

Chautemps Is Out as Leader

Attitude of Communists Is Factor; Confidence Vote not Taken

(Continued from Page 1)

The premier said he was "no longer interested in debate."

The political crisis in the midst of the financial and labor troubles led deputies to demand that a new government be formed quickly. Chautemps may be asked to try again.

Names of men whom President Lefebvre might ask to form a new ministry already were being discussed in the chamber.

Some believed Chautemps might get the call while others mentioned as possibilities Edouard Herriot, president of the chamber, and Albert Sarraut, both former premiers.

Blum, roused from sleep, sent Chautemps a letter announcing the resignation of the socialists.

"We increased our efforts during the day and night to maintain the majority of the people's front around you," he wrote.

"But incidents of the session which just was completed and which socialist deputies noted in their order of the day oblige us to give you our resignation."

The order of the day voted by the socialists laid the blame for their resignation both on the communists for stating they would not vote with the people's front and on Chautemps for giving his consent to the communist refusal.

The premier put the life of his cabinet in the hands of the people's front parties yesterday as spreading strikes and the sliding franc increased dangers of a political crisis.

New Deal Blasted By Kelly, Hearing

(Continued from page 1)

late initiative and basing of capital and credit.

"The second essential is an open and free flowing capital market."

"The third is equitable and reasonable taxation."

Congress, Kelly said, can do seven things to help business along, including assurance to the country national economic planning is not to become an established policy. The others were:

Repeal of the tax on undistributed profits of corporations.

Amendment of the capital gains tax, to permit a carryover of losses from year to year as offsets for the tax of capital gains.

Amendment of the national labor relations act to provide procedures "which are consistent with recognized principles of equity and justice."

Have the securities exchange commission "encourage and not repress a broad free market for the securities of business."

Permit commercial banks to participate in the underwriting of certain classes of securities.

Correct unduly burdensome and punitive provisions of the securities act of 1933 and the securities exchange act of 1934.

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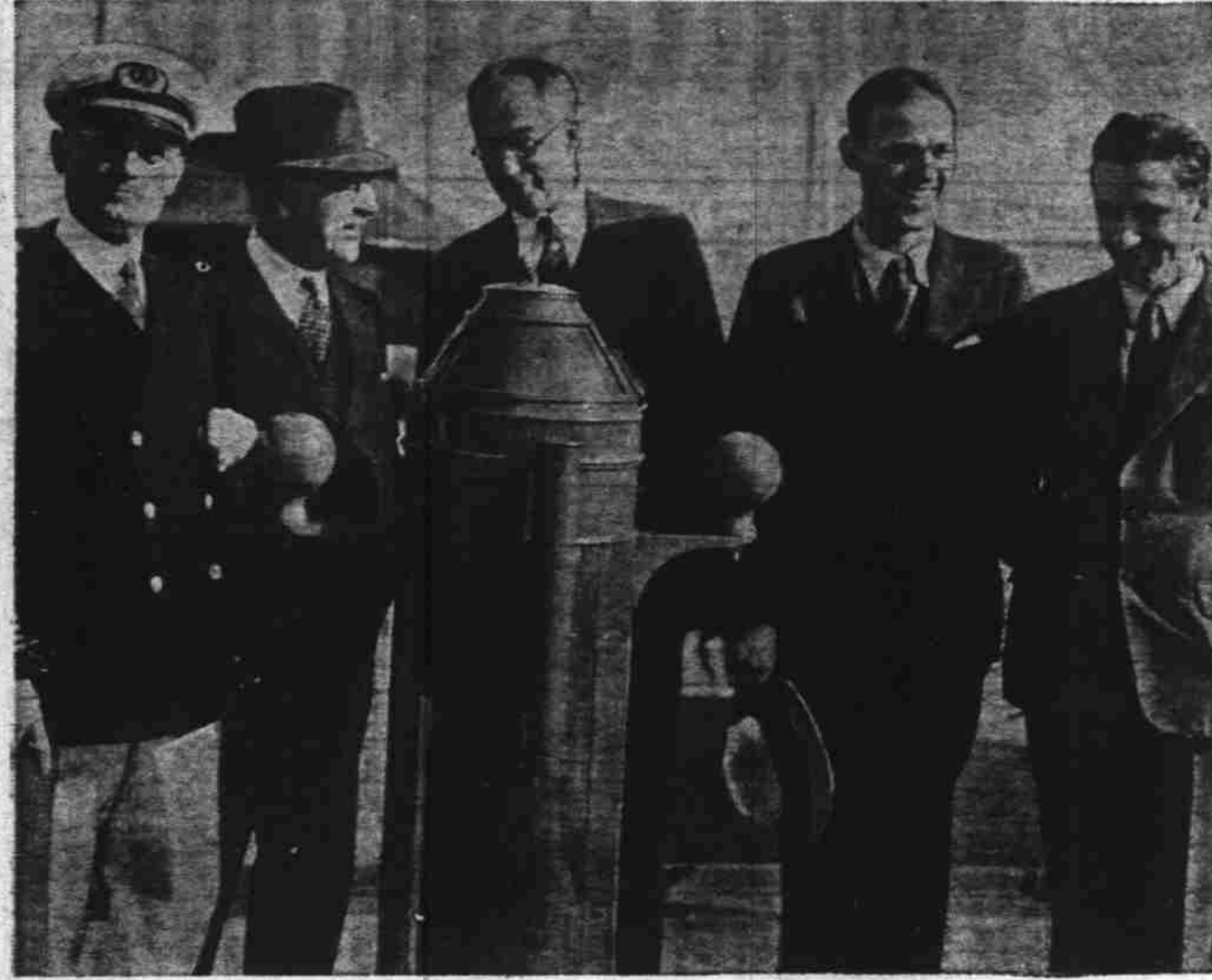
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Scientific Expedition Sails for South Seas



