

The Oregon Statesman

"No Favor Sway Us; No Fear Shall Awe"
From First Statesman, March 23, 1851

THE STATESMAN PUBLISHING CO.

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Action at Last

THE city council finally acted last night to end the water merry-go-round by adopting a resolution to purchase the plant for a cool million dollars. It is the best possible solution to a persistently irritating situation. In view of the lower interest rates now available the cost will be less by the time the bonds are paid off than if the city had made a deal at \$900,000 two years ago when the court finally validated the bond issue. Then it would have been difficult to sell bonds at five per cent interest; now they should be sold at par at three per cent or perhaps less. This will bring a saving of \$20,000 a year in interest.

Direct purchase was the wise procedure because the city was in a very weak position. It had reneged on arbitration after the case was pretty well completed. To go on with condemnation would have been costly in time and money with every prospect that the city would have to pay around a million dollars as a final verdict.

It is well to close the deal now, acquire the plant; operate it for a period of months to ascertain its profit basis; make investigations as to proper procedure for improving the water supply, before making further outlays. Mayor Kuhn and the utilities committee are to be commended for being courageous enough to "cut the Gordian knot" and do business, instead of prolonging the agony of expensive litigation.

Lumber Mill Wages

ABOUT a third of the lumber workers in western Oregon and Washington have gone on strike. Mills which are operating may soon have to shut down due to walkout of the men. While no formal order has been made for a strike, those who are out are generally adherents of the new federated union organization. Organizers have been at work in northwest mills for some time; and now seek by pressure of the strike to enforce their demands, which include 75c an hour pay and one week's vacation on pay.

The response of the mill owners is that they cannot afford the increased wages, that mills are still unable to operate profitably, that they prefer to shut down rather than continue under ruinous losses. The plight of the workers deserves consideration. The men are getting a minimum of 45c an hour, but their maximum hours of work is only 40 due to NRA restrictions under the lumber code. This limits the workers to a maximum of \$18.00 a week, unless they are in the higher wage brackets. And this is by no means steady, because many mills have seasonal shutdowns or close because of market gluts.

Now \$18.00 a week for a shortened work year is a low wage under present costs of living, with foodstuffs following the cow over the moon. It is better than relief, and better than during the low point of the depression when mills were shut down for long stretches of time, and wages were at worse levels. But it is no wage scale to defend except under grievous conditions.

Here we have a familiar impasse in an economic crisis: a falling off in demand for a product, resulting in losses to the owners of the industry and in low wages to workmen. The road back for both lies in an increase of demand on a firm basis which will permit more economical production, and may allow some price increases for the product. Sharp increases now would chill demand and restrict the markets, thus damaging both employer and worker.

The lumber demand has been strong this spring, but this may be due to advance buying in anticipation of the strike. In any event mill managers ought to point their policies to increased wages of their employees above the \$18 level, just as soon as they can. The prosperity of this part of the country depends chiefly on the prosperity of the lumber industry; and \$18 wages do not spell prosperity for workers or communities.

Can't Take It

A few weeks ago Pres. Roosevelt addressed a letter to newspapermen through Editor and Publisher hailing constructive criticism of government policies. He repeated this view in his Sunday night radio chat over a week ago. But when the chamber of commerce took sharp cracks at some of his economic handshakes Mr. Roosevelt took deep offense, and delivered some acid remarks at a late press conference. As Congressman Snell says, he accepted the c of c help gladly when it was boosting for NRA; and through gunshoer Dan Roper has been regularly angling for c of c support.

The criticism of the chamber of commerce is directed against three major bills: first, the one to pulverize utility holding companies, which means the impoverishment of thousands of small investors; second, the one to put all banks in goosestep with political bosses in Washington; and third, the social security bill, which imposes additional and heavy burdens on payrolls at a time when industry is making every effort to increase employment. On these questions business men have a right to speak, to give warnings if they believe these bills involve danger to the economic welfare of the country. It is wrong to impute to business men a callous indifference to old age or unemployment. The continued operation of businesses at deficits in thousands of cases is some proof that business men are not inhuman; and many companies among those suffering most severely from the executive peevishness have gone much farther than the government proposes in the way of pensions.

