

## ORDER DENIED BY LEWELLING IN LIQUOR CASE

### Judge Refuses Temporary Injunction on Knox Plan

### Parties Agree to Expedite Hearing and Appeal on Liquor Law

After listening to arguments of attorneys in the action brought by the city of Klamath Falls to restrain the state liquor commission and police officers from enforcing the liquor control act, Judge L. G. Lewelling yesterday refused to grant a temporary restraining order, pending further hearing on the matter and submission of briefs. All parties concerned joined in hope that speedy action may be had and Judge Lewelling assured the lawyers he would lay other work aside to give the case consideration and enable it to be made to the supreme court for final determination. He would not, he said, give a perfunctory decision and merely pass the case on upstairs; but would make a decision after study of the questions involved.

Elton Watkins of Portland represented the city of Klamath Falls and Jay Bowerman appeared for the liquor commission in the absence of George Neuner in California. Next Tuesday the case may be brought up for argument. The defendant's demurrer, if the attorney is ready to proceed with the argument.

The point which appeared to influence Judge Lewelling against issuing the temporary order was the lack of control for territory outside incorporated areas. When Attorney Watkins said his action was brought only for the Klamath Falls situation the judge replied that any order made to be a general order, that he could not localize it for Klamath Falls. With reference to danger of the commission's involving the state pending judicial determination of the constitutionality, a point raised by Watkins, Judge Lewelling gave the opinion that the commission was composed of competent business men who would proceed cautiously and not incur contracts which might result in loss to the state.

The argument advanced by Watkins was based on the alleged unconstitutionality of the liquor act under section 2, Article XI of the constitution, which gives cities exclusive control of liquor sales within their areas. Klamath Falls he said wanted to exercise that control and license vendors for sale of package goods and hotels and restaurants for sale of liquors by the glass. He contended the situation there called for immediate local control to stop bootlegging and illicit sale.

Attorney Bowerman defended the constitutionality of the act, but asserted the commission was anxious to have the question settled so it might know what its powers were. Mr. Neuner, he said, hoped to be back in time to take part in the final argument; but Mr. Barry of the commission urged pushing the case along. Neuner is expected to return next week.

A small crowd gathered to hear the argument and the judge's ruling. The proceedings occupied an hour and a half.

## WOULD EXTEND TVA TO OTHER PROJECTS

WASHINGTON, Dec. 28. (AP)—The creation of a commission with authority to extend the Tennessee valley development idea to other valley basins was proposed today by Senator Dill (D., Wash.).

Calling attention to demands for the development of the Missouri, the Columbia, the Arkansas and other rivers, he was drafting a bill to establish a single board to handle them all.

He termed this a logical step and said it would facilitate the use of experience gained in one project in the development of others.

