

WAR ON WAR PROFITS, LEGION AIM

"AGE" MADE ASTOR ROW MARYLYN

Time Is Divided Between Parents By Compromise Plan

Not Pleased Prophet, Says He When Asked If Truce Will Be Permanent

Angels, Aug. 13.—(AP)—A settlement ending the sensational custody fight between the young daughter, Marylyn Astor, and her mother, Mrs. J. K. Knight, was announced today by Superior Judge J. Knight.

Angels followed a conference between Judge Knight, Miss Astor and their lawyers agreement dividing custody of the young daughter, Marylyn Astor, between the two women.

Angels said he did not consider any legal action against S. Kaufman, Broadway playboy, for failing to appear as a witness subpoenaed by Dr. Thorpe.

Angels said he believed matters would be smoothed out by the settlement. Thorpe replied: "I am comforting thought," he said, "that the court would have the right argument arose."

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"No Tax Increases", Is New Deal Pledge

TOWNSEND TO TALK TO COUGHLIN MEET

CLEVELAND, Aug. 13.—(AP)—A controversy within the Rev. Charles K. Coughlin's National Union for Social Justice over whether Dr. Francis E. Townsend should address his convention tomorrow was settled today with an announcement by Coughlin that Townsend would speak to the delegates Saturday. That will be after the official close of the convention, the Royal Oaks, Mich. priest said.

Opposition to appearance of the founder of the old age pension movement had been raised by Walter D. Davis, convention marshal. "I want to keep the National Union out of politics," Davis explained.

In an open letter to delegates, Father Coughlin wrote: "If one out of 12 apostles were Judas Iscariot it is an even bet that one out of 1200 delegates in the national convention will be a Gomer Smith."

Smith, an Oklahoma City lawyer and member of the Townsend movement's board of directors, attacked Coughlin and upheld President Roosevelt at the Townsend convention here a month ago.

Other excerpts from the letter: "I am told that we will have present with us at Cleveland certain delegates who are on kissing terms with Franklin Delano Roosevelt, together with a few others who are attempting a flirtation with Alfred Landon. These delegates are not to be criticized one-tenth so much as is the other handful of delegates who will attempt to prove that William Lemke's platform was written in Moscow with the red ink of communism. When that delegate rises to the floor, I will signal for you to laugh."

GRAND TOUR PLAN FOR LEMKE "OUT"

CLEVELAND, Aug. 13.—(AP)—Plans for Father Charles E. Coughlin to join with Dr. Francis E. Townsend, of the pension clubs, and the Rev. Gerald L. K. Smith, of "Share Our Wealth," in a nation-wide speaking tour in behalf of the new Union party presidential ticket were revealed today to have collapsed as the priest's National Union for Social Justice assembled here for its first convention.

Father Coughlin said his schedule would not permit him to appear with Townsend and Smith in the barnstorming tour which will extend from coast to coast in the interests of Rep. William Lemke, Union party presidential candidate. He said he probably would join them for one engagement in New Orleans.

Dr. Whitman Given Tribute of Medicos

WALLA WALLA, Wash., Aug. 13.—(AP)—Dr. Marcus Whitman today was honored as the first practicing physician west of the Rocky mountains as the Whitman centennial swung into the American Medical association program today with addresses by Dr. Frederick Waite, Cleveland, O., Professor Olat Lapell, Portland, Ore., and Professor Harold Behneman of San Francisco.

Business Advance Is Held Sufficient To Balance Budget

WASHINGTON, Aug. 13.—(AP)—A forecast that taxes will not be increased and may, in fact, be "slightly reduced," was made today by Secretary Morgenthau and congressional tax leaders after a conference with President Roosevelt.

The treasury head, Chairman Pat Harrison of the Senate finance committee, and Chairman Doughton of the House ways and means committee, at a joint press conference that followed, said improved business conditions had so fortified the treasury that no new or increased taxes will be necessary at the next session of congress.

Fresh Studies Are Announced They announced an immediate study of the whole structure, including the law enacted this spring placing corporate taxation upon a new basis to seek the elimination of "inequities" and "administrative difficulties" which may result in the cancellation of some of the miscellaneous "nuisance taxes."

Harrison told reporters that if the administrative costs and difficulties of some specific taxes were found to be so great that they could be repealed with little loss of revenue, such action would be recommended. What taxes he had in mind, he did not say.

Nuisance Taxes May Go Morgenthau, however, told newsmen he referred to "miscellaneous taxes," commonly called "nuisance taxes."

"Business improvement is at such a pace that we are going to reach a balanced budget much earlier than we expected," Harrison said. Doughton said that "improvement in business" over the country has had two effects—increased revenues and decreased relief costs.