The president may offer assurances of readiness to hear constructive criticism; but when it comes, he "can't take it."

Alternate to Townsend Plan

THE Townsend followers have frequently raised the old taunt of the new dealers. "Well, show us something that is better." And some bright mind in Denver has evolved the "something better." It is the chain letter of the "Prosperity Club." If it is a dime chain letter and you work it as directed and every one else does, you will get for your 10 cent investment \$1,562.50. The ante has been raised to a dollar on some chains and your return is \$15,625.00. Here then, is the long-looked-for substitute for the Townsend plan.

Under the Townsend plan a two per cent transaction tax is levied; but this costs only a dime. The Townsend plan requires monthly spending; the chain letter racket permits the recipient to spend or hoard his \$1,562.50. Both flower on the good old bush of getting something for nothing. Both conjure wealth out of the mere business of changing dimes or dollars. Both hold the lure of sweet comforts with a min-

The Great Game of Politics

By FRANK R. KENT

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(Continued From Page 1)

ago Congress passed a law that no money appropriated by it should be used to pay any public utility expert "unless specifically appropriated for that purpose."

APPARENTLY this law, which was introduced by the late Frederick M. Gillett, afterward Speaker of the House, has been completely ignored. It is still on the books and seems to make much of the present propaganda wholly illegal. Following Mr. Bryan's speech, there appeared a book entitled "Handouts", in which a severe and sweeping indictment of the whole publicity business as practiced under the New Deal is made. There next came a strong editorial in a chain of papers which supported Mr. Roosevelt and is still friendly to him personally. It said "the whole game is to force official thought of the bureaucrats on the country. Congress should order a thorough investigation of this publicity propaganda, which is un-American, undemocratic, and a means of corrupting public opinion." Such a resolution has already been introduced.

AND finally, there is a striking editorial by Mr. David Lawrence, in the United States News, entitled "The Freedom of the Air." In effect, Mr. Lawrence charges that there is practically complete Federal censorship and control over the broadcasting companies. This is carried through the Federal Communications Commission, members of which are appointed by the President, removable at will, and have, through the six months licensing system, power of life and death over the broadcasting companies. Faced with these facts, Mr. Lawrence says, "The whole concept of the broadcasting companies as to their obligation is political, their policies all made with an eye to the political damage that might ensue or the political benefit that might accrue. Hence there is a rule that no speaker may appear on their networks for a regular series of broadcasts if his addresses are in any way critical of the Administration."

THE companies endeavor to preserve an appearance of non-partisanship by giving certain time to recognized members of the minority party, but the practical advantage is overwhelmingly Administrative. For example, in 1934, Mr. Farley spoke for twenty-two times over the NBC stations, to say nothing of his broadcasts over the Columbia system. In that period members of the Cabinet spoke over NBC 78 times, Assistant Secretaries 34, Emergency Agency heads 21, and Mr. Roosevelt 23—a total of 156 for the party in control during the year. The point Mr. Lawrence makes is that under the present license system the radio, despite its efforts to seem non-partisan, has become a great agency for Administration propaganda. It has no other choice. He makes out a convincing case.

The Safety Valve

Letters from Statesman Readers

TOWNSEND PLAN "PREFERRED STOCK"

To the Editor:

As a man of middle age I came to this country from Europe over 30 years ago, finally settling in the Willamette valley, where I have been located for almost the past 20 years.

Upon establishing a residence here I took the necessary steps in order to become a naturalized American citizen. This I did 15 years ago. I executed my rights and privileges as an honorable citizen for all of these years and my record is beyond reproach as may be readily ascertained by those who have known me all of these past years.

When I had been a citizen for 14 years and upon reaching my 70th birthday I applied for an old age pension through the regular channels provided in the state of Oregon. The request was denied upon the grounds that I had not been a citizen at this state for the past 15 years and, therefore, I had to defer my claim until the following year. This I did and, when I returned the following year to the pension bureau, henceupon I was minutely questioned in regards to my financial condition.

I told them and have ample proof of my statements that I had no property, no bank account, other securities or bonds of any kind. The only exception to these was \$5,000.00 in stock holdings shares with the Portland Electric company, of which I have not received any payment of dividends for the past four years.