Sailing from Los Angeles harbor on a scientific expedition to the South Seas, Captain G. Allen Hancock, Los Angeles millionaire explorer, is pictured with a group of scientists who accompanied him on the cruiser. Left to right is Captain Hancock; Dr. Edwin Palmer, Hollywood, Cal., surgeon and retired zoologist; Dr. Hubert Clark, Harvard university zoologist; Dr. George S. Myers, Stanford university, ichthyologist, and John S. Garth, University of Southern California zoologist. The party left on Hancock's motor cruiser, Valero III, and will return about March 1.—LIN photo.

Lundberg Defends 60 Families Book

(Continued from page 1)

supporting a general onslaught against business, an onslaught that does not exist," the author said.

"It is a part of the strategy of the great feudalistic proprietor families of America to represent themselves not as absentee, non-functional owners, but as active business people."

The truth of the matter, indeed the crux of the matter, is that these great hereditary proprietors are not business people at all. Actually, their personal interests are often inimical to the general welfare of business, as business is understood by the ordinary mortal."

General Johnson introduced Lundberg from Washington. The author spoke here.

Norris Deplores Anti-Lynch Bill

(Continued from page 1)

for federal prosecution and fining of sheriffs who failed to protect prisoners, and would make counties liable for payments to the families of lynching victims.

Mrs. Caraway won a rest for her southern colleagues by sending to reading clerks a lengthy report made by a minority of the judiciary subcommittee in 1937. The report, she said, bolstered argument that the anti-lynching measure is unconstitutional.

The reading continued more than two hours. Most senators left the floor.

The Arkansas senator also read an address denouncing the anti-lynching bill, terming it an "insult" to the south.

She listed action of the 1936 democratic national convention in throwing out the two-thirds rule for the nomination of presidential candidates as another effort to lessen the influence of the south in national affairs.

She asserted "some groups now are seeking to destroy the south, not only politically, but in business competition with other sections."

Assign new Plane To Samoan Route

(Continued from page 1)

belonged to Radio Officer J. T. Findley of the Samoan Clipper. The coat had several holes blown through it.

The Avocat also found a pair of trousers belonging to Assistant Engineering Officer J. A. Brooks; some pages from the plane's engineering log; the navigating desk; bits of navigator's charts, a drawer and many small wood fragments from the inside of the plane.

Kelly Democrat Head

PORTLAND, Jan. 13.—(P)—The Multnomah county young democrats elected Edward C. Kelly, regional PWA counsel, president.

THE MYSTERIOUS PILOT

EVERY SUN.-MON.

STATE

SALEM'S STAR THEATRE

Art Certificate No 77

This Certificate entitles you to one week's Set of Four Pictures upon payment of only 39c (46c if by mail).

IMPORTANT—Be sure to order Set No. 1—if you have that or subsequent sets, order the next numbered Set of Four.

The Call Board

Today—Double bill, "Life of the Party" with Joe Penner and "Parkyarkus" and "The Spy Ring" with William Hall.

CAPITOL

Today—Double bill, "Manhattan Merry-Go-Round" with 20 big stars and "The Spy Ring" with William Hall.

STATE

Today—Eastern circuit vaudeville and Joe E. Brown in "Riding on Air."