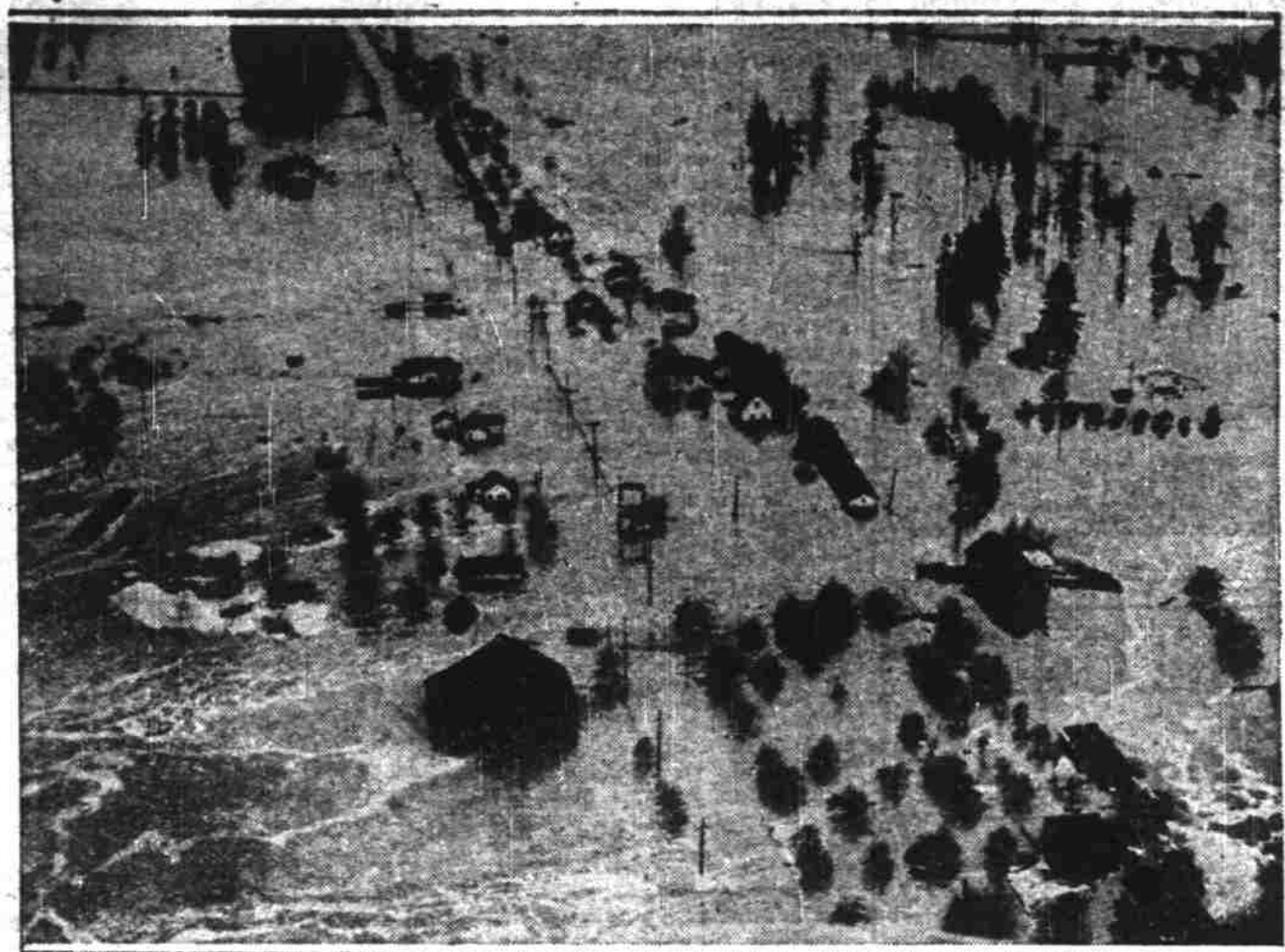
The group would be composed of one member each from the St. Lawrence area, the Columbia river basin, the Colorado river and the upper and lower Mississippi. Under the commission would be an interdepartmental committee of experts on the various problems involved.

The same group, Dill said, could make a study of the feasibility and practicability of the superpower system which President Roosevelt has suggested might be developed by connecting all the nation's great power projects.

## BALTIMORE DESCENDANT DIES

BALTIMORE, Dec. 28. (AP)—Mrs. Hortense Monroe Hardesty McIntyre, a great grand daughter of President James Monroe died here today. She was the widow of Congressman William Watson McIntyre.

## WHEN FLOOD WATERS INUNDATED KELSO



Air view of a portion of Kelso which was covered with flood waters from overflowing rivers. Waters are now receding and residents are returning with their possessions to their homes which suffered a similar flood in June.—International Illustrated News Photo.

## 'B' TOURNAMENT PLANNED FOR 1935

### No Action Taken on Willamette Invitation for 'A' Basketball Tournament

PORTLAND, Ore., Dec. 28. (AP)—A class B basketball championship tournament for the smaller high schools of the state will be held in 1935, officials of the Oregon State High School Athletic association decided at their meeting here tonight. The class B tournament will be open to schools with total registration of 150 students or less.

The larger tournament, held at Willamette university in Salem since its inception, will be known as the class A tournament.

Roy S. Keene, coach at Willamette university, extended to the officials at their meeting here tonight an invitation to hold the class A tournament at Willamette again this season. No decision on the invitation was announced.

The introduction of a class B tournament was made possible through an amendment to the association's constitution adopted tonight.

The amendment, changing Article IV, Section 3, reads: "The board of control shall conduct each year an 'A' and a 'B' league state inter-high school basketball tournament.

"The 'A' league tournament shall be open to all high schools who are members of the association in good standing; that have an enrollment exceeding 150 students; the average daily attendance each year an 'A' and 'B' league state inter-high school whose enrollment is less may participate provided they indicate their desire before November 1.

