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"No Favor Sways Us; No Fear Shall Awe"
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The New Banking Bill

THE congress is reported about to pass the bank control bill. It was in Sen. Glass's refrigerator for months so its temperature might be reduced. He finally brought it out and the amendments he proposed were adopted by the senate without change. The house will probably concur and then the enactment signed by the president. While Sen. Glass was smiling in satisfied expression when the conference committee adjourned, the public should not draw the conclusion that the bill does not carry out quite completely the notions of the administration, or rather the notions of the adviser who happens currently to be in favor, Marriner S. Eccles. Glass was able to make a few changes in the Eccles draft, but the bill in major particulars turns control of credit over to the politically designed federal reserve board and enables the party in power to use the federal reserve system as a pulmotor for government credit through open market operations.

Sen. Glass did obtain one modification which is in line with the act of 1933, and was knocking out the provision in the bill which would permit banks to underwrite securities. This was a reversion from the law enacted after the bank crisis of 1933, and is wholesome in divorcing commercial from investment banking. Another modification was in the composition of the board to have charge of open market operations of the system,—that is the buying and selling of government bonds in the open market. Of the twelve members of the committee seven are the members of the reserve board and five others are bankers elected by districts. The actual control will chiefly rest with the administration, except that as time goes on the board, whose members serve for 14-year terms, will not all be subject to appointment by the president then in power.

Major provisions of the banking bill are as follows, according to a United Press summary:

1. Eliminated the proposed authority for banks of deposit to underwrite security issues.
2. Created an open market committee of 12 members, composed of the seven members of the federal reserve board and five bankers, to govern purchase and sale of government bonds by reserve banks.
3. Gave authority for the board to raise reserve requirements.
4. Gave the board power to raise or lower reserve bank discount rates, the banks being required to submit reports every 14 days.
5. Retained the senate provision on interlocking directorates, providing that a member bank director may serve on one other bank board, subject to the approval of the federal reserve board.
6. Makes permanent the present guarantee of individual bank deposits up to \$5000.
7. Liberalized amortization of real estate loans.
8. Reorganized the federal reserve board, which after Feb. 1, 1936, will consist of seven members. The secretary of treasury and the comptroller of the currency are removed as ex-officio members.

The five bankers serving on the open market committee will be elected regionally, one representative being named from each of the following reserve bank districts: New York and Boston; Philadelphia and Cleveland; Richmond, Atlanta and Dallas; Chicago and St. Louis; Kansas City, Minneapolis and San Francisco.

The new federal reserve board has terms of 14 years, the terms being graduated so members will rotate in service. Appointments may be made without regard for political party. The salaries are fixed at \$15,000 a year.

It is not clear whether the provision which would bar banks from paying interest on public deposits is retained or not.

Actual banking will probably go on just as it has in the past. Banks will accept money on deposit and loan money on notes. Then borrowers will find it hard to pay their notes and more trouble will come. Then a new reformer will arise to save the country again and the cycle be repeated.

Private Profits and Public Interest

MR. HOPSON on the witness stand proves about as elusive and evasive as Mr. Hopson off the witness stand. He enters general denials, makes certain charges of "unfair" and at convenient intervals confesses to lack of knowledge. Such ignorance is not his true characteristic. It was said of him in connection with his fantastic capital structure, the terms of whose security issues proved bewildering even to professional financiers, that Hopson kept in mind every detail of the issues. Hopson's ignorance is of a piece with his organizing of personal affiliates whose purpose was to divert profits into his private hands without the knowledge of the public, of his legitimate investors, and of the rate-payers.

Before the senate committee Hopson declared it was unfair to ask him about his private profits. But his private profits are in many cases unethical diversions from earnings that should go to stockholders, if his rates are on a fair return basis. Hopson knows that the enterprise he is engaged in is a "public utility." He knows that it is an industry under regulation. He knows these things because he entered the field after first being in the service of regulatory commissions, the interstate commerce commission and the New York public service commission. The experience he had in these positions must have taught him the loopholes in regulation which he promptly used to his private advantage. Hopson's private profits are vested with a legitimate public interest. The defense of private ownership and operation of utilities does not depend on defense of Hopson and his kind. In fact his bliking of investors condemns him as well as his attitude toward regulatory bodies. Private operators should scourge from their number those who are as faithless to trust and to the interest of investors and consumers as Hopson and his kind.

