

DAILY EDITION
Number of copies printed of yesterday's Daily 3,290
This paper is a member of and audited by the Audit Bureau of Circulations.

East Oregonian
DAILY SEMI-WEEKLY INDEPENDENT

DAILY EDITION
The East Oregonian is Eastern Oregon's greatest newspaper and as a selling force gives to the advertiser over twice the guaranteed paid circulation in Pendleton and Umatilla counties of any other newspaper.
CITY OFFICIAL PAPER
NO. 9743

COUNTY OFFICIAL PAPER
VOL. 32

DAILY EAST OREGONIAN, PENDLETON, OREGON, SATURDAY EVENING, FEBRUARY 5, 1921.

SENATOR JOSEPH ADVOCATES ONTARIO PLAN FOR DEVELOPMENT OF POWER

GERMANY MUST PAY INDEMNITY SET AND DISARM

Lloyd George Advises Country to Accept War Reparations and Not be Misled by Passion as in Folly of 1914.

HASNT TAXED HERSELF TO LEVEL OF OLD FOES

Levies in Britain and France Mount Higher Than in "Deutschland"; Huns Still Have Too Many Armed Men.

BIRMINGHAM, Eng., Feb. 5.—(U. P.)—Germany must pay the war indemnity. She must disarm. These were the declarations of Lloyd George in a speech today. "I advise Germany to accept the bill (\$53,000,000,000 in war reparations), and not allow herself to be misled by passion and repeat the folly of 1914. Germany has not yet taxed herself to the level of Britain and France. It is intolerable that the guilty, who escaped damage, should bear a lighter burden of taxation than the victors. Germany still has too many armed men and too much war material. The allies have decided Germany must comply with the treaty of Versailles, especially as regards disarmament. The burden imposed upon Germany is not extravagant. Payments for the first two years are no equal to pension bills written in France. It is not a question of imposing economic slavery upon Germany. We must, but somebody must pay."

CHICAGO WHEAT PRICE BOUNDS UPWARD TODAY

The price of wheat went bounding upward today, March wheat closing at \$1.57 1/8 and May at \$1.47. March wheat closed at \$1.52 5/8 yesterday and May at \$1.44 1/8.

Table with columns: Wheat, Open, High, Low, Close. Rows for Mar, May, July, Oats, Rye, Barley.

U. S. CITIZEN KILLED

WASHINGTON, Feb. 5.—(U. P.)—An American citizen was killed in the state of Durango, Mexico, during the uprising led by the Arieta brothers, the state department announced today.

COMMUNISTS ARRESTED

PARIS, Feb. 5.—(A. P.)—Six alleged Russian communists were arrested here and more are expected. Warrants are out for 21.

Weather
Reported by Major Lee Moorhouse, weather observer.
Maximum, 42.
Minimum, 26.
Barometer, 29.69.
Precipitation, .25 inch.
THE WEATHER FORECAST
Tonight and Sunday fair.

HOWLING GALE DRIVES STEAMER KLAMATH ON ROCKY CAL. COAST

SAN FRANCISCO, Feb. 5.—(A. P.)—The steam schooner Klamath, bound to Portland with 19 passengers and 26 crew, was ashore at 2:15 o'clock this morning off Point Arena, 160 miles north of San Francisco. A wireless from Captain W. A. Hall of the steamer Curacao, which was standing by, said that all landed safely. The message explained that the ship was rolling and pounding heavily on a bluff and had two lines out for ward to the bluff. The Klamath's wireless reported a short time after 2 o'clock that Captain Thomas A. Jamison thought he had a line ashore but that the wireless aerial was falling. The Curacao could not locate the Klamath until dawn. The Klamath went ashore in a wind blowing at 85 miles an hour. The Klamath, operated by Charles R. McCormick company, is of 1913 tons. She left San Francisco last night. Four passengers were bound for Seattle and the remainder for Portland.

Passengers Safe.
SAN FRANCISCO, Feb. 5.—(U. P.)—With 19 passengers and 26 members of the crew, the steamer Klamath is believed to be safe on the rocks near Delmar. The Klamath was driven ashore during a gale which howled over the California coast throughout the night. A call was sent out by wireless early today for help. The steamer Curacao answered and turning back in its course, was standing by the wrecked steamer. The Curacao today wireless that the passengers and crew have apparently reached shore.

