name had long

## PRECINCT BOUNDARIES IN SALEM—CHECK YOUR VOTING PLACE



# Associated Press Brings Quick, Accurate Reports Of Way Election is Going

Governmental agencies in each state will provide its voters November 8 with facilities to express their preferences between the candidates for the presidency. Vigilant officers guard the balloting, modern inventions speed the task of registering and counting the votes, every reasonable aid to obtaining an expression from the citizens will be invoked—but there is no official, governmental provision for promptly informing the voters what they decided.

The highly important phase of the election will be handled by The Associated Press, of which The Statesman is a member. An organization embracing, conservatively estimated, 50,000 persons will tackle the gigantic problem of accurately tabulating the nation-wide presidential vote as quickly as the polls close in each section. The election machine extends to every precinct or

#### Emergencies Many

And I may tell you that this is but one of six similar episodes in great financial centers in the United States, the direct result of the shocks and fears which we received from the collapse of foreign nations. But such action by our government agencies has not been limited to great financial centers. In over 5000 towns of populations under 25,000 the reconstruction corporation has had to intervene to save their banks under similar circumstances. Beyond that they have made loans to insurance companies with 15,000,000 policyholders, loans to 736 building and loan associations with over a million and a half members, loans to several hundred farm and home mortgage companies, agricultural credit associations, livestock credit corporations, all of them for the purpose of preventing the loss of hundreds of thousands of homes and farms and the destruction of their family life. The totals today aggregate millions of men and women who were not forgotten.

I may also remind you of one thing in respect to these loans. The law requires that they should be made on adequate security. The loans have been so made. Large amounts have been repaid. It is not a burden upon the taxpayer, but it is the salvation of millions of jobs to men and women.

I have gone into this matter at such length to illustrate to you by actual example what the operation of the Reconstruction corporation has meant. This is an example of the meaning of my oft-repeated phrase about the use by the federal government of the full power of its credit in time of great national emergency for the protection of millions of families.

As soon as the precinct election judges complete the count, the results are rushed by a reporter to a tabulating center, usually a county seat. The cumulative totals are then relayed to a zone center, and from there to the tabulating office for the state. State totals are next transmitted over special leased wires to The Associated Press bureau at Washington, where both the electoral and popular votes are tabulated at frequent intervals.

A steady flow of news bulletins and comprehensive accounts of the voting is maintained from this center so that The Statesman and other member newspapers may give their readers the latest information. Electors in each state will cast their ballots for president and vice-president in January, and a month later congress officially will canvass and announce the result. The nation will know the result, however, in a matter of hours after the polls close.

The Associated Press election machine is geared to work at high speed, but even greater stress is placed on accuracy. From the precinct reporter to the final tabulator in Washington, every member of the vast organization guards against errors, reports the

facts and does not guess or estimate. Because of its enviable record for the correctness of its reports, on elections and other events, The Associated Press "unofficial" tabulations, and not congress canvases in February, will be relied on to inform the voters whom they elected to the presidency.

# AVERRILL WARNS NOT TO LAPSE POLICIES

A. H. Averill, state insurance commissioner, has issued a warning against what he termed "the altogether too frequent practice of lapsing old policies having accrued values and replacing them with other insurance on the solicitation of an agent who has only a personal interest to be served." "The past few years have witnessed it impossible for a policy holder to surrender a policy having an accrued value and replace it with other insurance without sustaining a loss," Averill declared. "If a definite form of protection is needed or the policy holder is unable to repay all of the loan accrued on the policy, the situation should be explained frankly to the officers of the company before accepting the advice of one who is serving only his own interests in advising the change. The past few years have witnessed the dependability of life insurance as never before, and one should give serious thought before relinquishing any protection under the policies now held."

# VOTE 308 X Yes

## On a Bill Prohibiting Commercial Fishing On Rogue River

The following excerpt from a letter from Henry O'Malley, Commissioner of the United States Bureau of Fisheries, constitutes a conclusive argument in favor of the passage of the Rogue River Fish Bill.

"I strongly feel that the Rogue River, as well as the other salmon rivers in Oregon, should be closed to commercial fishing if it is hoped to maintain the rivers in anywhere near their original productivity. These rivers are not unlike the rivers of Alaska, and we do not permit any fishing in any of our rivers in the north. In fact, some of them are closed a mile or more outside their mouths. I believe that the fish in the rivers should be left there to reproduce their species. This would give the steelhead trout, which is largely a game fish, an opportunity to perpetuate itself and furnish sport and food for the people of Oregon and the thousands of tourists who are now seeking the great out-of-doors. These tourists will prove to be one of the valuable assets of the state of Oregon."

