

LEGISLATURE THREATENS SCHOOLS

SPEAKER HAS NEW TAX PLAN LESS PAINFUL

Garner's Program To Be Announced Later, He Promises

LEADERS EVOLVE PLAN

Budget To Be Balanced Without Calling of Extra Session

WASHINGTON, Jan. 6.—(AP)—Speaker Garner said today he had a tax plan "which I think is not quite as painful" as the proposed increase in income taxes but he declined to disclose its nature at this time.

The speaker, discussing the program the democratic leaders talked over with President-elect Roosevelt last night in New York said the ways and means committee would not meet to consider the proposed broadening of the income tax base for about two weeks.

"We've got plenty of time," he said. "I understand the beer bill will be sent to the White House in about two weeks."

Garner said the democrats would concentrate on plans to balance the budget, legalize beer, repeal the 18th amendment, and enact farm relief legislation.

PROGRAM EVOLVED
NEW YORK, Jan. 6.—A democratic program to balance the national budget now without necessity of an extra session of the new congress this spring has been evolved here at a conference between President-elect Franklin D. Roosevelt and congressional leaders.

It calls for an increase in income taxes; enactment of the proposed 10 percent beer tax; continuation of the gasoline tax and \$100,000,000 slash in appropriations below the Hoover budget.

Income Tax Boosted
The new tax plan provides for a boost in the normal income tax rates from 4 per cent on the first \$4,000 net income and 8 per cent on income above that to 6 per cent and 8 per cent, respectively.

It also proposes a cut in exemptions for married persons from \$2500 to \$2000 and a continuation of the present slash for single persons from \$1500 to \$1,000.

Weather News:

OREGON: Cloudy west and fair tonight; light rain west late tonight and Saturday and local snow northwest portion Saturday; locally colder southeast portion tonight; moderate northwest winds offshore becoming southerly tonight and increasing.

LOCAL STATISTICS: Minimum temperature Friday, 43 degrees; Maximum Thursday, 54. Precipitation .13 of an inch. Willamette river, 4.3 feet. Wind from southwest.

SUNSLAVE TIDES: Saturday, high, 8:53 a. m.; low, 10:33 p. m.; Sunday, high, 4:15 p. m.; low, 5:48 a. m.; Monday, high, 10:27 a. m.; low, 4:38 a. m.; 5:43 p. m.

Critics Declare Technocrats Wrong On Power Estimates

(Editor's Note: This is the last of a series of articles giving a new insight into Technocracy whose predictions of possible economic collapse started a far-reaching controversy.)

By J. R. BRACKETT
(Copyright 1932 by Associated Press)
NEW YORK, (AP)—Imagine having at your command the labor of five times the population of the earth. That says Technocracy, is what the United States does have—in the form of one billion installed horsepower if it were fully used. But it is not fully used, and so far as Technocracy is concerned, there's the rub.

Technocracy, a group of research engineers working at Columbia university under direction of Howard Scott, dramatizes in this statement the physical science of the outstanding physical science of the age. The statement has increased its physical efficiency in the production of goods without preparing at the same time a social mechanism capable of accomplishing that production.

What is a billion horsepower? A horse is able to do one-tenth horsepower in work. Ten men would equal one horsepower. Ten billion men equal one billion horsepower. World population today is about 1,800,000,000. Critics of Technocracy, however, hold the statement of "one billion installed horsepower" misleading. W. W.

I. C. C. HEAD!



The new chairman of the Interstate Commerce Commission is Patrick J. Farrell (above), a member of the commission for 32 years. He succeeds Claude R. Porter, who resigned, and assumed office on January 1.

JAPS AND CHINESE RENEW HOSTILITIES

River Separates Troops Of Opposing Armies in North China

(By The Associated Press)
Hostilities were reported renewed Friday between Chinese and Japanese troops drawn up on opposite shores of a river between the northwestern Chinese cities of Shanhaiwan and Chinwangtao.

Foreign observers in the area, however, said the Japanese gave no indication of starting an advance farther along the railroad which leads to Tientsin and Peking.

A Shanghai dispatch said an exchange of rifle fire began between the opposing lines and the Peking cable word that Japanese planes were bombing villages north of Shanhaiwan.

This is the direction the Japanese would take for a campaign into Jehol, which has long been predicted by Chinese and threatened by Japanese military leaders. They came into Shanhaiwan this week along the Manchurian coast from the northwest.

The easiest course into Jehol, however, is up the Luan river, 60 miles southwest of Shanhaiwan by the railroad.

