

## LOSSES PROVE INNOGENCE OF INSULL, CLAIM

Wouldn't Sink Own Money in Fraudulent Scheme Says Defense Attorney

Government Claims Merely One Accounting Theory; Case Nears Climax

CHICAGO, Nov. 20.—(AP)—Assailing the prosecutors for producing only "absurd theories," Defense Attorney Charles S. Lounsbury told the Insull mail fraud today that Samuel Insull and his aides had proved their innocence by their own losses.

Lounsbury, opening the final defense plea in the hundred million dollar financial trial, dismissed all that the government charges as "only one theory of accounting."

"Would men put their own money into a scheme to defraud?" the defense spokesman demanded.

"If this was such a scheme, wouldn't you think that somewhere along the line they would find at least one man who made a dollar?"

Lounsbury, formerly an ace prosecutor on the state's attorney's staff, opened the defense arguments on behalf of four high officials of Halsey, Stuart and Company, which he termed "the biggest investment banking house west of New York."

They joined with Insull in forming Insull's ill-fated Corporation Securities company, he declared, because of their vast confidence in the Chicago utilities man and his business empire.

"Mr. H. L. Stuart, its president, put in \$75,000. Mr. C. B. Stuart put in over \$500,000. C. T. MacNeille put in \$375,000. F. K. Shrader put in \$450,000—75 per cent of all he had, including his home and his life insurance."

Lounsbury beat forward over the speaker's pulpit.

"What for?" he asked. "To defraud themselves?"

Night sessions were ordered by Federal Judge James H. Wilkerson who announced he hoped to instruct the jury Friday afternoon so that the case would go to the jury Friday night.

## STRIKING SCRIBES ISSUE OWN PAPER

NEWARK, N. J., Nov. 20.—(AP)—A few hours after L. T. Russell, publisher, announced the Newark Morning Ledger would not be published tomorrow, striking editorial workers of the paper began work on a new morning paper.

Robert Ring, vice-president of the Newark newspaper guild, which is conducting the strike, said about 40,000 copies of the new paper, called "The Reporter," will appear on the streets in the morning carrying bulletins on police and political news of Newark and vicinity.

Strikers quickly gathered the news and rushed it to a printshop where "volunteer" linotypers helped set it up, Ring said. The front page of the four-page folder will carry news and strike propaganda, the two inside pages will carry an ad stating the strikers' aims and the back page, he said, will have an editorial and other news.

An earlier edition of the "Reporter" made its appearance when the strike began Saturday, but no thought was given to daily publication of general news until the publisher's announcement of the Ledger's suspension tonight, Ring said.

**Nealey Held on Forgery Count**

SILVERTON, Nov. 20.—(Special)—Recognized by Constable E. A. Pitney who was on a visit to Salem, Bob Nealey, charged here with forgery, was given preliminary hearing today in Justice Frank Alfred's court and bound over to the grand jury. Pitney reported that Nealey, against whom a complaint was filed some time ago by Irvin Kaser, was giving music lessons in Salem under the name of Bob Frasier. He was returned to Salem late today and lodged in the county jail.

**2 New Delegates Seated by Labor**

Two new delegates were given their obligations by the Salem Trades and Labor council at its regular meeting last night. H. A. Glessey was seated from the carpenters' union, succeeding the late William Dabry, and Earl Gregg from the bakery and confectionery workers.

Much of the session was devoted to an address by George Brewster of Portland, director of the state labor federation's label bureau.

## Smedley Butler Tale Of Fascist Plot Gets Attention of Probers

"Hundred Per Cent Americanism" of Marine is Not Questioned Says McCormack; Head Of Broker Firm Hints "Publicity"

NEW YORK, Nov. 20.—(AP)—Chairman John W. McCormack, of the house committee on American activities, mapped tonight a sweeping investigation of a reported plan to establish a fascist dictatorship in the United States with General Smedley D. Butler as its head.

After hearing the retired marine corps officer's story of reports that Gerald P. McGuire, of the New York brokerage firm of Grayson M. P. Murphy & Co., proposed that he head a group of 500,000 in a fascist march on Washington to take over the reins of government, and McGuire's denial, McCormack said:

"We have heard nothing today that would cause us to change our opinion of General Butler's 100 per cent Americanism and patriotism."

"We are going to get to the bottom of this matter and we are going to call witnesses and records that will bring out the truth—whatever that may be."

After Butler had finished his testimony, Representative Samuel Dickstein, vice chairman of the committee, said "from present indications, Butler has the evidence. He's not making serious charges unless he has something to back them up."

McGuire was before the committee for two hours after Butler finished his story. He told the committee that he knew nothing of any fascist plot to set up a dictatorship and denied that he had ever discussed any such matter with the retired general.

