

CIRCULATION
Average for 1920, 5250.
Population of Salem, 1900, 4258;
1910, 14,994; 1920, 17,679.
Marion County, 1920, 47,177; Polk
County, 1920, 14,181.
Member of Audit Bureau of Circulation.
Associated Press Full
Leased Wire.

Capital Journal

FORTY-FOURTH YEAR—NO. 3

SALEM, OREGON, WEDNESDAY, JANUARY 4, 1922

PRICE TWO CENTS ON TRAINS AND NEWS STANDS FIVE CENTS

THE WEATHER
OREGON: Tonight and Thursday rain west, snow east portion, warmer tonight east portion. Moderate southerly winds.
LOCAL: Rainfall .17; southerly winds; cloudy; max. 38, min. 34; river 3 feet and stationary.

WOULD AMEND TREATY

De Valera Proposes Union of All British Commonwealth As Substitute Plan

Dublin, Jan. 4.—(By Associated Press)—On the reassembling of the Dail Eireann today the new version of Eamon DeValera's amendment was distributed to the members. It proposes a treaty of amity and association between Ireland, the governments of Great Britain and of the other states of the British commonwealth.

One Union Proposed

The amendment provides: "That inasmuch as the articles of agreement for a treaty between Great Britain and Ireland, signed at London December 8, 1921, do not reconcile Irish national aspirations and the association of Ireland with the community of nations known as the British commonwealth and cannot be the basis of an enduring peace between the Irish and British peoples; "The Dail Eireann, in the name of the sovereign Irish nation, makes to the government of Great Britain to the governments of the other states in the British commonwealth and to the peoples of Great Britain and of these several states, the following proposals for a treaty of amity and association which the Dail Eireann is convinced could be entered into by the Irish people with the sincerity of good will."

Leaders Clash

Mr. DeValera, after sharp exchanges with Arthur Griffith and Michael Collins over the much mooted "document number two," announced that he would move his alternative proposals tomorrow as an amendment to the Griffith motion for ratification of the treaty.

Former "Dry" Law Agent Indicted On Liquor Charge

New York, Jan. 4.—Harold L. Hart, former federal prohibition director for the state of New York, was among a score of defendants named in the secret indictment recently returned by the federal grand jury investigating enforcement of the Volstead act here.

Says Vote Against It

Alexander MacCabe of Silgo followed with a plea for acceptance. While he was picturing the disappointment he said millions of Irish women and children would feel if the treaty were rejected, Miss Mary MacSwiney interrupted him, saying the women were not in favor of the treaty.

Famous Editor Called by Death

Tacoma, Wash., Jan. 4.—Colonel C. A. Snowden, formerly editor of the Chicago Times and the Tacoma Ledger, died this morning, age 73. One of his journalistic feats was publishing in the Chicago Times the full text of the revised version of the New Testament, received by cable from London. He was a national authority on Masonry in which he held the 33rd degree and was the author of a history of Washington state. He lived here for the past 30 years.

66 Arrested In Liquor Raids

Washington, Jan. 4.—Prohibition agents and United States marshals traveling by train under sealed orders conducted a raid in Sweetwater county, Wyo., which netted sixty-six arrests for violation of the prohibition laws. Prohibition Commissioner Haynes was advised today by the federal prohibition director, Carl Jackson, at Cheyenne.

Murder Hearing Resumed

Decorah, Iowa, Jan. 4.—The preliminary hearing of Frank B. Kneerskern, wealthy stock buyer of Castalia, Iowa, arrested in connection with the murder of Mr. and Mrs. Charles Van Brocklin, was resumed today before Mayor Conover of Decorah.

Public Debt Reduced

Washington, Jan. 4.—A reduction in the public debt of more than \$180,000,000 during December was announced today by the treasury, the total debt on December 31 was \$23,438,984,351 as compared with \$23,619,085,725 on November 30.

Havana, Jan. 4.—A strike of the union employes of the United Railway, line, extending east from Havana to Santa Clara, was called today, the men having rejected a 15 per cent wage cut announced by the company.

Riot Shot Kills Babe In Belfast

Belfast, Jan. 4.—(By Associated Press)—Six deaths have resulted from the present series of disorders in Belfast, one of the fatalities being that of a child who was shot while in its mother's arms.

Treaty Would Betray Irish Leader Holds

Dublin, Jan. 4.—(By Associated Press)—Announcement was made during this afternoon's session of the Dail Eireann that Eamon DeValera would make public his alternative proposals as a substitute for the Anglo-Irish treaty, which is under consideration at the close of this afternoon's session.

Confidence More Deadly to Nation

"Influences more deadly to the nation faced by an enemy than plague in the ranks of its army are at work among you," declared Mr. DeValera in the manifesto.

He Urged That There Is Opportunity for General Reconciliations

between Ireland and England and asked the Irish people to save reconciliation from being lost thru "the short sighted expediency of politicians."

The Manifesto Declares That Those Who Shouted for Peace

would lead the Irish people not to peace, but to another betrayal.