While American negroes whose ancestors probably lived nowhere near Ethiopia are enrolling for service in the Ethiopian army, hundreds of Italian-born Americans who have been domiciled in Italy are seeking to get out of that country to return to the United States, in order to avoid war service. Evidently they are not keen to help Mussolini build "our" fascist empire.

An official statement from conferees for England, France and Italy concludes with the announcement that they are unable to compose the differences between Italy and Ethiopia. There are no differences except the usual ones of clashing desire, like the cat and the canary.

A snapping turtle nipped off the toe of a bather who had painted her toenails red. Females so generous with carmine should mind the old rule: "hang your clothes on a hickory limb, but don't go near the water."

Twenty Years Ago

August 19, 1915

Inspection of the Willamette river locks at Oregon City and the harbor of the Columbia river at Vancouver, Wash., occupied the greater part of the time today of the members of the joint rivers and harbors committee of congress, following their arrival from California.

About 350 postcard notices have been sent out by County Assessor B. F. West to automobile owners who were not reached by the deputy assessor when the county was assessed a few months ago. The notices give a valuation

of the machine with the request that if the valuation is not considered fair that the owner may call at the office of Assessor West to adjust the valuation.

Ten Years Ago

August 19, 1925

The Salem Longfellow club is being organized. Every man 6 feet tall or over is eligible. Object: "To make life more comfortable for tall men."

Head in parking became a reality in Salem yesterday with little excitement or confusion to mark its introduction.

The Safety Valve

Letters from
Statesmen Readers

PENSIONERS HIRED TO SPEND

To the Editor:
I wonder where Mr. Solomon got the bright ideas he expressed recently in the Safety Valve? It is obvious that he does not understand the Townsend plan. If he had but taken the time and trouble to read this plan, he never would have written that article.

How do you know it won't work, Mr. Solomon?

Life is not merely a game of chance.

And you not the victim of circumstance.

Nothing's too hard for a man to do.

Provided of course that he wishes to.

Wishes are more than a miser's wealth.

More than and invalid longs for health.

Works for it, prays for it, night and day—

Feels that no price is to great to pay.

How do you know till you strive that way?

The very idea of Mr. Solomon saying that people sixty years of age would spend money foolishly.

What of it if they did? It's not HIS money or theirs either. It belongs to the government. The pensioners are merely hired by the government to spend this money for things they need.

The spending of the two hundred dollars a month is for a constructive purpose. First, to place in the hands of the citizen, buying power which will permit them to satisfy their wants that have been so restricted for the past six years.

Second, to create such a demand for new goods of all descriptions that all manufacturing plants in the country will be called upon to start their wheels of production at full speed, providing jobs for all workers, at a decent wage.

It is the intent of the Townsend plan to apply the transaction tax solely to the purpose of maintaining the pension roll until such time as the public becomes fully assured of the beneficent and fair system of taxation involved in a universal retail tax. Here is the only fair system of taxation.

Every individual who enjoys the benefits of the numerous social agencies maintained for his benefit, should be compelled to carry his share of the costs just in proportion to his ability to spend money. This compels the child to become a taxpayer at an early age and accustoms him to the idea that he must do his share throughout life.

If Dr. Townsend has no hope for the adoption of his plan, why is he making special trips to rallies throughout the land? And why are the people so interested? Is it because they all want to see Dr. Townsend get the \$200 while they merely receive the experience? Not in your life, it is because they understand and have sense enough to know that the Townsend O. A. R. is the only sure way to bring back prosperity.

If civilization means anything, its efforts must be toward ameliorating the suffering of the people. It should aim to banish fear from the hearts of humanity; it means that provision must be made so that aged people may not end their days in the poor house or in miserable surroundings. It is a travesty on our vaunted Christian civilization that no humanitarian effort has been made to prevent aged people from suffering the horrors of starvation and poverty. In this land of plenty there should be no such things as hunger and want. When the flesh begins to fall, when the mind refuses to function, when the blood begins to chill and the body tired of the eternal strife, wants to go to its final resting place, the aged people should be "sustained and soothed by an unfaltering trust, and approach their graves like one who wraps the drapery of his couch about him and lies down to pleasant dreams."

DOROTHY MCCULLY
1155 Nebraska Ave.

A GREAT MAN

We try bravely to smile through our tears, as he would have us do and wave our last salute, to him and his gallant comrade as they "take off" together on their last long voyage—may it be "Good Voyage!" indeed.

But a bewildered and depressed world, the passing of this beloved guide, is a staggering blow.