The questions asked concerning my livelihood were so rigid that it is almost impossible to receive any aid from the state whatsoever. In all of these years I have been a taxpayer, meeting all of the obligations that the county, state and federal governments have assessed to me. This can all be classed as common stock, with but very meager return of effort. It is as hard to explain satisfactorily to the addict the "catch" in one as the other.

The chain letter is headed "In God we trust"; and carries the pious legend, "Hope, Faith, Charity"; and in this case the greatest of the three is hope. Our own faith proved too small and our charity too scriptural (begins at home) to send a dime to some man back in LaJunta, Colorado. So his take will be only \$1,562.40.

Bits for Breakfast

By R. J. HENDRICKS

Oregon has had several capitals and many capitol:

(Continuing from Sunday:) The Bits man is not unmindful that, when the legislature voted to move the territorial capital to Salem, Governor Gaines disputed the validity of the act, and refused to move his office and the library to Salem, and he was upheld by two of the three first U. S. judges in the territory.

The other one came to Salem, and the third territorial legislature met here, as heretofore in this series noted. But one council member and three house members refused to come to Salem, and held a ramp legislature at Oregon City; and even for the fourth session the council members held a ramp council at Oregon City, all by himself.

Did this, even though, on May 14, 1852, congress, at the behest of Delegate Lane, had settled the matter by confirming the act of the 1850-51 legislature.

There is no even slight danger of the capital being moved from Salem. It can be done only by a vote of the people, and in such a vote there must be a majority over all. That would be an impossible task for any place. If the matter were opened for a proposed change, there would be a dozen candidates in western Oregon, and a half dozen or more east of the Cascades. Portland would divide her vote; one of the larger divisions would go to Salem.

The reader has fresh in his mind, no doubt, references to the laying of the corner stone for the capitol that was burned on April 25.

It was a great event. The legislature of 1872 had authorized its construction, appropriated the first \$100,000, and Governor L. F. Grover had appointed three commissioners to carry on the work. They were Gen. John F. Miller, Henry Kihppel and Samuel Allen. Their office was "west side of Commercial between Perry and Trade," according to the 1874 Salem Directory.

The Bits man thinks the office was on the ground floor of the present Statesman building—where the newspaper's business office is now.

Hon. M. A. Miller of Portland remembers that his father brought him down to Salem from his Lebanon home while work of construction was going on, and that the activities were referred to as "Grover's brick pile," or "Grover's brick yard."

The corner stone laying was on Wednesday, Oct. 8, 1873. The procession started at "Reed's opera house" (the present Miller's store), went south on Liberty to Ferry, west on Ferry to Commercial, "receiving state and civil officers and representatives of the press at the governor's office on Commercial." That means at the present Statesman building. Thence on Commercial to Court, and up Court to the "triumphal arch." Three bands of music were in the procession. The then famous Aurora band furnished music at the exercises.

Dr. J. A. Richardson, junior grand ward of Oregon Masons, proclaimed to the grand lodge the occasion of their assembling. He was a prominent physician; was afterward mayor of the city; was the man who introduced the loganberry into Oregon and induced

compense for all the laborious years spent in faithful support for the expense to carry on our nation.

Now we who are growing past our most fruitful years should reap the blessings of the tollsome past in order that those few remaining ones may be filled with cherished memories which should be rightfully ours in the flower of old age.

The Townsend pension plan for the aged should receive the whole-hearted support of every loyal American citizen, young as well as old. This program considering the problems for old age can adequately and rightfully be classed as preferred stock.

Just think, should this revolting self-sustaining plan based on sound financial principles, backed by honest men, be enacted into law, what a blessing it would be; and I feel sure that we who acknowledge the Almighty God can certainly be thankful to him to know that he has not forgotten us for all the years of faithful service to him.

We should truly be appreciative for this great country of ours which has for its very foundations the principles so expressly taught in the bible. May every one be glad to say amen to this statement.

And finally, would it not be a great joy for everyone who has passed his or her prime and in the declining years after attaining their 60th birthday to feel assured that their cares would be met by a nation which cares for each one's need without favor to anyone and a loving concern for all?

GEORGE BALOD, Route 4, box 402, Salem.