(Turn to page 5, col. 4)

## Dr. Doney Praises Woodrow Wilson

CARLISLE, Pa., Dec. 28. (AP)—Dr. Carl G. Doney, president of Willamette university, Salem, Ore., speaking at the Rotary club's observance of the 77th anniversary of the birth of President Wilson, said: "In years to come Woodrow Wilson will be thought of as an Isaiah or a Moses, a man who made many mistakes, but whose dream the world will realize."

## Name Mystery Woman Master Mind of Spy Ring

PARIS, Dec. 28. (AP)—Investigators' efforts to connect the mysterious Mme. Lidia Tchekaloff Stahl, whom they described as the master mind of an international spy ring, with a young American couple and an alleged espionage syndicate in Finland met firm denials today from the middle-aged Russian woman.

An examination by Magistrate Genon of Mme. Stahl, who studied Columbia university and The Sorbonne, and of Professional Louis Martin, a translator in the marine ministry, failed to establish a link, police said, between them and Mr. and Mrs. Robert Gordon Switz of New Jersey, also held on espionage charges.

Martin's bank strong box was opened in his presence today. It was said by police to have been rented for him by Ingrid Bostrom, Mme. Stahl's friend, before she left Paris in 1927 with police trailing her.

(In Helsingfors it was said Miss Bostrom left Finland in 1922 with Mme. Stahl and that she had lived in the United States the last four years.)

Martin's bank box contained \$6,000 francs (currently about \$5,400) \$100 in American cur-

## Economy Strikes Pope's Workers At Vatican City

VATICAN CITY, Dec. 28. (AP)—Pope Pius extended his economy program today to workmen employed on Vatican City construction and repair jobs.

More than 600 who had been on the payroll during the last year were discharged.

This was in addition to the cancellation of contracts with skilled artisans, announced December 15, and an order for a ten to fifteen per cent cut in the salaries of prelates and civilian officials of the church in Rome and Vatican City.

In connection with the pope's order it was explained that the amount of work in immediate prospect did not justify the retention of such large forces.

## HURT AVIATOR IS RECOVERING

WALLACE, Idaho, Dec. 28. (AP)—Russell Owen, airplane pilot injured when his ship crashed at Osburn, near here yesterday, was reported at a hospital to be definitely recovering tonight.

His passenger, E. J. Murphy of Kellogg, succumbed to his injuries at the same hospital late last night.

Owen, a veteran aviator, was conscious tonight, and talked to nurses and others at the hospital. He asked for and was given several cigarettes today. It had not been determined whether his skull was fractured. He was suffering from concussion, a broken nose and a lacerated ear.

Owen was one of a group of pilots who volunteered to maintain air communication with this region when it was isolated by floods. It was believed by airmen ice formed on the wings of his ship, causing it to sidle as he was banking preparatory to landing on the Osburn field.

### GAS CUT IN EAST

NEW YORK, Dec. 28. (AP)—A reduction of one half cent in the per gallon price of gasoline, effective January 1, was announced tonight by the Standard Oil Company of New York and the Standard Oil Company of New Jersey and affiliated companies. The reduction was attributed to a cut in the federal tax.

and some silver and women's jewels. He said the money was saved from his annual salary of \$6,000 francs (\$3,000) and a recent bonus of 25,000 francs and that his chief expense were books.

Police investigators contend Mme. Stahl obtained secret information from Martin.

### HELSINGFORS, Finland, Dec. 28. (AP)—What officials called a conspiracy to poison Finnish military technicians, one of whom was linked by government authorities today with an alleged spy ring in connection with which two Americans were arrested last fall. The body of Lieut. Col. Fritz Walter Asplund, director of the state munitions works until his sudden death last April, was ordered exhumed in the belief he was murdered. A. A. Oksala, minister of national defense, announced definitely that Asplund had been poisoned, that attempts had been made on the lives of three important men in the army's technical works, Engineer Mantass, Bureau Chief Tera, and Engineer Ax. He ordered an investigation.