His shrewd appraisal of events, his kindly, humorous observation of men and women, were a daily tonic to our minds and hearts and souls. No living minister or editor in all the world could compare with Will Rogers in the beneficent influence wielded on the spirit of his fellow men.

He was the apotheosis of all we like to think of as essentially American, yet he was so human, that a sorrowing world will claim him as their own, and mourn with us the loss of our most universally beloved citizen.

However, we cannot associate with the soul of this man, so again we try hard to smile through our tears as we say "Bon Voyage!" and "God be with you 'till we meet again!" and in our hearts a prayer that sometime, someday, we all may meet him again.

ARIEL BURTON POMEROY
Old state bldg.
Central Point, Ore.

Baled Straw is Found in Demand

OAK GROVE, Aug. 19.—William Reddick from Salt Creek has been baling a large amount of straw the last few weeks. The demand is good for baled straw due to the general use of combines.

Mrs. Sally Farmer from Dallas is spending a few days' vacation with her daughter, Mrs. Claud Hickerson.

Bits for Breakfast

By R. J. HENDRICKS

Revised history of the court houses of Marion county is told:

Response to popular demand, and to settle some disputes, this column carried, for the issues of March 17 and 18, 1933, a history of the present Marion county court house.

Renewed interest prompts revision and republication. Marion county has had three jails and two court houses — really three court houses, for at first the territorial courts were held in the building of the Oregon Institute that by change of name became Willamette University. So that building was in effect the first court house, as it was the first church, public hall and general meeting place, and its basement rooms the house and council chamber of the first two territorial legislatures meeting in Salem.

The next court house was the "old court house," standing where the present one is. It was built by Wiley Chapman, contractor, well known pioneer, in 1861-2.

The first Marion county jail was a log one, on the present Church street, between Ferry and Trade. It was burned down. The second was a small red brick building at the southeast corner of High and Court streets, on the court house block.

The third jail quarters are in basement space of the present court house.

The site of the court house—the Marion county court house—was never given for a gift or purchase. It was just taken. The only color of title is these words in the original plat of the township, put on record by the surveyor, at the behest of H. Willson, who did not himself sign a deed of dedication, and who in fact did not own that part of the township. His wife owned it. She did not sign anything.

"Excepting block 4, which is a public square." The quoted words in the description of the plat are the color of Marion county's title to the court house site. This will have another reference, later on in the present article.

The source history of the Marion county court house is largely in the records of the county court for the years 1870-73.

The architects were Piper & Burton, Portland, W. V. Piper was apparently the member mainly working on that project. It is assumed that the other member of the firm was E. M. Burton, early day Portland booster, who took a leading interest in getting railroads and other enterprises started.

Coming into office through the June election of 1870 were C. N. Terry of Salem, county judge, and John Giesy of Aurora and Al Coolidge of Silverton, commissioners. Mr. Giesy was chairman of the head men (like a board of trustees) of the Kell colony, its largest branch at Aurora. Mr. Coolidge was afterward a prominent Silverton banker, co-founder of the bank of Coolidge & McClain.

Jerry Terry was a leader in legal, social, church circles. A. B. Cooper was county clerk, J. N. Matheny, sheriff, W. S. Moore, treasurer. T. C. Shaw, assessor.

In the March, 1871, term of the county court, the county treasurer was ordered to set apart \$12,376.82, proceeds of the three and a half mill tax, with which to start a new court house fund.

At the next term of that year, the treasurer was ordered to loan \$12,000 of this fund to the Ladd & Bush bank, "at the best rate per cent he can obtain."

For the same term, "in the matter of the new court house plan," the record reads: "It is this day ordered by the county court that

the plan submitted as drawn by Mr. Piper, architect of Portland, be and the same is hereby adopted and the said architect is to complete the said plans and specifications."

In the June, 1871, term, a record reads: "Ordered that the county judge proceed to settle the title to the block upon which the court house now stands by commencing action as he may deem best."

It was assumed in the 1933 article by the writer that the title was thus cleared. There is no record or even reliable tradition as to what Judge Terry did about it. Likely, in view of what was said above, he did nothing. He probably concluded that nothing could be done, nor was any action necessary.

During the October, 1871, term the old court house was sold to G. W. Lawson and John S. Hawkins, the terms being its removal to lot 4 of block 22, which is on the northwest corner of High and Court streets, and diagonally opposite the court house block. Lawson and Hawkins were to remove the old record vaults and to put the building in good shape in its new location, and give the use of it to the county pending the construction of the new court house; to the extent of the needs of the county. There was no other consideration.