MEN HERE FROM MANY TOWNS FOR CONVENTION

Men from all parts of Eastern Oregon and from Portland and Washington points were among those registered today at the meeting of the Umatilla Rapids Power Site Association. Those registered with the Pendleton Commercial Association today were: A. C. McIntyre, President Commercial Club, Helix, Oregon; W. H. Stewart, civil engineer, Boardman, Oregon; E. C. Brownell, Umatilla; D. R. Brownell, Umatilla; A. J. Lane, Umatilla; J. C. Brownell, Umatilla; V. H. Cox, real estate, Pasco, Wash.; C. H. Brownell, insurance, Portland, Ore.; H. E. Lombardy, general freight agent, O. W. R. & N., Portland; Wm. L. Flood, hardware, Boardman; L. L. Linn, secretary Commercial Club, Walla Walla; Mark A. Cleveland, publisher Standard Standard, Stanfield, Ore.; H. B. Van Slyke, freewater, Ore.; O. Stanwood, Umatilla.

'X CLUB' WAS BORN IN PENDLETON LAST NIGHT

An "X Club"—the X in this case standing not for the unknown quantity, but for the ex-city and ex-county officers of this vicinity—was born last night when Henry Taylor, E. J. Summersville, John Vaughan, Charles Carter, Col. J. H. Raley, Dr. J. A. Best, Major Lee Moorhouse and Judge J. E. Fee met in the office of the latter. Mr. Vaughan acted as chairman, Mr. Carter as secretary, and a committee consisting of Colonel Raley, Mr. Carter and Judge Fee was appointed to make arrangements to perfect organization of a meeting to be held Tuesday.

Effort is Experimental

"The effort to establish the club is purely experimental," said Judge Fee in an interview this morning. "The promoters hope to organize the ex-officers into a non-sectarian and non-political club, for which the excuse for existence will be the desire of its members to serve the public."

Want All Ex-officers

Organizers of the club hope that no man who has had experience in either city or county affairs will refuse to become a member of the "X Club" on the ground that his private interests would suffer if he took a small fraction of his time. It is believed that out of the store of knowledge held by "ex's," suggestions for better government may be derived.

FALL OF 16.7 FEET IS SHOWN AT POWER SITE

U. S. Engineer Gives Data Before Power Meeting Showing Umatilla Rapids an Obstruction to Navigation.

GOVERNMENT IS ALERT FOR POWER DEVELOPMENT

River and Harbors Bill Calls for Co-operation Between Engineers and Localities Desiring Hydro Electric Work.

That the United States engineer corps is authorized by law to cooperate with communities along the Columbia river that desire the development of hydro electric power was shown here today in an address by Fred C. Schubert, assistant United States engineer before the Umatilla Rapids power meeting. Mr. Schubert set forth that the Umatilla rapids is the most favorable site on the river between Celilo and Priest rapids and that the fall at Umatilla rapids over a distance of two and a half miles is 16.7 feet.

JAPANESE BRUTALLY MURDERED WITH AXE AND BUTCHER KNIFE

M. Okamoto Slain in Cold Blood While Asleep This Morning by Hawaiian Ex-serviceman, Caught at Athena.

Shibata, his clothes covered with the blood of the murdered Okamoto, was arrested this afternoon in Athena by Field Deputy Sheriff Dickson, in a rooming house. Shibata caught an auto stage out of town, went to the rooming house and thence to bed.

Umatilla Rapids Power Site Meeting Develops Enthusiasm With Good Attendance; Committees Named.

Roy W. Ritner, president of the senate, and Louis E. Bean, speaker of the house, this afternoon, in eloquent addresses before the convention, pledged their utmost support in the move to develop the Umatilla Rapids power site. Representative Bean once fathered a bill, defeated by the legislature, permitting the state to bond itself for irrigation purposes.

Development of the water power of the Columbia basin on a public basis, somewhat similar in the plan now in vogue in the province of Ontario, Canada, was advocated before the Umatilla Rapids power meeting today by Senator George W. Joseph of Portland, author of the hydro electric commission bill in the legislature.