## COMMISSAR HAILS U. S. RECOGNITION

### Reports Russian Crop Unprecedented; Outlines 1934 Program

MOSCOW, Dec. 28. (AP)—The United States recognition of Russia was listed as the outstanding success of the soviet policy in 1933 by Vyacheslav Molotov, president of the council of commissars, tonight at the opening meeting of the all-union central executive committee, the soviet parliament.

He elicited prolonged cheers whenever he mentioned the name of Maxim Litvinoff, the Russian foreign commissar who engaged in recognition negotiations with President Roosevelt.

Molotov warned the 800 representatives from all parts of the soviet union that the danger of war was never more threatening than now and declared that Soviet Russia was invincible.

The president sharply criticized circles in both of the latter countries which, he said, fostered hostile feelings and projects toward the soviet government.

In this connection he made a friendly gesture toward the League of Nations—annual for a soviet statesman—when he asserted that the league "played a positive role" inasmuch as it served as a brake on the warlike attitude of Japan and Germany.

The soviet attitude toward Germany and Japan is unchanged and peaceful, however, Molotov continued, although Japanese election (Turn to page 2, col. 1)

## ISLANDERS STRIKE OVER GAS PRICES

SAN JUAN, Puerto Rico, Dec. 28. (AP)—Colonel Francis Riggs, chief of the insular police, called today a meeting of the islanders to stop what he called the anarchy of an island-wide strike against gasoline prices as a result of which most traffic was at a standstill.

Drivers of public vehicles quit at noon. Shortly afterwards street cars ceased functioning. When buses stopped many hundreds of persons were stranded downtown, without a way of getting home.

Many stores in San Juan, the last city to feel the consumers' protest against 25-cent-a-gallon gasoline, failed to reopen after closing at noon.

One hundred fifty tourists, most of them teachers from New Jersey and New York, were almost caught in the paralyzing tie-up. They arrived on the S. S. Cosmo of the New York & Puerto Rico line and were seeing the sights when, shortly before noon, they were rushed back to the vessel and told by taxi drivers they could use the vehicles no longer.

Those cars that braved the strike orders were stopped. The truck of Angel Raou, publisher of the newspaper El Mundo, was set upon by strikers and damaged.

## SEEK TO STIMULATE EXPORT OF SURPLUS

WASHINGTON, Dec. 28. (AP)—President Roosevelt discussed the creation of a government export agency today with state department and agriculture officials.

George N. Peek, head of the temporary foreign trade corporation, outlined his recommendations for a permanent organization to stimulate American sales abroad.

No conclusions were announced after the meetings but Peek and the government officials indicated they were confident of arranging a permanent set-up.

Shortly before the conferences, Senator Norris (R-Neb.) suggested that full benefits from recognition of Russia through increased trade interchange of farm and factory products might be gained by setting up a private export agency with government financial assistance to buy and sell domestic supplies abroad either on a cash or credit basis.

## MAKE HENNY HEAD OF COMMISSION

PORTLAND, Dec. 28. (AP)—D. C. Henny of Portland was chosen chairman of the Bonneville commission at its first meeting here today. The commission was created by the recent legislative special session to study angles of power development on the Columbia river when the \$31,000,000 dam is constructed at Bonneville.

The commission indicated today it will devote its efforts largely to insuring low electricity rates to future users.

Amedee M. Smith, president of the Portland chamber of commerce, was chosen vice-president, and Representative Lewis, also of Portland, was named secretary. The commission consists of seven members.

## HERROLD GETS ROAD CONTRACT AT WEST SALEM

### Will Widen and Pave Dallas Road to Brunk's Corners

### Hold Up Award for Grading of Mill City-Gates Section

PORTLAND, Ore., Dec. 28. (AP)—Highway and bridge contracts aggregating nearly \$500,000 were awarded by the state highway commission at its meeting here today.

Tomorrow the commission will meet again and it is expected additional contracts will be awarded in an almost equal amount with funds supplied by the federal government.

The largest contract went to L. O. Herrold of Salem, that for the hard surfacing of the Brunk's corner-West Salem section of the Salem-Dallas highway. Herrold's bid was \$133,166.50.

A. C. Enright of Eugene, bidding \$14,842.50, was awarded the contract to pave the Gregg Ranch-Cottage Grove section of the Pacific highway.

Other awards included: J. C. Compton, McMinnville, widening and paving Washington county line-Bertha section of the Perth-Bertha highway, \$69,867.