Saturday morning, Kiddies club and midnight preview, "Gangway" with Jessie Matthews.

HOLLYWOOD

Today—Double bill, "Saturday's Heroes" with Marjorie Marsh and Van Heflin and "The Spy Ring" with William Hall.

GRAND

Today—Mrs. Martin Johnson's "Borneo."

Saturday—Ben Bernie, Walter Winchell and Simone Simon in "Love and Hisses."

Spiritual Decline Blamed for Ills

WASHINGTON, Jan. 13.—(P)—The Rt. Rev. James E. Freeman, bishop of Washington, told members of the board of the General Federation of Women's clubs today that present day troubles resulted from a spiritual decline.

"What we are facing today is not an economic or political crisis, but a huge spiritual decline," he said.

"I beg of you to take your work seriously—to give your best thought and most prayerful attention to the serious problems confronting the nation."

Japanese Loss at Tsining Is Heavy

(Continued from page 1)

vage the American gunboat Panay, sunk by Japanese bombs in the Yangtze river December 12, had been abandoned after the ship's safe, official papers and some personal property of the crew had been removed by divers.

The investigators found a 14-inch hole in the main deck where a large bomb had plunged through to explode below decks and blow a seven-foot hole in the Panay's hull. The engine-room and superstructure were shattered.

Teamsters Picket Pendleton Stores

PENDLETON, Jan. 13.—(P)—The teamsters' union picketed three chain stores here today, supporting demands of the retail clerks' union for recognition and hour and wage adjustments.

Ben Gerking, union official, said minimum pay of \$20 a week, a 9-hour day and 59-hour week were sought.

Candy Substitute For Small Change

TIENTSIN, China, Jan. 13.—(P)—"No candy, thanks," means "keep the change" in Tientsin where candy is being used for money because copper coins have been hoarded out of circulation.

Street car conductors have met the lack of small change by giving a piece of candy—supposedly worth two coppers—in change for each ten copper note presented for the eight copper fare.

Cardozo Slightly Better

WASHINGTON, Jan. 13.—(P)—There was a "slight improvement" today in the condition of Supreme Court Justice Benjamin N. Cardozo, seriously ill of heart disease.

Rogers Arrested In Chaffee Death

(Continued from page 1)

ling at the corner's inquest December 30 and 31, which resulted in a verdict of death caused by a blow from an unknown object delivered by an unknown person.

Two witnesses testified that the big Chaffee was injured. Rogers had told them he had struck a man and taken his overcoat.

A traveling bag identified as Chaffee's and in evidence at the inquest was taken from a hotel room which witnesses said Rogers had occupied. Roy McCulloch, an inquest witness, is in the city jail under a 90-day jail sentence for being drunk and also as a material witness.

The Jackson county sheriff's office is arranging to return Rogers to Salem.

Signs Pointing to Upturn Are Cited

WASHINGTON, Jan. 13.—(P)—There are signs of a possible "turn for the better," both for industry and agriculture, the bureau of agricultural economics said today in its monthly analysis of economic conditions.

The bureau said the "precipitous" decline in industrial activity the past few months "seems to have been checked." It listed the following as indications of improvement in business conditions:

1. Evidence of renewed interest by prospective buyers of some industrial goods.

2. A slight improvement in the demand for wheat and cotton.

3. A slower and less severe decline in consumer purchasing power, and in the demand for farm products, than in industrial activity.

Two Mentioned to Succeed M. Miller

PORTLAND, Jan. 13.—(P)—Mrs. Maude Thames, of Portland, and Robert Bradford, of LaGrande, chairman of the Union county democratic central committee, were mentioned today as candidates for federal collector of customs here.

The office was left vacant by the recent death of Milton A. Miller.

Koehne Will Face Burglary Charges

Victor Koehne, West Woodburn farmer, waived preliminary hearing in Woodburn justice court yesterday afternoon and was bound over to the grand jury on a charge of burglarizing the residence in Woodburn of J. M. Nelson, 82, and taking two federal pension checks for \$57.50 each on Wednesday, state police reported. His bail was set at \$2000.

State troopers said Koehne admitted having taken the checks and having cashed them yesterday in Portland.

13th Debt-Free Year

ALBANY, Jan. 13.—(P)—Linn county completed its 13th debt-free year with a balance of \$271,665 in 1937. A new courthouse will be constructed with \$238,559 of the surplus.

Love and Hisses

Walter Winchell, Ben Bernie, Simone Simon

GRAND

THE MYSTERIOUS PILOT

EVERY SUN.-MON.