SILVERTON, May 4.—Walter Winslow, Salem attorney, has been asked to be the guest speaker at the annual father and son banquet of the Masonic order of Silverton. The banquet will be held at the Masonic hall Wednesday night, May 8. James Hollingsworth is general chairman of arrangements.

State Senator A. M. LaFollett to make the first commercial planting on his farm that contained the site of the Lee mission.

Governor Grover made a statement concerning the building plans; said the cost up to that time was about \$45,000 (ground had been broken in May of that year), that there had been used 3000 perch of rough stone, 4000 feet of dressed sandstone, 1,300,000 brick, 2000 barrels of lime and 500 barrels of cement—the brick from the penitentiary yard, the lime and sandstone from Douglas county quarries, near Oakland; and that all work and materials as far as possible had been and were to be by Oregon men and of Oregon origin.

The list of 53 articles to go into the corner stone was read by R. P. Earhart, afterward secretary of state.

After the pouring of the corn and oil, Rev. G. W. Iser of Portland, noted early Oregon Methodist preacher, offered the prayer.

The main address was delivered by S. F. Chadwick, secretary of state, who became governor in 1876, when Governor Grover was elected to the U. S. senate by the first legislature to convene in the capitol for the construction of which he was largely responsible.

Mr. Chadwick said in his address that the Willamette valley had 16,000 square miles with about 60,000 people, "but it is capable of sustaining several millions," he said.

He said 150 persons owned half of England, 34 half of Ireland, and 12 half of Scotland, while in Oregon the land could be owned by the settler, and was, in almost every case.

He stressed the need of immigration and added that in the previous 10 years the population of the state had not been augmented from that source.

He was right.

With the full development of the flax and linen industries in the Willamette valley, which in good time will come as certainly as grass grows and water seeks its level, those industries alone on the land and in our towns and cities will, directly and indirectly, support a 10,000,000 population in a high average state of prosperity and well being.

More than that, flax as a rotation crop, which it must be, will add to the productivity of the soil for most other staple crops, and thus render added benefits and sources of well being for more and more people in a land blessed above all others with conditions giving guarantee of unfailing comfort in having the necessities of life along with more than average luxuries of living.

The capitol that burned the night of April 25 was built well within the architects' estimate of its cost. The estimate was \$500,000, and the total cost up to the finishing of the dome was not more than \$435,000. Credit that to the honesty and prudence of our pioneer spirit.

Mrs. Ida M. Babcock, whose home is at 749 North Commercial street, was present at the laying of the corner stone of the state capitol. She was a member of the choir of the First Congregational church of Salem, and that choir furnished part of the music for the event. The number of men and women yet active who saw the laying of the corner stone is not large.

Twenty Years Ago

May 7, 1915

VIENNA.—The Austrian southern wing has crossed the Wisloka river. The Russians are retreating eastward of Lopkov pass.

Theatres listed in the Call Board:

Ye Liberty
Oregon
Bligh
Wesford

A \$1093 check was made out today to State Treasurer Kay by County Clerk Max Gehlbach for fish and game licenses issued in Marion county April, 1915.

Ten Years Ago

May 7, 1925

Hugh Fagan narrowly missed death when he took a dive towards earth from the 60 foot gas tank tower on which he was working. C. W. Price, another workman, caught him standing on a suspended platform below Fagan.

Dr. Carl Gregg Doney is scheduled to arrive by train today after a year's leave of absence to recover his health.

A complimentary luncheon is to be served today by the Salem chamber of commerce to the workers who are striving to secure Salem's quota of \$300,000 to apply towards the erection of a \$600,000 new linen mill here.

Special Meeting

Gervais P. T. A.

GERVAIS, May 4.—The Parent-Teacher association will meet Monday night to close up the business of the association and disband. It was voted at the April meeting to discontinue, but there is business in connection with the dinner served the Marion county Bankers' association April 24 which must be disposed of.

Local high school students held a carnival at the auditorium Wednesday night. The receipts were slightly over \$14 which was divided one-third to the student body and two-thirds to the senior class to defray expenses of the class trip to Newport.

In Only 39 Years!