Parker Schramm company, Portland, construction of bridges over Rickreall creek and Oak Point creek on the Independence secondary highway near Independence, \$15,482.50.

Johnson & Pearce, Portland, subject to Southern Pacific approval, construction for a Nehalem secondary highway overhead crossing near Buxton, \$9,070.

United Contracting company, Portland, paving 20 feet wide the Corvallis section of the Corvallis-Newport highway, \$16,364.

Sig. Zah, Medford, construction of the south fork Aitken river (Turn to page 2, col. 1)

## Pray Fixes Deadline on 1933 Plates

### Midnight Sunday will be deadline for 1933 license auto operators, Charles P. Pray, state superintendent of police, announced late yesterday. Pray said he had ordered all his men to enforce the law strictly and to allow no autos without licenses on the highways after December 31. County and municipal officers will be asked to cooperate. Only two days—today and Saturday—remain for motorists to obtain their plates.

## ECONOMISTS TAKE RAP AT NEW DEAL

### Westerners Criticize NRA; Easterners Condemn Money Policy

SEATTLE, Wash., Dec. 28. (AP)—A score of the west's leading economists enjoyed themselves today criticizing the NRA.

With few exceptions, speakers at the Pacific coast economic conference assailed the principles of the national recovery act, the code of fair competition, and the business provisions for improving business. Then, at the end of the day, mild-mannered Shirl Black, regional NRA compliance director, arose and observed mildly: "The national recovery act is a growing thing, not an abstract proposition. It was only six pages long, but in six months it has caused the country to make tremendous strides toward recovery, and it hasn't stopped developing yet. There are some parts of it nobody likes, and I think they will be changed, as it's an experiment. The fact that you gentlemen have criticized it shows it has compelled you to think about it, and that is the place of the economist in the NRA—to influence public thought on these problems."

Greeley Claims Benefit

Col. W. B. Greeley, manager of the West Coast Lumbermen's association, who helped write the lumber code, had said the NRA benefited his industry immensely. "I don't think there are such flaws as helping the inefficient firms by curbing the opportunities of the more efficient ones."

Critics included: Prof. M. D. Ketchum, Utah State college: "We cannot get rich by cutting down production."

Joseph Denney, University of Washington: "The consumer is the forgotten man in the NRA."

Reed Man Tosses Cats

Blair Stewart, Reed college, Portland, and J. B. Canning, Stanford university, besides tossing cats to the NRA dropped a couple into the laps of the economists.

"Maybe none of us know what we are talking about," said Canning. (Turn to page 2, col. 8)

## TRUCKERS FAVOR REPEAL OF LAWS

Salem local No. 1 of the Truck Owners' and Farmers' Protective association voted almost unanimously last night to petition Congress to repeal the laws which first put out by the motor vehicle council of Portland for repeal of the state bus and truck law as it stands amended by the special session legislature.

It was also voted that the petitions should be held with the various county clerks until all were ready to be filed with the secretary of state to present their petition. Sponsors of the petitions have until January 16 to obtain the required number of signatures.

The local went on record against proposals to sell gasoline and insurance to truck operators on a co-operative basis.

W. F. Brown was elected president of the local, succeeded Earl Chappell; William Sodaman, vice-president; R. E. Simmons, record-keeping secretary; re-elected; Tom Wood, financial secretary; E. D. Smith, treasurer; re-elected; Sam Smith, Guy Hickman and Earl Chappell, trustees.

The local voted to condemn the action of the Commercial Truck Owners association for including the name "Truck Owners' and Farmers' Protective association," in its articles of incorporation.

## LIGHTER CARGO FROM FREIGHTER

ASTORIA, Ore., Dec. 28. (AP)—About 60 tons of cargo was removed from the steam freighter Charles L. Wheeler Jr., stranded on Sand Island, near the mouth of the Columbia river.

The ship was driven ashore Dec. 17 by the terrific gale which lashed the north Pacific coastline. During wind this afternoon halted the work of lightening the cargo. This work will be resumed as soon as the weather moderates.

Captain Charles E. Larson, northwest operating manager of the McCormick line, operators of the Wheeler, said there is no question but that the ship will be removed safely. "It will take a little time," he said, "but she is not being hurt any, and will come off in good condition."