Old times remembered that "Deacon" (Peter H.) Hatch, famous pioneer house mover, made the transfer without interfering much with the business of the county.

The record shows that in the October, 1871, term there was a four mill tax on real property to provide additional funds for going ahead with the construction of the new court house—and tradition says there was a good deal of grumbling of the taxpayers, and abuse of the members of the county court. Soon after the structure was completed and occupied, all this gave way to pride in the fine building and feelings of gratitude that it had been honestly built had at a much smaller outlay than was expected—perhaps half what it might have cost at several periods since.

(Continued tomorrow.)

Presbyterian Class Holds Family Affair With Many Attending

SILVERTON, Aug. 19.—The Fidelity class of young people of the Presbyterian Sunday school of Gervais held its annual family day picnic Sunday at the Silverton park. A. B. Minaker is teacher of the class; Sam Brown, Jr., is president of the organization; G. O. and J. H. Jones, vice-presidents, and G. O. Jones, secretary-treasurer. Mrs. L. Regale handles the publicity of the class.

Those present Sunday were: Mrs. A. B. Minaker and Maryanna, Mr. and Mrs. Ruford Brown and Olin, Orville, John and Lloyd Dale, Mr. and Mrs. Ross Outforth and Iris, Gael, Fay and Gary, Mr. and Mrs. Howard Tong, Mr. and Mrs. Earl Streeter, Mrs. and Mrs. John Banick and Wanda, Fannie and Bobby Ray, Mr. and Mrs. H. M. Morgan and Wayne, Eugene and Edith, Mr. and Mrs. Jack McDonald and Jack, Jr. and Mrs. Jesse Adams and Irene and Frank, Mrs. Lulu Wynn, Miss Leone Wheeler, Mr. and Mrs. L. St. Johns, Mary, Jack and Milton, Mr. and Mrs. W. Sporsky and Gerald and Nadine, Mr. and Mrs. Gordon Van Cleave, Mrs. Hugh Hamill and Claire, Elsie, Jean and Arthur Joseph, Mr. and Mrs. Charles Vogt and Ellen and Paul, Keta and Ashbough, Mr. and Mrs. Priscilla Arlene Johnstone of Vancouver and Mr. and Mrs. Robert Hopper and Bobby.

At the impending ignominy a greenish pall spread over Whipple's face. But he was not afeared of luck.

Abbe Bergere reached the group, Catching Dick's beckoning finger he stooped over Karen. The three men turned their heads away and a pained little gasp brought a twinge to Bannister's face. The Abbe had removed the dagger. After a few minutes they heard him call out:

"All right! It was just above a vaccination mark. Nothing serious. I've got it all bound up."

Karen's eyes opened slowly. She turned her head with a little twinge of pain. Bannister and Whipple started toward her, but Toole jerked his prisoner back.

Dick whispered something in the girl's ear and she rose to her feet so quickly that his effort to help her went for nothing. "No, I'll walk—you look pretty well 'done in' yourself." She smiled into his face, adding: "And terribly in need of a shave!"

Choice of Soap

In the choice of soap bear in mind that the fundamental requirement is chemical purity and freedom from substances which may lead to skin irritation. The cleansing value of the soap is based upon its chemical action with water and not upon producing soap suds. For this reason certain soaps are recommended when using hard water and other forms of soap are used when the water is soft.

It is a good plan to have one's own individual cake of soap. Most public washrooms furnish a liquid or soap in powder form, with individual towels for drying the hands. Never use a common towel.

Sensitive and delicate skins, especially of infants, should be bathed with a pure castile soap made of olive oil. It should be applied with a soft washcloth. Summer weather is a danger of dermatitis, inflammation of the skin, which often follows the use of a caustic soap. Cleanliness will protect against skin diseases and insure bodily health.

Answers to Health Queries

W. C. Q.—What is the average weight for a young man 21 years of age and 6 feet tall?

A.—Considering your height and age you should weigh about 160 pounds as determined by examination of a number of people.

Mrs. W. F. B. Q.—I have mucous colitis very bad. What would you advise?

A.—Diet is important. For full particulars restate your question and send a stamped, self-addressed envelope.

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Rhode Island Rhumba!



"THE SNOW LEOPARD"

By
Chris Hawthorne

CHAPTER XXXV

Karen Sire, rising painfully, called off the show, then sank back again in a faint. The detective finished his task of binding Whipple while Bannister knelt at the wounded girl's side, laying her forehead against the wall of water in his flask. "Look, Toole," he said, "look where the knife struck her."