He told the committee that General Butler was a friend of his and that he had discussed military affairs with him in a general sense about six months ago. It was at that time that the basis for the Butler story is said to have been laid.

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## TURNER WOMAN JUDGED GUILTY IN QUICK TIME

Mrs. Wayne Voris Convicted In 30 Minutes of Attack Upon Young Hunter

Courtroom is Crowded Last Day of Trial; Sentence Time Not Yet Set

A verdict of guilty was returned in circuit court at 5 o'clock yesterday afternoon by a jury which deliberated only 30 minutes on charges of assault with a dangerous weapon on which Mrs. Wayne Voris, 23, was indicted this month. Mrs. Voris made no statement after her conviction.

She was accused of shooting Harold Bones, 17, for alleged trespass on her farm when he and three companions were hunting pheasants two miles from Turner October 16.

The suit hinged on whether or not Bones had shot or threatened to shoot before Mrs. Voris fired her 22-calibre gun at him. The evidence showed that she fired four times, the final bullet striking Bones along the left side of his skull and lodging in his hat.

Judge L. H. McMahan who heard the case which took three days in circuit court said he had not yet set a date for sentencing the defendant. The charge is subject to a jail or prison sentence or a fine up to \$1000 or both. Mrs. Voris is free on \$2500 bail.

A crowded courtroom heard the closing arguments in the case.

## LOST MILLIONS TO HYPNOTIST, CLAIM

PORTLAND, Ore., Nov. 20.—(AP)—Deploring herself the victim of hypnotic powers, Mrs. Harriet K. Wright of Portland filed bankruptcy petition in federal court here today, listing \$3,479,971.75 liabilities.

Her assets were listed at \$35,100, of which \$35,000 was represented by a note.

Mrs. Wright declared she subscribed \$2,000,000 to stock which is worthless and advanced \$35,000, taking a note as security, to aid the late Mrs. Mollie E. Purdy in recovering a chest of gold represented to have the fabulous value of \$60,000,000.

Mrs. Wright alleged she came under hypnotic power of Mrs. Purdy who represented the "gold chest" to be a inheritance from her parents, a Chicago merchant prince and a woman member of English nobility.

Mrs. Purdy also obtained from Mrs. Wright her subscriptions to \$2,000,000 capital stock in the now defunct Purdy-Maynard corporation, New York manufacturer of oil burners, Mrs. Wright's attorney declared.

Through her alleged hypnotic power Mrs. Wright's signature on a series of promissory notes, aggregating approximately \$200,000, for which Mrs. Wright has been sued and on which judgments have been obtained, it was declared.

The supreme court also denied the petition for a rehearing in the suit brought by the Silks Spruce company of Coos county against the Home Mortgage company. The Coos county circuit court recently held for the plaintiff in this case and this decree later was upheld by the supreme court.

While Ramsey and Howard were quarrelling in the courts as to who was entitled to the democratic nomination, Boyd R. Overhulse entered actively into the campaign and was successful at the general election. The supreme court Tuesday dismissed Howard's motion for a rehearing.

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## ROOSEVELT DEDICATES KENTUCKY MONUMENT



Declaring that the New Deal has not finished "pioneering", President Roosevelt dedicated the memorial to George Rogers Clark and pioneers of the west at Harrodsburg, Ky., before an applauding audience of more than 50,000 persons, to mark his first official stop on his present southern tour through the TVA area. Here are photos from the dedication; top, left to right, the chief executive seated with Governor Ruby Laffoon, and U. S. Senator Alben W. Barkley; below, a glimpse of the speaker's stand in the shadow of the Clark monument, with arrow pointing to President Roosevelt.—International Illustrated News Photos.

## CANVASS OF STATE VOTES COMPLETED

Martin's Plurality 21,156 And Mott's is 15,813, Official Figures

Charles H. Martin, democrat, received a plurality of 21,156 over Peter Zimmerman, independent, for the office of governor at the recent general election, according to complete official returns in this contest, tabulated Tuesday by the secretary of state.

The tabulation showed that Martin received a total of 116,677 votes as compared to 95,519 for Zimmerman, and 86,926 for Joe E. Dunne, the republican nominee. Harry J. Correll, communist candidate, received 1475 votes, while Abram M. Silverman, independent, polled 1379 votes. Hank E. Wirth, independent, who officially withdrew from the race a week prior to the election, received 536 votes.

James W. Mott, republican, for representative in congress from the first congressional district, won over R. R. Turner, democrat, by a plurality of 15,518 votes. Turner polled 67,386 votes while Mott received 51,473. Emmett W. Gulley, independent, received 12,963 votes, and W. S. Richards, socialist, 3225.