"The Cold Finger Curse" By Edwin Dial Torgerson

CHAPTER XXIX

Montigny rode south on the subway, for it was not crowded at this hour. A discarded tabloid—tomorrow morning's newspaper—caught his eye in the vacant seat next to him. Its front page bore likenesses of Violet Elderbank and Glenn Thurber. Its headlines proclaimed: "NEWS MAN, KID IN GEM SLAYING, INVOKES 'COLD FINGER CURSE'."

Glenn Thurber, from his cell in the Tombs, the captions further made clear, predicted disaster for the depollers of the murdered Mrs. Elderbank.

Montigny read it avidly. He had not supposed that Thurber would be permitted to carry out his plan, but Inspector McHenry even said no harm in the article and saw no reason to replenish any of the series promised.

The story was ably done. In it Thurber had traced the old superstition of the underworld which maintained that persistent ill-luck would cling to jewels taken from the body of a woman, dead or alive, but most terrible ill-luck, comparable to a curse, if the woman were dead when the "cold finger work" was performed.

A wise thief of the lower stratum, Thurber set forth, would never take jewelry by force from a woman. If it were a hold-up, if she were ordered to stand and deliver, and handed over the gems voluntarily, why, that was different. But to tear bracelets, rings or necklaces from the body of a woman was to court relentless, inevitable disaster. No professional crook would do it. That was why, in the sage opinion presented by Thurber as true one on the inside, the Elderbank theft and murder could not have been the work of thugs of the underworld.

The article enumerated instances after instances in which the "cold finger curse" had proved operative—some one had furnished Thurber clippings from a newspaper "morgue" with which to replenish his facts.

Montigny, quite pleased, folded the newspaper and put it in his pocket. Why waste two cents? As yet, he reflected whimsically, he did not have the eighty-five thousand dollars.

He walked the short distance from the subway to the Elderbank residence in Weverly Place. The house was dimly lighted. There were no sounds of merriment to be heard from the house or the adjoining establishment affectionately known as Stagger Inn. The neighborhood was soberly somnolent.

Montigny did not bother to arouse Cupples, but let himself in quietly with the key which had been given him. It had been arranged that Cupples was to "sleep in" at the Elderbank home, instead of the maid, Elsie Seever, was permitted to go home to Harlem. The house was under surveillance, as was the adjoining place, the place of the uniformed private watchman employed to patrol the block. Workmen had been tearing up the street during the day in one of those perennial tasks excavations without which New York would not be New York. One of those workmen, Montigny happened to know, was a detective. His night-shift confidant had found other methods of observing going on in the house.

Montigny passed in the dimly lighted hall and listened. It was a practice of his never to make any more noise at any time than he had to make, and tonight there might be some virtue in quietude.

There was an instrument, as Cupples had suspected. It was a detachable telephone, provided with a cord and plug.

"Yes or No." You know who you're dealing with—do you know and you don't know. I'm the man, get me!—from the St. Lawrence. All right, if you get me, say "Yes."

"You're not the bird to try any tip-and-heel—we've dealt with you before and we know you. Listen. You've got two minutes to get downstairs. There's a man in the neighborhood clocking you. If you stop to phone anybody else or try to trace this call you know me. Get me? Say yes if you get me."

"All right. Beat it downstairs and walk, don't run, to the nearest subway entrance. It's three blocks south on Broadway, the downtown entrance, on your side of the street. There's a telephone booth on the landing half-way down. I'll call that number. Be there in five minutes from the time I hang up or you don't do business with me. Get me?"

"You're not the bird to try any tip-and-heel—we've dealt with you before and we know you. Listen. You've got two minutes to get downstairs. There's a man in the neighborhood clocking you. If you stop to phone anybody else or try to trace this call you know me. Get me? Say yes if you get me."

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There was some truth in this signal mendacity, for Mr. Horvath did make a specialty of insurance, though in a manner with which the insured section of the public was not at all conversant.

On Wednesday morning, September the ninth, Mr. Horvath, alone in his office—he did not employ a stenographer—answered the telephone, saying:

"All right. Horvath speaking." The voice on the telephone was crisp, staccato, knife-edged. The words fairly leaped into Horvath's ear. A machine-gun radio broadcaster could not have spoken more rapidly or with greater clarity.

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