The horn handle of a tri-cornered dagger protruded from Karen's leather skirt a few inches above the knee, the blade embedded at least an inch in her leg. Bannister's trembling fingers had reached for it several times only to be withdrawn again as his eyes roamed to the pallid, beautiful face, immobile as a statue, which he had looked upon it.

"You do it, Toole," he quavered brokenly. "And you must bind—"

"It's a job for the Abbe," Toole protested. "Here he comes now."

"I must apologize for my man's behavior," Whipple interjected. "Please be assured that I never would have countenanced so heinous an act. You will observe, however, that he merely intended to disable the fugitive and—"

"Dried up, you yellow hound!" bawled Toole. "Save that silky patter for the chaplain in the parish house. There's nothing ahead of you now but a rush telegram that'll start you to the hot seat!"

Whipple shrugged. "Or, with boots and the other with stones," he said resignedly. "Both Americans, too. And to think that I actually contemplated becoming a citizen of that country!"

Bannister's knuckles whitened like a row of small ivory balls as his fingers curled inward; then his eyes wandered slowly to the heavy boots on the right foot.

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withheld her own story. "We'll make a synopsis of it when we reach the little monastery," she said.

Rebuffed in his eager inquiries, Bannister, on the pretense of shifting his burden, deliberately turned the snow leopard pelt inside out, revealing the marvelously beautiful fur. A single cry of delight from Karen, a swift burying of her face into the soft richness of the trophy, was his reward for all the perils he had undergone. But after that she clung more closely to his arm and yielded more of her weight to his support. Her face became more radiant in the moonlight.

Toole forced the prisoners ahead of him and, with them, was first to gain the flat surface above. "You're right, Abbe!" he shouted. "The dogs have Brenda corralled in the hut."

In a few minutes he was knocking at the door, pistol in hand, while the others stood silently about him.

"Who is it?" came a voice from within, clear, resolute and unshaken. "It's I, Abbe Bergere," the dwarf answered.

The door opened and the woman stood outlined against the pale light. "Be discreet, Brenda!" Whipple shouted.

"Oh, it's you, Jeff!" she answered mockingly. "And your lovely little brown playmates. What a mess they're in! Miss Sire, 'One-Armed' Toole and Bannister, too. A delightful party!"

"Well, Brenda, ol' deah," said Toole joyfully, "the gang's all here. We created the red vultures by bringing your pals along with us."

The woman's mood and attitude changed. Her luminous black eyes, gleaming with fury, and glittering with fire, seemed fairly to emit forked darts of fire.

"Beast—dog—berserker!" she shrieked. "You tried to sell me down the river—and now they've got you—you and your poison rats. Red vultures wouldn't touch any of us—their gorges would rise!"

The Abbe hurried to the woman with a nerve-altering cordial. She drank it in a gulp and turned her gaze upon Karen, who had tossed off her jacket, revealing a gorgeous zone of jewels around her waist.

"Where did you get that clasp and girdle?" the woman demanded.

"From Mr. Whipple," Karen answered quietly.

"I was to wear that," said Brenda bitterly.

"Who killed Prince Jura Bai?" thrust in Toole.

Brenda pointed to Whipple's valet. "He came up from Southampton to New York in one of Sire's trunks early in the morning and was in the apartment, waiting for Miss Sire to go out before searching the place for the leopard robe and girdle. He came out of hiding too soon and the Prince caught him with the robe in his hands. The valet killed the Prince and threw him out of the window."

"How did he make his getaway?" Toole demanded.

"Let him tell, if he will," Brenda answered.

The valet turned to Whipple, who shrugged indifferently.

The killer grinned. "I take off coat," he said, "and walk out just before the police came. I go to the roof and play rubber in the gymnasium. Captain Boyle he talk to me—want to know if I see anybody up there that don't belong. I go down twenty stories and the elevator with him and meet Brenda in the courtyard. I give her the girdle. She says she go back and get the knife maybe, where I put in with her. She says it looks then like accident."

"You weren't in the trunk that night, then?" Bannister interjected.

"No. Mr. Whipple he is not pleased with way Mr. Sire talk with him on the telephone. He tell me go back again that night and kill

Mr. Sire. But servant come along when Mr. Sire open door so I hide. Then servant he take elevator and Mr. Sire turns around to go back in room. So I throw knife."

"Loyal