In the second district Walter M. Pierce, democrat, defeated Jay H. Upton, republican, by a plurality of 7966 votes. Pierce polled 29,221 votes and Upton 21,265. O. D. Teel, socialist, received 1034.

Return for other state officials. (Turn to page 2, col. 3)

## McKay to Delay Board Selection

Mayor Douglas McKay will take "two or three days" to consider whom he will appoint to the disinterested committee which will determine for the city council the most adequate and feasible source of water supply for the city, he said yesterday. He plans to confer with some of the probable appointees. The investigating committee, authorized by the council Monday night, will consist of one member each from among the engineers or waterworks superintendents of Portland, Medford, Eugene, and Astoria and a fifth from the Oregon State college faculty.

## Gain In Gasoline Use Is Reported

Gasoline consumption in Oregon increased from 135,698,295.95 gallons during the period 295.95 to October 31, 1933, to 141,619,928.75 during the corresponding nine months this year, P. J. Stadelman, secretary of state, announced Tuesday. The gain for 1934 was 5,921,632.80 gallons.

The total fuel oil tax received during the first nine months of 1934 was \$7,080,996.54 to \$959,130.57 in excess of \$6,121,865.97 during the same period in 1933.

## World News at a Glance

(By The Associated Press)  
Domestic:  
NEW YORK—House committee investigates report that Smedley Butler's aid was sought to establish fascist in U. S.

WASHINGTON—Senator Nye calls Du Pont proposals "just a sop to combat movement for government monopoly in munitions making."

WASHINGTON—William Green, for labor, and bankers' advisory council add support to administration recovery program.

FLEMINGTON, N. J.—Revenue agents enter Hauptmann case as his bank and brokerage accounts are tied up.

PHILADELPHIA—Ruling Works use of relief funds for rural industrial communities for the unemployed.

WASHINGTON—New drive in congress expected for monetary expansion.

FOREIGN:  
LONDON—Early breakdown of tri-power naval conversations predicted.

BEGRAD—Dowager Queen Marie of Rumania plans American visit with child King Peter of Yugoslavia.

BUDAPEST—World's wheat industry faces its "worst crisis" unless control is tightened, experts are told.

LITTLE AMERICA—Extensive new land areas discovered by aerial survey from Byrd expedition.

GENEVA—Russia reported ready to ask league for international control of arms traffic to effect embargo to Paraguay and Bolivia.

FRAUD IS CHARGED  
DALLAS, Nov. 20.—Mr. and Mrs. Jack Chaney were arrested here today and are in the county jail awaiting a hearing on a charge of defrauding a hotel. Bond was placed at \$250 each which they could not furnish.

## LAST STATE ROAD JOB CLOSES DOWN

Snowfall in District Above Detroit Causes Halt on Clearing Contract

The last of the state road jobs in Marion county employing more than a handful of men, the Heller and Gilligannon contract on the North Santiam highway 13 miles above Detroit was shut down Monday on account of snow.

Manager D. E. Dotson of the national re-employment agency, 355 North High street, was informed yesterday. Approximately 50 Marion county men had been working on this contract, one of clearing right of way.

Road work on the North Santiam route is now virtually at a standstill, Dotson said. Only a few men are doing cleanup work on the contract between Mill City and Gates.

Elsewhere in the county all state road contracts have been completed, leaving the road (Turn to page 2, col. 1)

## Trio of Charges Face Edmundson After Collision

A triple charge was written up against P. B. Edmundson, 1443 South Commercial street, after his couple collided head on last night with a roadster driven by R. I. Shriner, 344 1/2 North Front, at the intersection of Bellevue and South Commercial streets. Police charged Edmundson with failing to give right of way, driving on the wrong side of the street, and passing another machine, driven by Dr. R. Lee Wood, 633 South Liberty street, at an intersection.

None of the motorists involved was injured and car damages were slight.

Edmundson was released on \$1000 bond and is to appear in court Friday morning.

Continuing with the white cake recipes received last week, the Round Table presents:

**Banana Cake Supreme**  
1 1/2 cups shortening  
1 1/2 cups sugar  
1 1/2 cups eggs  
1 1/2 cups vanilla  
1 1/2 cups flour  
1 1/2 cups baking powder  
1 1/2 cups salt  
1 1/2 cups milk  
1 1/2 cups butter  
1 1/2 cups cream  
1 1/2 cups vanilla  
1 1/2 cups salt  
1 1/2 cups milk

Contributions will be received up until Thursday noon and prize-winners will be announced Friday morning.

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1 1/2 cups butter  
1 1/2 cups cream  
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## LABOR FINALLY OKES LATEST RECOVERY IDEA

NRA Leadership Also Gives Out Word Cooperation Will be Accorded

Power Pronouncement Only Rift in New Harmony Of All Concerned

BY RICHARD L. TURNER  
WASHINGTON, Nov. 20.—(AP)—To the growing cooperative drive for economic recovery tonight was added a group of conservative critical bankers, the leadership of NRA and—finally—labor.