Chinese officials at Nanjing said peace negotiations were off and that Japanese claims they would "localize" the conflict at Shanhaiwan were a "smoke screen" for further movements.

General Ho, ousted Chinese commander of Shanhaiwan, blamed the 1901 Boxer treaty, permitting troops of Japan and other world powers in north China, for his defeat.

Chinese newspapers criticized "lukewarm" Chinese military leaders and lauded the "Shanhaiwan heroes."

EXCHANGE TO CLOSE
NEW YORK, Jan. 6.—(AP)—The New York stock exchange will be closed tomorrow as a tribute to Calvin Coolidge.

BOOZE SMELL IS FACTOR IN SAVIN' CASE

Defense Seeks To Establish Bailey Was Drunk at Time of Crash

OFFICER IS WITNESS

Morgan Says Odor Present But Was Unable To Locate Source

BULLETIN
Vernon Bailey stated Friday afternoon that he was not drunk when his car and a stage crashed Sunday afternoon, resulting in the death of his wife, Mrs. Altona Bailey. Bailey said that he and Mrs. Bailey had had shared a bottle of beer about 11 o'clock Sunday morning.

The accident occurred about 3 o'clock. Bailey's statement was made at the preliminary hearing for Tom Savage, stage driver, charged with involuntary manslaughter.

Defense counsel for Tom Savage, Pacific Greyhound stage driver charged with manslaughter, endeavored to establish that Vernon Bailey was under the influence of intoxicating liquor when his car collided with a stage Sunday afternoon, killing Mrs. Bailey. Savage's preliminary hearing was held in justice court Friday.

Paul E. Morgan, state police officer testifying on his investigation of the accident, was asked by Judge Lawrence T. Harris, attorney for Savage, if Morgan could smell liquor on Bailey's breath as he was bending over him to treat a wound.

Morgan answered that he could smell liquor.

But I can't say whether it was from Bailey's breath or from two women's coats which had been placed over him," the officer said.

"It would be extraordinary, would it not, Mr. Morgan," Harris asked, "for liquor to have been on the coats? Have you ever experienced such a case before?"

Morgan answered that it was unusual, but that he couldn't positively testify that the odor of liquor was on Bailey's breath.

"Did you have to get close to him to smell it?" Harris asked him.

"I was close to him," Morgan answered. "I smelled the liquor when I was at his head, and could not detect it when I was standing at his feet."

District Attorney W. H. Brooks then asked Morgan about the condition of Bailey.

"Bailey was not intoxicated," said Morgan. "He talked clearly."

Friend Testifies
Stephen Peterson, who works in a service station at Sixth avenue and Blair boulevard, was called as a witness by the district attorney. Peterson testified that Bailey, whom he knows personally, bought gasoline at his station just before he left Eugene preceding the accident. He talked five minutes with Bailey, he said, and testified that Bailey was not drunk, and that he couldn't smell liquor.

Clarence V. Simon and Fred Malakian testified during the morning. They simply described the accident scene.

Colby Harnden of Salem was to testify in the afternoon.

Bailey's testimony was to be taken also.

OREGON AND SONS TO CLASH FRIDAY

Eugene Warehouse Entered In Night

Thieves who broke into the Gillette warehouse, just north of the Southern Pacific depot, Thursday night, obtained two sacks of flour, six boxes of dried fruit and some biscuits, police reported Friday.

Entry was gained by breaking off the staple on a padlock, Captain Elmer Geiger, investigating officer, said. No trace of the thieves was found.

Willamette Pass Clearing Stopped
BEND, Ore., Jan. 6.—(AP)—Clearing operations on the Willamette pass highway near Crescent have been abandoned by contractors because of heavy snow along the eastern slope of the Cascades. All but three miles of the 19 miles included in the clearing contract was completed before the storm made further work impossible. Grading work in the higher country near Odell lake is being continued.

Coolidge Attributes Success To Selecting Right Man For Job; Voluntary Taxes Liked

EDITOR'S NOTE: The United Press, in view of the death of Calvin Coolidge, may with propriety release today his last major interview with Raymond Clapper, chief of the United Press Washington bureau. Clapper talked with Mr. Coolidge in the Northampton law office from 9:30 a. m. until noon of Nov. 13, 1931. The former president declined permission for quotation of the discussion at that time because he "did not wish to interfere" in national affairs.