Senator Joseph made one of the most enthusiastic inspiring talks before the convention. The Ontario commission, he pointed out, is serving 36 municipalities in Canada and is providing electric power at rates far below those charged on the American side.

"The day is past for having the hydroelectric development of the northwest in the hands of private interests," the speaker said. Answering objections raised in Portland that present companies have abundant power for all purposes the senator gave specific instances showing how proposed industrial plants have been barred from the state through inability to secure power at reasonable rates.

Senator Joseph spoke in enthusiastic terms of the Umatilla Rapids project and indicated a spirit of co-operation on that subject. He quoted authority that the Columbia and tributary rivers constitutes the greatest power source in the world.

Just before adjournment for luncheon at 12:30 committees on organization and resolutions were named with the view to having the members be at work during the recess. Committees named are as follows: Organization—Fred Steiner, Pendleton; Asst. B. Thompson, Echo; S. H. Damsman, Boardman; J. D. Zuercher, Stanfield; Ben F. Bill, Walla Walla; William Warner, Aberdeen; Wash. and James H. Sturgis, Pendleton.

Resolutions—Whitney L. Boise, Portland; Judge S. A. Lovell, Pendleton; Mr. Cox, Pasco; Ben Stone, Walla Walla; Dr. J. W. Donnelly, Arlington; Mr. Aker, Huppar and J. M. Kyles, Stanfield.

ORE.-WASH. COOPERATION WITH FEDERAL GOVERNMENT NEEDED FOR WATER POWER

THREE METHODS FOR FINANCING DAM SITE LISTED BY BENNETT

Local Banker Suggests Government Aid Under Federal Water Power Act, Bi-State Action, and Private Capital.

Financing the proposed development of hydroelectric power from Umatilla Rapids might be accomplished by one or more of three methods, Will H. Bennett, cashier of the Inland Empire Bank of Pendleton and former state superintendent of banks, said in his address before the Umatilla Rapids Power Site Association today. One is by the government, acting through the commission appointed under the federal water power act, a second is the joint action by Oregon and Washington, through water power commissions, and the third is the interesting of private capital.

States Must Cooperate

"Second, in the campaign now to be mapped out, these factors ought to be given consideration, namely, the utilization of the legislatures of Washington and Oregon to memorialize the federal water power commission to initiate investigations upon the Columbia at the earliest possible date, and to urge in said legislative bodies the prompt enactment of legislation which will assure to cooperation of the engineering departments of the states in such governmental investigation."

Special is becoming too expensive. Motive power must be cheapened. The project now contemplated will go forward meeting the needs of the northwest in that ultimate change, the speaker told his audience.

Canalization of the Columbia River at the rapids would remove the last serious obstacle to the free navigation of the upper river, Judge Lovell pointed out. He declared that canalization naturally becomes a part of any water project which will be developed.

Will Reclaim Vast Area

"Half a million acres of arid land would be brought under irrigation, and a new and comprehensive reclamation project would be created, all as a necessary incident to the hydroelectric development," he added. "It is wholly within the range of possibilities that the time is not far distant when the federal government will begin the experiment of operating the railroads and when that venture returns, the electrification of the lines must follow."

The speaker related the history of the development of water power from the overhast water wheel to the turbines which today have reached the highest state of perfection. He told of the progress made in transmitting power over copper wires for more than 200 miles to the cities. He heralded the age of electricity and declared that it must replace coal and other fuels now used to operate the steam power plants.

"The act of June 18, 1920," he said, referring to the federal water power act, "is somewhat voluminous and is due to now to have received interpretation in the courts. Its utilization by the public is of course in its infancy. The soil is virgin and the practicability of its operation largely hypothetical. It appears, however, eminently practical."

Act "Pregnant With Promise"

The fabric of the commission appointed under this act was related and the wonderful possibilities pointed out. A section of the statute, declared by Judge Lovell to be "pregnant with the highest promise" was quoted, as follows: "That whenever, in the judgment of the commission the development of any project should be undertaken by the United States itself, the commission shall not approve any application for such project by any citizen, association, corporation, state or municipality, but shall cause to be made such examinations, surveys, reports, plans and estimates of the cost of the project as it may deem necessary and shall submit its findings to Congress with such recommendations as it may deem appropriate concerning the construction of such project or completion of any project upon and government dam of the United States."