William Green, president of the American Federation of Labor, appealed to working men everywhere to get behind the administration's housing plan, which had been enthusiastically endorsed by the business men leading the move for a harmonious working relationship with the administration.

Coincidentally, the federal advisory council—twelve bankers chosen to advise the federal reserve board but frequently at loggerheads with it—pledged their support to the board and its new governor, Marriner S. Eccles.

At NRA word was spread that the seven men board now directing that agency would do everything possible to assist the cooperative movement. As a first step it planned to avoid any major policy changes for the present so that business may proceed without interference.

Green saw the housing program as holding the possibilities of providing employment for thousands of workers and of working vast improvement in the conditions under which they and their families live. The movement, he added, "deserves and must have the support of everyone."

Thus far the president's attitude on the power question, freshly reiterated in a speech Friday night while the cooperative move was just getting underway, has provided the only rift in the new partnership between government and business.

It was learned on good authority today, however, that Mr. Roosevelt probably will be officially urged to recommend to congress legislation to limit the size and power of holding companies in the public utilities industry. A committee on power policy has the subject under consideration and is to report soon to the chief executive.

Merwyn Paget to Get Housing Post

PORTLAND, Ore., Nov. 20.—(AP)—Merwyn E. Paget, who requested resignation as assistant manager of the Oregon branch of the Home Owner's Loan corporation caused a stir, is now in Washington, D. C., with the federal housing administration, it was reported here tonight.

Paget was talked for the position as Oregon HOLC manager before he resigned September 13.

Now he is attending a school with a group of other prospective workers in the coming program involving loans for new construction as well as for repairs and remodeling.

He left Portland November 7, at the request of the Pacific coast manager for the federal housing administration. He was accompanied by four other Portland men who will attend the school to prepare them for positions with the housing administration.

In the group was Kirk Reynolds, former state appraiser for the Oregon HOLC, and W. G. Holford, Portland architect.

"I really don't know what position my brother has or what his title in Washington," said Lowell C. Paget of Portland. "I don't know whether or not they will be returned to Oregon."

## Food Poisoning Victims Better; Parker Gies One

CORVALLIS, Ore., Nov. 20.—(AP)—The 14 Alpha Tau Omega fraternity members stricken with food poisoning from sandwiches filled with left over turkey, were reported out of danger tonight.

The six sent to the hospital were Parker Gies of Salem, William Kniesel of Gresham and Randolph Hakala, Clifford Folen, Wayne Kay and Robert Morgan, all of Portland.

Hakala and Kay were kept under observation and given treatment until today.

The turkey was first served at a banquet honoring alumni at Alpha Tau Omega house for home coming weekend.

## Oregon Briefs

**HEADS CONFERENCE**  
VANCOUVER, Wash., Nov. 20.—(AP)—The Rev. P. W. Eriksen of Salem was installed tonight as president of the southern conference of the Pacific synod of the United Lutheran church as the annual convention concluded.

He was re-elected president at today's session. Other officers installed were the Rev. Adolph Nelson of Portland, secretary, and William Salzmann of Portland, treasurer.

Parish education and other educational matters were the most general subject of discussion at the meeting. About 60 clergymen attended from Oregon and Washington.

**SUCCEEDS LAMPKIN**  
PENDLETON, Ore., Nov. 20.—(AP)—E. B. Aldrich, editor of the Pendleton East Oregonian, has been elected president of the East Oregonian Publishing company, succeeding the late F. W. Lampkin. Lee Drake was named vice-president and secretary and will succeed Lampkin as business manager of the paper.

**PRICE AVERAGE 65**  
LA GRANDE, Ore., Nov. 20.—(AP)—About 40 per cent of this year's wheat crop in Union county has been sold, local grain men estimated today.

Sales have averaged 65 cents a bushel. The crop was estimated at 900,000 bushels.

**HAS BROKEN BONES**  
CONDON, Ore., Nov. 20.—(AP)—Joseph E. Shelton of Portland, seriously hurt in an automobile accident last night, was receiving treatment in a home here tonight for a broken leg, a broken upper jaw and other injuries.

Mrs. Shelton suffered a bad scalp wound but her condition was not regarded as serious.

The Sheltons were on their way to Ontario on a business trip. About 18 miles north of here, on the John Day highway, their automobile missed a curve and struck a bridge railing.

Shelton, former Eugene newspaper publisher, was a democratic candidate for secretary of state in the May primary election.

## Eriksen Retains Position 40 Per Cent of Grain Sold Aldrich Head of Company Joe Shelton Hurt in Crash

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