By RAYMOND CLAPPER
United Press Staff Correspondent
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WASHINGTON, Jan. 6.—(AP)—Calvin Coolidge told me in the quiet of his Northampton, Mass., law office that such success as credited to him as president was due to the fact that "when there was a job to be done, I found the best man to do it and let him do it."

The former president cocked his high topped tan shoes on his time-stained golden oak desk as he talked that morning, Nov. 13, 1931. He paused as he talked, and drew at the white paper holder which held his long cigar tipped by an inch of undisturbed white ash.

I had climbed the worn steps of the old brick Masonic temple in Northampton to talk about business conditions, for we then were in one of the more hopeful periods of the depression. We talked from 9:30 until noon.

Shot in Arm No Good
Book cases in the small room held ancient law books. A faded facsimile of the declaration of independence hung on one wall. His desk, unlike that he used at Washington, was piled high with all sorts of papers. The former president wore a business suit that appeared not to have been creased by the over-punctilious valet thrust upon all presidents by White House routine. His collar was of the two inch stiff type popular in the '20's.

"Shots in the arm," he said, "will not do business much real good. Most of the plans being talked about as cures are really plans for putting the losses off on the other fellow. It probably would be better to take the losses."

SEE COOLIDGE VIEWS STORY PAGE 2

Bomb Intended For Priest Cause Of Rockne's Death

SOUTH BEND, Ind., Jan. 6.—(AP)—The South Bend News-Times said today in a copyrighted story that it had learned "from an unimpeachable source" that government secret service men have ascertained that a gangster's bomb caused the airplane crash in Kansas in 1931 that killed Knute Rockne and seven other persons.

The bomb, the News-Times story said in quoting secret service men at second hand through a man whose name was withheld, was intended for Rev. John Reynolds of the Notre Dame university faculty, who had been a witness at the trial of Leo Brothers for the slaying of Jake Lingle, Chicago Tribune reporter.

Secret service operatives were in South Bend a few days ago rounding out their evidence, the story said, and had it complete even to the name of the man suspected of placing the bombs in a mail pouch in the plane.

"The name of the suspect was not revealed to our informant," the News-Times said.

According to the newspaper's version, the secret service men have been working on the case since soon after the fatal plane crash. Their suspicion, it was said, were aroused by the fact bodies of the victims were torn and mangled far beyond what might be expected by a plain falling.

"Rockne's head was torn from the body and bodies of the other victims were horribly mangled," the story said.

The story quoted the paper's informant as learning from the government investigators that the bomb was a time machine and had been set to explode while the plane was in the air.

Captain Thomas J. Callaghan, head of the Chicago division of the secret service, was absent from his office today by his associates declared by telephone they knew of no investigation into the plane crash by their division.

Department of justice agents at Chicago also said they knew nothing of the investigation.

WASHINGTON, Jan. 6.—(AP)—Chief W. H. Moran of the U. S. secret service denied today that his agents were investigating circumstances of the crash of the trans-continental plane in which Knute Rockne lost his life.

Pastor Observes Anniversary Here
The coming Sunday, Jan. 8, marks the beginning of the seventh year in the ministry of the Community Liberal church for Rev. Ernest M. Whitesmith, pastor.

The event will be observed by a special service at 11 a. m. at which announcements and explanations will be made regarding changes in the type and form for future church activities. Another feature of the program will be a duet by Miss Grace Barnett and Miss Rose Simons.

Rev. Mr. Whitesmith has served the longest in the city among the present local clergymen.

Over Two and Half Millions Spent By G. O. P. Committee
WASHINGTON, Jan. 6.—(AP)—The republican national committee spent \$2,670,552 in its unsuccessful attempt to win the last national election, it reported today to the clerk of the house, South Trimble.

Contributions from June 1, 1932, to Dec. 31 were given at \$2,431,112, including receipts of both national and state party committees. Party deficit of \$195,100 was reported as of December 31.

Major expenditures during the last year were recorded by the committee as congressional elections, \$95,342; state committees, \$179,690 and national committee, \$1,822,213. The committee said it owed \$86,000 on notes, \$10,000 for printing, \$114,971 for broadcasts, and \$10,000 borrowed in behalf of its congressional election committee.

Fire Plug Broken As Autos Collide
Two cars crashed at the intersection of Eighth and High streets Friday morning at 8 o'clock, the crash breaking off the fire plug on the corner.

M. L. Hanshul, driving west on Eighth, struck the car of A. L. Hooks, going north on High. The Hooks car was driven against the fire plug which broke and flooded the intersection before the water was shut off.