"This is tending to bring expenditures and receipts together, with receipts going up and expenditures coming down."

Morgenthau's recommendation was made in a letter to the President, dated August 10 which read, in full, as follows: "At your request the treasury department since the adjournment of congress has been giving careful attention to the adequacy of the tax structure to meet the revenue needs of the government and generally to

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JUNCTION CUTOFF TO BE COMPLETED

Contracts to complete the new west side highway between Eugene and Junction City will be let this fall, according to J. M. Devers, attorney for the state highway commission, who was in Eugene Thursday.

SPAIN'S REDS KEEP POPULAR CONTROL IDEAL

Arming Of Labor Militia Saves Government In Present Crisis

FACTIONS CONFUSED Anti-Royalist, Anti-Fascist Groups Combined In Loyalist Armies

(EDITOR'S NOTE: Ralph Heinzen, chief of the United Press bureau, in Spain, armed with credentials from rebels and loyalists both, to report on conditions as they appear in broad perspective. In the following dispatch he discusses the political aspect of the rebellion.)

By RALPH HEINZEN (United Press Staff Correspondent) (Copyright, 1936, by United Press) SAN SEBASTIAN, Spain, Aug. 13.—(AP)—Battle lines are distinctly drawn in this war of Spaniards—right against left—but there is no truth in the belief that the right means fascism and the left communism. Government as a national institution has been supplanted by correlated governments.

In Barcelona, in the northeast, a syndicalist-communist anarchist-Catalonian workers' committee really rules, though the Generalitat, the semi-autonomous Catalonian government, still stands.

Militia Controls Madrid In Madrid, the Marxist militia has allowed the cabinet to keep its position but the Popular Front militia really rules, for there are two workers under arms in the capital for every national soldier of civil guardsmen.

In Valencia, on the east coast, a workers' junta—the junta de levante—rules with iron hand and autonomous powers delegated by the Madrid government. This junta took Albufera for the government, thus opening full communication with Madrid.

War Communications Hold Power Here in San Sebastian and at Santander and Bilbao to the west the civil governors still rule, as usual, in the name of the Madrid government. But in each city a popular front war emergency committee really is in power.

Throughout that part of Spain which has been kept out of the hands of the insurgents the labor militia—the real force in Spain today—holds commerce, industry, shipping in its hands. The red flag flies over churches and convents, and armed guards at the doors of private palaces or clubs warn that all have been seized in the name of labor. Workers' juntas run the railroads. Workers' committees operate certain essential factories.

Property Seizures General It is only a question of how soon this control by workers' committees will be extended to public utilities generally and perhaps to banks.

There is another question, seldom asked but always in the forefront: Will labor give them back? Everything which has been seized has been labelled by and for one of the major labor unions. That labor means to keep its gains in almost

BREVITIES

STATE PORTLAND, Aug. 13.—(AP)—The Portland chamber of commerce today took steps to warn residents of the drought-stricken area and other portions of the middle-west against coming to Oregon in search of employment. While the chamber modestly admits that Oregon is a paradise on earth, it is anxious to correct the erroneous impression that there are jobs of every kind available in the state. There are still many unemployed on the public employment rolls and except for seasonal jobs in the agricultural sections, there is little work available.

PORTLAND, Ore., Aug. 13.—(AP)—Employment on Oregon highway projects financed wholly or in part by the federal government reached an all-time high for the month of July, the bureau of public works announced today. Of the 5200 men employed, 400 more than the previous record month of June, 1935, approximately 1300 were taken from the public relief rolls.

PORTLAND, Aug. 13.—(AP)—Portland police, city attorneys, and United States attorneys dug into law books today to determine if a law exists prohibiting the printing of other emblems above the American flag. The occasion was the posting on telephone poles of posters advertising a talk by a member of the communist party and bearing the hammer and sickle flag above the stars and stripes.

VALE, Ore., Aug. 13.—(AP)—Between 40 and 50 cars of potatoes, valued at approximately \$25,000, rolled out of Vale this week to markets described by growers as "the best in years." It was estimated last year's shipment of 315 cars would be doubled in 1936. Prices quoted here ranged from \$1.50 to \$2.00 a bushel.

SANDY, Ore., Aug. 13.—(AP)—A crew of 25 men slashed through timber today to widen the skyline road from Ohallie lake to the north gate in the Mount Hood national forest. District Ranger Lynch cited registration of 400 cars at the gate Sunday as tangible evidence of increased use of the scenic route.