Prefer Federal Ownership

Belief that the government should retain power sites, rather than allow them to get into the hands of private enterprise, was expressed by the speaker. "I think that most men of vision are of the opinion that there are a few things which the federal government ought always to retain for the use and benefit of the entire people," he said. "And among these will always be included water power."

The federal water power act, under which Judge Lovell suggested that the local project be worked out, he characterized as "an act which bids fair to rank along with the national home-stead law and the statute creating the reclamation service."

FEDERAL AID SUGGESTED AS BEST REMEDY

Multnomah Senator Declares Day is Past for Leaving Power Development in Hands of Private Parties.

JOHN H. LEWIS STRESSES NEED OF NEW MARKETS

Umatilla Rapids Power Site Meeting Develops Enthusiasm With Good Attendance; Committees Named.

Roy W. Ritner, president of the senate, and Louis E. Bean, speaker of the house, this afternoon, in eloquent addresses before the convention, pledged their utmost support in the move to develop the Umatilla Rapids power site. Representative Bean once fathered a bill, defeated by the legislature, permitting the state to bond itself for irrigation purposes.

Development of the water power of the Columbia basin on a public basis, somewhat similar in the plan now in vogue in the province of Ontario, Canada, was advocated before the Umatilla Rapids power meeting today by Senator George W. Joseph of Portland, author of the hydro electric commission bill in the legislature.

Senator Joseph made one of the most enthusiastic inspiring talks before the convention. The Ontario commission, he pointed out, is serving 36 municipalities in Canada and is providing electric power at rates far below those charged on the American side.

"The day is past for having the hydroelectric development of the northwest in the hands of private interests," the speaker said. Answering objections raised in Portland that present companies have abundant power for all purposes the senator gave specific instances showing how proposed industrial plants have been barred from the state through inability to secure power at reasonable rates.

Senator Joseph spoke in enthusiastic terms of the Umatilla Rapids project and indicated a spirit of co-operation on that subject. He quoted authority that the Columbia and tributary rivers constitutes the greatest power source in the world.

Just before adjournment for luncheon at 12:30 committees on organization and resolutions were named with the view to having the members be at work during the recess. Committees named are as follows: Organization—Fred Steiner, Pendleton; Asst. B. Thompson, Echo; S. H. Damsman, Boardman; J. D. Zuercher, Stanfield; Ben F. Bill, Walla Walla; William Warner, Aberdeen; Wash. and James H. Sturgis, Pendleton.

Resolutions—Whitney L. Boise, Portland; Judge S. A. Lovell, Pendleton; Mr. Cox, Pasco; Ben Stone, Walla Walla; Dr. J. W. Donnelly, Arlington; Mr. Aker, Huppar and J. M. Kyles, Stanfield.

During the forenoon session today all the local addresses on the proposed project were given, but leaving the afternoon free for discussion and the transaction of business.

The Elks lodge room was practically filled for the session today and intense interest was manifested by those in attendance. The various addresses on the program were all generally applauded.

At noon outside visitors were entertained at luncheon in the Elks dining room and at the Hotel Pendleton. Wonderful possibilities for developing nitrate, phosphate and potash manufactures, electrifying railroads traversing the Columbia river and irrigating more than 500,000 acres of good land in Oregon and Washington accompanied the proposed hydroelectric development of Umatilla Rapids, declared in an address before the Umatilla Rapids Power Site Association here this morning. He characterized the entire project of power, fertilizer manufacture and irrigation as "a nearly ideal as can be found anywhere."

"Financing and marketing are the two most important considerations in the large undertaking," Mr. Lewis said. "If we can find sufficient users for the power that can be developed, then by all means we should build. Without a market for the power, it would be very costly for purely local or irrigation use."

Three Phases Explored. All three phases of the project were

(Continued on page 5.)

Continued on page 4.)

Continued on page 6.)