SIMPLE RITES ARE PLANNED FOR COOLIDGE

Nation's Leaders To Attend Saturday Services At Northampton

BODY LIES IN STATE

Interment To Be Held At Plymouth, Beside Father, Son

NORTHAMPTON, Mass., Jan. 6.—(AP)—The body of Calvin Coolidge rested today in his home, "The Beeches," as plans for his funeral tomorrow were completed.

The body will lie in state for one hour in the Jonathan Edwards Congregational church tomorrow morning. Friends, from world famous dignitaries to laborers, will be given this opportunity to pay their final respects to the man who rose from a lawyer in a small city to the presidency.

Hoover To Attend
President Hoover, members of his cabinet, congressmen and senators will file past the bier. Behind them will come men like James Lucey, the aged cobbler who was one of the former president's closest friends, and George Dragon, the barber Mr. Coolidge patronized.

With her only surviving son, John, by her side, Mrs. Coolidge remained in the home where at noon yesterday she had found her husband lying dead in his dressing room.

Mr. Coolidge's death was sudden and wholly unexpected and that it should be her fate to find his body was a severe shock to Mrs. Coolidge, Harry Ross, secretary to Mr. Coolidge, assured friends that she was "bearing up very well."

Interment at Plymouth
A guard of honor from the national guard will stand by the bier while it lies in state. At 10:30 o'clock the services will begin. They will be brief and simple with Rev. Albert J. Penner, the young cleric who in past months was often pleased by the former president's comment on his sermons, officiating.

Six stalwart policemen will represent official Northampton at the services. They will bear the coffin in and out of the church and place it in the automobile hearse which will bear it to Plymouth, Vt., where Mr. Coolidge will be laid to rest beside his father and son.

A motor cortege will accompany the body to Plymouth. Mrs. Coolidge will be accompanied in her car by her son, John, and his wife, the former Florence Trumbull, daughter of a former governor of Connecticut.

HOUSE ASKS R. F. C. LOANS MADE PUBLIC

WASHINGTON, Jan. 6.—(AP)—The house today requested the reconstruction corporation to make public details of loans made by the corporation between February and June last year.

Action followed a few minutes after the banking committee had reported favorably the resolution by Representative Howard (D. Neb.), asking the agency to tell to whom money went from February to June, 1932.

The report, if the reconstruction corporation complies, would go to the house clerk and its contents would be open to public inspection, as are monthly reports made now.

Representative Snell, the minority leader, registered only perfunctory objection to the resolution.

Previously Representative Howard had told the banking committee that he felt publicity on the loans between February and June was necessary "to quiet ugly rumors."

Red Cross Seeks Mother Of Youth

The Lane county Red Cross chapter has been asked by the Fort Worth, Texas, chapter to assist in finding the mother of Travis Singleton Kyser.

Mrs. Kyser is believed to be in the northwest, according to Margaret McLean, executive secretary of the Fort Worth chapter.

F. D. And Stimson To Meet in New York

WASHINGTON, Jan. 6.—(AP)—Secretary of State Stimson probably will hold his scheduled interview with President-elect Roosevelt while en route back from Calvin Coolidge's funeral to Washington, it was learned today on good authority.

The two men probably will meet in New York City.

FARM RELIEF!



In the center of the stage of this winter's battle for farm relief is Rep. Marvin Jones of Texas, above. He's chairman of the House committee on agriculture, which is holding hearings on the voluntary domestic allotment bill.

NOMINATION MADE BY SCOUT COUNCIL

Dr. O. F. Stafford Named For President; Voting To Be Later

The nominating committee of the executive board of the Wallamet scout council recommended the reappointment of H. B. Salter as scout executive for the coming year and recommended the election of Dr. O. F. Stafford, of the university faculty, as president of the council at the meeting at the Eugene hotel Friday noon.

Recommendations of the nominating committee, consisting of L. A. Payne and G. D. MacLaren, were approved by the board.

Recommendations included the name of Dr. H. W. Titus as vice-president; J. J. Rogers, vice-president; with another vice-president to be elected from Corvallis. Other members of the executive board recommended by the committee and approved by the board are A. A. Rogers, L. A. Payne, Dr. Warren D. Smith, H. R. Gould, Perry A. Thompson, Rev. Bryant Wilson, Alton F. Baker, Dr. W. D. Moxley, R. Roy Booth, Dr. D. C. Starnard, R. C. Merrill, Perry W. Brown, L. E. Kelly, G. D. MacLaren, C. E. Jolly, Pete Hanns, L. C. Moffitt, Austin Dodds, Howard Hall, Wendell Van Loan and H. W. Kite.