FINE, JAIL TERM IS GIVEN DRIVER

R. J. Hunter of Corvallis was fined \$100 and sentenced in the justice court at Springfield, Thursday, to serve 30 days in the county jail on a drunken driving charge. His license was also suspended. Hunter was arrested Wednesday evening by Sheriff C. A. Swarts near the undergrade crossing above West Springfield. The sheriff said Hunter's car had struck another one and damaged it to such an extent that a wrecker was sent for. Hunter then started back toward Eugene and struck the wrecker on its way out to bring the damaged car in. Hunter's car was badly damaged in this collision.

Two young men, witnesses to the second collision, had started to bring Hunter to Eugene when the sheriff happened along on other business. He took the man in custody and after a physician had pronounced him drunk he was locked up in the county jail for the night. Hunter told the sheriff he was on his way to Roseburg to see his mother at the time of the accident.

Spain's Troubles Aggravated By Sharp Class Distinctions

(EDITOR'S NOTE: This is the third of four stories telling the tragic history of Spain, giving the background of today's bloody internal warfare.)

Under Hapsburg rule, the population of Spain declined from 20,000,000 to 8,000,000. Public finance was a wreck, the army and navy demoralized and ruined. In 1700 the last Hapsburg king died, leaving the crown to a French Bourbon, Philip V.

Europe's Battleground New Spain found herself in the middle, allied with France against a coalition of England, Holland, Denmark, Austria and Prussia. Spain was the battleground. Allied troops took Barcelona, freed the Spanish Netherlands, and invaded Spain itself through Portugal. Even Madrid was captured. Spanish troops fought and died in every intriguing campaign throughout Europe.

PIN-BALL TAX VALUES UNDER COUNTY STUDY

Only \$1200 Assessed So Far On Official Records, Stevens Says

PROBLEM INTRICATE Revenues Large In Ratio To Fixed Values In Most Cases

Lane county's tax rolls for 1936 have an assessment value charged to the Eugene pin-ball industry of only \$1200, Welly Stevens, county assessor said Thursday.

Stevens explained that this sum covered only office equipment, and is not concerned with the real property of the industry, set at nearly \$10,000, or with the business, estimated at \$100,000 annually.

Three Firms Control Machines There are three distributing firms in Eugene. Assessment against the office equipment of one came to \$400; against another, \$500. The third firm was not listed in business assessment at all.

Promising immediate study, Stevens issued a statement Thursday: "Every possible effort will be made to run down these assessments. If they do not exist, then these machines are liable to sheriff's assessment as real property, and such assessment will be made this year."

Heads of two of the three firms, when approached Thursday, admitted that their machines had not been assessed this year. One, an established firm that has handled machines for several years, said that "as far as he knew, no assessment had been made."

The other is a comparatively new firm started up one month ago, and the official of this firm asserted that he has had opportunity to be assessed. Most Machines Owned Here As real property, the machines are liable for assessment. According to the heads of the firms, these machines are bought outright from Portland or eastern retailers, and become the personal property of the Eugene distributing firms. These machines cost from \$40 to \$150, with \$100 as an average price. Thus with the 96 machines in this city, the total value of the machines would be \$9600, upon which no assessment has apparently been made.

The only explanation that can cover the absence of any assessment on these machines, as I can see, would be an oversight by the deputy assessor," Stevens declared. He was scheduled to confer with the deputy assessor, James A. Lockerbie, this week, to determine whether the assessments had been made.

SALEM OPERATORS RAISE BAIL FUND

SALEM, Ore., Aug. 13.—(AP)—With two days remaining before Assistant Attorney-General Ralph E. Mody's shutdown order on pin and ball machines and theatre bank nights goes into effect, Marion county officials and operators were preparing their plans for a court test today.

National Commander Calls For New Plan For Public Service



ROSEBURG, Aug. 13.—(AP)—The American Legion, bringing to a close the most historic year of record, turns with greater emphasis than ever to perpetuation of the principles of Americanism. Ray Murphy, national commander, told the opening session of the Oregon department today with "conscription of dollars as well as men," the goal in a progressive plan of national defense.

EUGENEANS DRAW GOOD COMMITTEES

ROSEBURG, Aug. 13.—(AP)—Convention assignments at the American Legion gathering here today were as follows: Americanization—King Bartlett, Salem; Cicero Hogan, Portland; Clarence Simons, Eugene; Harold Howe, Bandon; Andy Nibergall, Bend; Paul Chambers, Pendleton; Ray Williams, La Grande.

Constitution and by-laws—Hugh Rosson, Eugene; Thomas Mahoney, Portland; Paul Patterson, Hillsboro; Ben Coutant, Grants Pass; L. N. Bachtell, Prineville; Spencer Crawford, Heppner; Grover Francis, Ontario.