## TAKE RATE CENSUS

WASHINGTON, Dec. 28. (AP)—Representative Rankin (D-Miss.) announced today arrangements had been made for taking a census of electric light and a d power rates throughout the United States.

## FLOOD IN BRAZIL

RIO DE JANEIRO, Dec. 28. (AP)—Twelve were known dead today in a flood at Cataguases, state of Minas Geraes. The river Pomba also flooded the town of Pomba in the state of Rio de Janeiro.

## President Outlines A Three Point Policy For Universal Peace

### Mrs. Wilson Hears Roosevelt Speak at Birthday Dinner

### Entry Into League Not Planned, He Tells At Wilson Dinner

WASHINGTON, Dec. 28. (AP)—Seated at the right side of President Roosevelt, Mrs. Woodrow Wilson listened tonight to the nation's chief executive speak in memory of her husband.

National leaders had gathered 900 strong to observe the birthday anniversary of the war president.

Mrs. Wilson was greeted intermittently through the program by women whose husbands also have stood in the front ranks of the nation's leaders.

At several tables throughout the room were seated members of four families whose names brought up vividly the days of the Wilson administration: The Sayres, the Wilsons and the Woodrows related to the former president and the Bollings, to which family Mrs. Wilson belongs.

The appearance of Mrs. Wilson at the banquet is one of her very infrequent public appearances since the death of her husband.

## CONGRESS LEADERS SAY SESSION SHORT

### Rainey Predicts Harmonious Session; Business Reported "Fine"

By FRANCIS M. STEPHENSON

WASHINGTON, Dec. 28. (AP)—Congressional leaders today declared themselves against recovery-tinkering efforts and promised President Roosevelt a short, business-like session devoted almost exclusively to enactment of the necessary budget measures.

As this well defined administration program emerged, President Roosevelt neared a conclusion of his round-up of the national situation which brought a report from government fiscal aides of a "fine" banking outlook.

Winthrop Aldrich, chairman of the Chase National bank, joined in the White House business review and said conditions were "gradually improving."

Speaker Rainey sounded a keynote of short, harmonious and constructive for the congressional session opening next week. He made his prediction at the White House after a talk with the president.

"We are going to have a very important session," said the speaker, "but it will be a working one rather than dramatic. We will pass the supply bills, the tax (Turn to page 2, col. 4)

## BOOZE SMUGGLERS SHOOT OFFICER

EL PASO, Tex., Dec. 28. (AP)—Murder charges were filed today against Ramon Rico and Fidel Ortega before Justice of the Peace M. V. Ward for the killing last night of Immigration Patrolman Bot G. Walthall, 34, in a gun fight in South El Paso, with alleged liquor smugglers.

Sheriff Chris P. Fox filed the charges. Rico and Ortega were captured by a posse two hours after the gun fight in which Patrolman Walthall and Jose Estrada, an alleged smuggler, were killed. Patrolman Louis A. Smith and Rico and Ortega were wounded.

Ortega's right eye was shot out by a bullet fired by one of Walthall's companions following the first burst of fire. Rico was wounded in the right hand. Ortega was held at City-County hospital under a special guard and his arm was chained to his bed.

Two other men captured after the fight and at first believed to have been in the liquor laden car driven by smugglers, probably will be released, Nick D. Collier, district director of the border patrol, said today. Officers said they had been unable to obtain evidence to indict the men. Juan Lopez, 49, Estrada's stepfather, and Rico's brother Ruben were implicated.

## Low Pressure Threatens Rain

SEATTLE, Dec. 28. (AP)—Storm warnings were flying along the Oregon and Washington coasts tonight as a new low pressure area was hovering off shore, promising more rain at the year's end, in the wake of last week's severe storms.

Tonight the year's rainfall here stood at 44.29 inches, within nearly an inch and a half of the all time record for 1902, of 45.78 inches.

## Operate Today On Texas Babe

BALTIMORE, Dec. 28. (AP)—A brain operation which hospital attaches described as "very dangerous" was scheduled for five months old Sue Trammell, the baby flown here from Houston, Tex. It will be performed, they said, "sometime tomorrow morning."

By the operation Dr. Walter E. Dandy, brain surgeon, hopes to cure the hydro-cephalus, or water on the brain, from which the baby is suffering.

Another child of Mr. and Mrs. W. W. Trammell, Sue's parents, died of the same disease several months ago.