Members at large recommended were as follows: Dr. John P. Bovard, Lynn S. McCready, T. O. Russell, William M. Tugans, George Hitchcock, David Auld, C. P. Tillman, Rev. C. F. Ristow, Paul R. Washke, J. H. Farrington of Corvallis, Dr. A. F. Barnett, Dr. R. C. Faust, W. A. Ayers, Dr. Harold Axley of Cottage Grove and C. V. Ruzek of Corvallis.

Elections will be held at the annual meeting of the council, to be held the latter part of this month. The date has not yet been selected. The council is composed of representatives of every troop in the council plus the executive board. The troop representatives must constitute a majority on the council.

Perry Thompson, chairman of the camp committee, reported on a plan whereby boys would be able to attend summer camp, paying a low charge and furnishing their own food. This plan would double the camp, it is thought, and has been successfully worked out in other councils.

R. C. Merrill was named chairman of a committee to work out the program and objectives for the coming year and to report at the annual meeting.

Although the marchers represented no specific organizations, they were captained by Fred Walker, Portland communist leader, and Louis Olson, active in communistic work.

The marchers said they expected to reach Oregon City tonight and were to spend the night at the Oregon City fairground. Tomorrow they will go to Woodburn and camp overnight.

They hope to reach Salem Sunday afternoon, to join with delegations from Marshfield, Klamath Falls, Medford and other southern Oregon cities.

Sunday night, Walker said, a statewide "conference" of marchers will be held. Demands will be made on the legislature for "unemployed insurance."

LATE NEWS FLASHES!

PHOENIX, Jan. 6.—(AP)—Superior Judge Howard C. Speakman today sustained John J. Halloran's demurrer to an indictment charging him as an "accessory to the crime of murder" and ordered Rens L. Jennings, county attorney to reconstitute the charge, with an information to be filed before a committee of magistrates.

TEHERAN, Persia, Jan. 6.—(AP)—The soviet embassy has demanded formally that the Persian government suppress a boycott of Russian goods in Gilan province and elsewhere, it was learned today. The soviet threatened to close down their trading agencies in the affected regions if the boycott did not end.

WASHINGTON, Jan. 6.—(AP)—A bill designed to make "seven significant changes" in the emergency relief act and quicken the flow of funds for the relief of the needy will be introduced Monday by Senator Wagner (D., N. Y.), he said today.

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AX HOVERS OVER EVERY DEPARTMENT

Pay Cuts, 7 to 40 Per Cent, Proposed For All State Help

SESSION IS FRANTIC

State Credit in Jeopardy As Solons Balk Call To Balance Budget

SALEM, Ore., Jan. 6.—(Special)—Every department of state activity, including schools of higher learning, will face 50 per cent curtailment and possible shutdown during the next two years unless the legislature finds some way of jerking out of the tailspin into which this dizzy special session has fallen.

So far, this has proved the most wild-eyed, frantic and futile session ever held by an Oregon legislature and as things stand this (Friday) evening, the special session will come to a close tomorrow night with this record:

Record To Date
WARRANT BASIS for state operations authorized. Bill for this purpose passed the House Friday afternoon.

SALES TAX definitely rejected because majority of legislators fear the kickback.

INCOME TAX likely to be increased by spreading lower brackets and higher rate on big incomes.

BILL REPEALING states 3.5 property levy introduced Friday by Baget of Portland.

SALARIES of all state employees ordered cut 40 per cent if now \$5,000 or better and grading down to 7 per cent cut on small salaries.

WHOLESALE curtailment of many state activities and complete abandonment of some, on program for regular session.

GRADE SCHOOL 2-mill levy may be raised to get \$1,000,000 (approximately half of it) for state budget.

Nothing Serious Yet
So far, not a single act has been completed except the passage of two bills from the last regular session.

SEE LEGISLATURE STORY PAGE 2

"HUNGER" COLUMN MARCHES ON SALEM

PORTLAND, Ore., Jan. 6.—(AP)—About 150 men and several women, mostly wives of the men, left communist headquarters here today on a "hunger march" to Salem where a special session of the state legislature is discussing taxation and unemployment relief.

Although the marchers represented no specific organizations, they were captained by Fred Walker, Portland communist leader, and Louis Olson, active in communistic work.

The marchers said they expected to reach Oregon City tonight and were to spend the night at the Oregon City fairground. Tomorrow they will go to Woodburn and camp overnight.

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