Finance—Al Greenwood, Portland; Otto Helder, Sheridan; Tom Carpenter, Monroe; William Canton, Klamath Falls; Don McLeod, Salem; A. W. Jones, Heppner; H. W. Lefell, La Grande.

Legislative—Don Graham, Nyssa; E. C. Fearey, Astoria; Henry Heisel, Tillamook; Virgil Reeves, Lebanon; Coe Holmes, Medford; Stanley Meyer, Portland; John Joergler, Pendleton.

Organization—Fred Stewart, Newberg; T. A. Brice, Portland; Tillis Torgeron, Florence; Guy Applewhite, Ashland; C. L. Llewellyn, Pendleton; Mark Ellis, Baker; A. L. Marble, Hood River.

Publicity and publications—E. K. Weston, Corvallis; W. Levin, Portland; Red Deiner, Newberg; Paul

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Roseburg Convention Hears Appeal to "Draft Wealth"

"Conscript Dollars As Well As Men" Is Murphy's Plan

ROSEBURG, Aug. 13.—(AP)—The American Legion, bringing to a close the most historic year of record, turns with greater emphasis than ever to perpetuation of the principles of Americanism. Ray Murphy, national commander, told the opening session of the Oregon department today with "conscription of dollars as well as men," the goal in a progressive plan of national defense.

Murphy, envisioning as the goal of the legion the "greatest program of unselfish service this or any other organization ever undertook," told the Oregon legionnaires:

"Our country today needs the kind of service the American Legion is capable of giving. The door of opportunity is wide open before us; we have but to step through it to secure for ourselves—for all time—the priceless honor of being the greatest peace time service organization our country has ever known."

Prefacing his discussion of the future pathways of the legion in public life, Murphy recounted the progress of 1935-36 in which the World War veterans won their long fight for payment of the bonus, congress enacted neutrality laws and the national defense was expanded by a billion dollars.

"Take Profit From War. Of another major point in the legion's legislative program, an adequate universal service law to take the profit out of war, the national commander predicted victory at the forthcoming session of congress if the veterans take an aggressive stand.

Discussing the proposed law, he said: "The law we ask would cost not one penny; it would interfere with business not one whit, becoming operative only when war is declared and ceasing to operate upon the reestablishment of peace."

"Makes Dollars Fight, Too." "We ask only that if the same men we war, dollars shall fight the same men; that in time of war the country shall bring into its service capital, industry and manpower on a basis of absolute equality, with special privileges and profits for none.

"Here, my comrades, is a field where the American Legion may be proud to labor. You and I have seen something of war. Ghostly as it was, the war we went through would be as a holiday compared to the horrors of a war today. Every home, our own families

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Baseball and Drum Corps Promotions Occupy Legionnaires

ROSEBURG, Ore., Aug. 13.—(AP)—Baseball occupied the attention of convention visitors this afternoon as El Rey (Jefferson high) Portland, Oregon Legion junior champions, and the Seattle Gibsons, Washington title holders, met in the first of a three-game series for the regional title.

Steps for formation of a state organization of drum corps and bands were taken, as visiting uniformed groups were guests of the Roseburg corps at a stag party. A. B. Stacy of Roseburg was named temporary chairman, and directed each drum corps and band manager to appoint one member of his group to compose a committee to work out details of the proposed organization.

Firemen Make 3 Runs Wednesday

Within the space of a few hours Wednesday evening, the Eugene fire department answered three calls, none of which revealed extensive damage. A grass fire at Fourth and Lawrence at 4:30 o'clock was followed by another grass fire two hours later three miles west on the Molker cemetery road, and a blaze at 245 Blair boulevard, caused by burning tar on pipes.

PROUD MAMA ESTACADA, Ore., Aug. 13.—(AP)—New complaints that deer cross the highway in such numbers as to impede traffic have been received here. Motorists said a doe proudly exhibits her youngster several times a day on the Squaw Mountain road.

WEATHER NEWS

Clouds or high fog hung over Eugene much of Thursday. The wind was from the north, however, giving little indication of any showers. The forecast is:

OREGON: Fair tonight and Friday but morning fog or clouds in west portion slightly cooler in central Washington tonight; moderate north-west wind off the coast.

LOCAL STATISTICS: Minimum temperature, Thursday, 53 degrees; maximum temperature, Wednesday, 86 degrees; stage of Willamette river in Eugene at 7 a. m. Thursday, minus 1.8 feet; wind, north.

SIUSLAW TIDES: Friday, high, 10:31 a. m., 10:29 p. m.; low, 4:31 a. m., 4:30 p. m. Saturday, high, 11:38 a. m.; low, 5:18 a. m., 5:31 p. m. Sunday, high, 12:18 p. m.; low, 6:01 a. m., 6:18 p. m.