STATE

SALEM'S STAR THEATRE

Irish Fusion Attempt Seen

Northern Ireland Says It Will Block All Moves in That Direction

LONDON, Jan. 13.—(P)—The government of northern Ireland today called for a mandate to resist any plan of Irish fusion which might develop at forthcoming talks between Ireland and Britain.

The Belfast cabinet was spurred to action by an announcement that reunion with northern Ireland would be among subjects discussed by Prime Ministers Eamon de Valera of Ireland and Neville Chamberlain of Britain.

The discussions will begin in London next Monday, the first between important delegations of the two governments in many years. They were announced as primarily to deal with the sub-jects of defense and trade.

British, Irish to Meet

The Ulster government, apparently fearing a possible British about-face on their stand against union of the six Ulster counties with Ireland, unexpectedly called for general elections in northern Ireland on February 9, and dissolved parliament would be dissolved January 20.

Viscount Carigavan, prime minister of northern Ireland, asked the voters to back his "loyalist" policy and return the unionist party to power.

Economic Cooperation Hope

Disclosure the issue would be taken up in London was a jolt to Ulster officials who had felt reassured by Britain's refusal to recognize the De Valera constitution as embracing the northern counties. Under the constitution, which became effective last December 29, the Irish Free State became Ireland in English and Ulster in Gaelic.

In both Britain and Ireland there appeared semi-official optimism that the approaching conversations would bring tangible results in political and economic cooperation. There also was a feeling in Ireland De Valera's dream of a united and independent Ireland might be realized.

Fan Wills His All To Idol of Films

Nevada Miner Dead, Was Lifelong Admirer of Marion Davies

LAS VEGAS, Nev., Jan. 13.—(P)—To the late Clark Alvord, veteran Nevada miner, Marion Davies was only a shadow on a project screen and a voice out of the dark depths of a theatre.

Friends said he wrote her hundreds of fan letters that went unanswered. He had no autographed picture of the actress. But love for Miss Davies prompted this hard-core miner, student of Indian lore, postmaster and general store operator of the little desert town of Nelson to bequeath her the major share of his small estate and name her one of its executors.

He died in the Clark county hospital a week ago. The will filed for probate today read:

"I give and bequeath to my beloved Marion Davies all my property both real and personal which includes 510,000 shares of the Southeastern Mining company of Eldorado Canyon, Nevada, she at all times and her heirs to have all full voting power of above shares."

This was written in his own script Sept. 24, 1930. Later Alvord added this codicil:

"I desire that 45 per cent of my estate be distributed to my legal heirs, the rest to go according to my last will. I appoint John S. Sartain and Leo McNamee and Marion Davies as executors of this will to act without bonds."

The estate included \$1,000 cash; the mining company and a lease with an estimated value of \$9,000.

Friends said Alvord never missed one of Miss Davies' pictures.

NLRB Will Speed Up Portland Case

SEATTLE, Jan. 13.—(P)—Regional Director Charles W. Hope said tonight the national labor relations board has scheduled oral arguments at Washington, D. C., January 25 in the Portland M. & M. Woodworking company case involving unfair labor practice charges.

Hope said he was notified the board would speed procedure by doing the case direct instead of first considering the trial examiner's report.

Judge James Alger Fee of Portland, in ruling on an injunction suit involving the Plywood company, cited this week what he called delay by the NLRB in entering the case.

Eugenean Named For Point Test

WASHINGTON, Jan. 13.—(P)—The war department announced today the following have been designated to take the March 1 examination for admission to the military academy (principals unless otherwise noted):

Galen Person Robbins, Eugene; F. Roy Brockshank, Jr., first alternate; Vida; Donald Schaeffer, second alternate, Amity.

No Pickets Appear at Brewery After Warning

Salem Brewery operations moved along in routine fashion yesterday without repetition of picketing incidents such as occurred Wednesday, the management reported.

An international brewery workers' union picket was forced to abandon his picketing of the brewery Wednesday by a group of AFL teamsters union members, who claim jurisdiction over the plant.

THE LIFE OF THE PARTY

2ND ACE HIT

International Intrigue with Thrills and Chills

"SPY RING" With William Hall

—And 2nd Hit—

Buck Jones in "HEADIN' EAST"

Coming Sunday

FRED ASTAIRE - BURNS & ALLEN "DANSEL IN DISTRESS"

Facts on Young Americans Prove Jolt; They Eats Their Spinach and Likes It

New York Poll Shows They Just Love Hash and

NEW YORK, Jan. 13.—(AP)—Tradition-shaking facts about young America, 1938 model, jolted the raw material of the nation's gagmen today.