### VOTE 308 X YES ON A BILL PROHIBITING COMMERCIAL FISHING ON ROGUE RIVER.

Grants Pass Chamber of Commerce By H. L. Wilson, Vice President  
Ashland Chamber of Commerce By B. G. Barkwell, President  
J. B. Harvey, Secretary R. E. Detrick, Secretary  
Medford Chamber of Commerce By W. S. Bolger, President  
C. T. Baker, Secretary

Paid Adv.

been associated. He resigned to try to save that bank without calling on the reconstruction corporation, of which he had been a director. His name and appreciation of the use that would be made in this campaign of such calumny. He sought to avoid it.

#### Dawes Reluctant

And you should know that when that Sunday meeting started General Dawes stated that he could not bring himself to ask for assistance from the corporation in which he had so lately been a director, but it was upon the insistence of the two democratic members of the reconstruction board, sitting in the federal re-

serve bank meeting in Chicago and, upon the insistence of the leading democratic banker of Chicago, who was then mentioned as a candidate for the presidency of the United States, and upon the insistence in New York city of the leading democratic banker and a leading democratic manufacturer, also mentioned for the presidency, upon insistence of the other democratic members of the reconstruction corporation that this was no case of the personal feelings of General Dawes or the effect upon my administration, that it was solely a case of national necessity and those men then and there jointly offered to take full responsibility for the action. These men acted not because

they were democrats or republicans, but because they were local citizens of the United States. The situation demanded broad vision and comprehensive understanding of the problem, instant decision, bold and courageous action. Only by this was a major disaster averted. And I may tell you that

not only were these loans adequately secured, but in the ordinary course of business they are being paid off. The constant misrepresentation of this episode for political purposes by democratic politicians is a slander upon men of their own party as well as a cruel in-

**When You Vote 312 X YES**  
you will vote to give Oregon a **\$7,000,000 Industry** providing a **\$3,000,000 Payroll** and employing **87,500 Workers**

**Facts and Figures Tell the Story**  
During the 10 years prior to the advent of national prohibition Oregon had 25,000 acres of land producing hops each year.  
The average value of Oregon's hop crop was then \$7,000,000 a year.  
The average annual payroll of \$3,000,000 gave employment to 87,500 men, women and children.  
Today there are 16,500 acres producing hops in Oregon.  
The average annual value of the crop is only \$2,000,000.  
The annual payroll has been reduced to but \$1,300,000 to be distributed among 55,000 workers.

Repeal the law which prohibits the manufacture or possession of beer and wines in Oregon. Pave the way for re-establishment of the greatest agricultural industry the Willamette Valley ever knew. Open new markets for Oregon's hops, fruits, berries, and barley, and promote Oregon's return to PROSPERITY.  
**VOTE 312 X YES**  
(This advertisement paid for by Oregon Hop Growers)  
E. A. CORNOTER, Secretary

**For Congress Oregon Needs Mott**  
His record, both as a legislator and as Corporation Commissioner, is a record of achievement.  
His election will assure to the people of this district active and effective representation in Congress.  
**Vote 25 X James W. Mott**  
REPUBLICAN NOMINEE  
Mr. Mott will speak over KGW 10:15-10:20 Tonight  
Pd. adv.

Re-elect **O. D. Bower** Sheriff OF MARION COUNTY Republican  
**No. 48 on Ballot**  
Election November 8, 1932 (Paid Adv.)

**THIS BILL "junks" 4 MILLION DOLLARS OF TAXPAYER OWNED PROPERTY**  
**VOTE 312 X NO**  
School "Juggling" Bill  
SCHOOL TAX-SAVING ACT. In Public Building - Portland, Oregon

**Be Fair To The POLICE**  
There are twenty members of the Salem Police Department, including the Chief, the Police Matron, three Sergeants, and fifteen Patrolmen. Of the policemen, twelve own their own homes and have paid for them; four rent their homes; and four are paying for their homes. All but one are married, and twelve have families.  
They now have the training for efficient service in this department.  
**THE POLICEMEN ARE ENTITLED TO THE SAME FAIR PLAY ACCORDED THE FIREMEN**  
**THEY PROTECT YOU— PROTECT THEM**  
These men are asking that their jobs be taken out of politics for the security of their homes and yours.  
**The Merit System in Public Service**  
has succeeded in all branches of government. It has long been used by the United States government with undeniable satisfaction in the postal service and many other major governmental departments.  
Civil Service requires practical tests to obtain the persons best qualified for service without regard to politics or religion and establishes a uniform method of promotion based on service and ability.  
**Civil Service Will Not Increase Taxes**  
**TO GIVE THE POLICE A SQUARE DEAL**  
**VOTE 500 X YES**  
(Paid Adv.—J. L. Cutler, Harry Smart, Alton Wintersteen, Committee)