Mr. DeValera's Alternative Proposals Contain 17 Heads

with detailed schedules, and contemplate association with the states of the British commonwealth.

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SHANTUNG PROBLEM SETTLED

Japanese Terms Meet Peking Approval Is Semi-Official Word to Washington

New York, Jan. 4.—(By Associated Press)—A cable message from Wu Ting Fang, one time Chinese minister to the United States, saying the Peking government had finally accepted the Japanese terms for the settlement of the Shantung controversy in consideration of loans from Tokyo was made public today by Dr. Ma Soo, Canton government representative in this country. Dr. Fang is foreign minister of the Canton government.

The Message, as Given out by Dr. Ma Soo, Declared the Chinese Delegates at the Washington Conference Had Been Instructed not to Press the Shantung Issue.

Conference Called

Washington, Jan. 4.—The Chinese and Japanese arms conference delegations were requested by the state department in notices sent out late today to meet in joint session at 5 o'clock, presumably to consider further the Shantung question.

The Notice was Received from the State Department by the Chinese Delegates Shortly after Three O'clock

and soon after there was posted at the press headquarters of the conference a formal notice merely stating that there would be a meeting between the two delegations.

Koo Denies Report

Washington, Jan. 4.—Wellington Koo, one of the Chinese delegates to the conference, characterized today as untrue reports that the Peking government had accepted the Japanese terms for settlement of the Shantung question through direct exchanges between Peking and Tokyo.

Governor's Veto of Montana State Fair Is Overriden

Helena, Mont., Jan. 4.—Over the vigorous protest of Governor J. M. Dixon, the state board of examiners today voted to hold the state fair this year and, if necessary, cut the appropriation.

Attorney General Rankin Declared the Holding of the Exposition Was Not Within the Province of the Board but was Mandatory Under the Law.

Governor Dixon told the board and the commercial club committee the fair should not be held because of the state's financial condition.

Record Tract of Forest Reserve Timber For Sale

San Francisco, Jan. 4.—A timber stand comprising 994,000,000 feet board measure of yellow, Jeffrey, sugar and lodge pole pine, white and red fir and incense cedar in the Lassen national forest in the vicinity of Eagle Lake, Lassen county, was placed on the market today by the United States forest service. According to the service it is the largest single stand ever to be advertised for sale in the United States.

The Stand "on the stump" is given a valuation of \$3,350,000.

The purchaser must cut in a manner that will conserve the young timber and that will allow of a reforestation of the entire area by the government.

Constitutionality of Auto License Law To Be Tested

Medford, Ore., Jan. 4.—The first attack upon the constitutionality of the new state automobile license law, which grades the license according to weight of the machine, was started in Medford today when Tom Merriman, a local blacksmith was arrested on refusal to apply for a 1922 license. Merriman was fined \$25 for not having a 1922 license but was granted an appeal to the circuit court, and announced he would take his fight to the state supreme court before paying a license he maintains is unfair and unconstitutional.

Dividend Passed

New York, Jan. 4.—Directors of the General Motors corporation late today voted to omit the quarterly dividend of 25 cents a share on common stock due at this time.

To Tour Nation



Eugene V. Debs

This photograph of Eugene V. Debs was posed for especially on the steps of the White House, in Washington, following his visit to President Harding, after he had been pardoned from Atlanta prison.

He Announces that He will Make a Lecture Tour of the Country.

Col. Abrams' Team Wins Rotary Club December Contest

The Rotary club team headed by Carl Abrams won the attendance contest of the organization for the preceding month as shown when the scores were announced today at the luncheon in the Marion hotel. The team headed by Bob Hendricks won second place while the team under the leadership of Charles K. Spaulding was third. Under the rules of the contest the team headed by Hendricks must buy a hat for the winners.

R. O. Snelling, secretary of the club, who has just returned from a business trip to California, reported that business men there were anticipating a year of hard work.

Dan Burns Spoke Briefly on the Truck and Automobile as a Freight and Passenger Conveyance.

Little Known of Victim of Boozie Launch Wreck

San Francisco, Jan. 4.—Jacob Hjalmar Bjorkholm, believed to be one of the two men whose bodies were found in the stranded and liquor laden gasoline launch Milkmaid four miles south of Westport, Washington, yesterday, lived up to a few weeks ago at a lodging house here near the waterfront, it was learned today. The address was found on the body which had been partially identified as that of Bjorkholm.

But little is known of Bjorkholm here except that he was a sailor engaged on coastwise vessels. There is no record of the Milkmaid ever having visited San Francisco, and marine authorities are of the opinion that she ran only between northwestern points.

Gwin Pleads Guilty to Liquor Charge; Sentence Due Soon

Harold Gwin, recently indicted by the Marion county grand jury on a charge of unlawfully possessing intoxicating liquor, pleaded guilty when he was arraigned before Judge Percy Kelly this morning at 10 o'clock, Judge Kelly announced.

Gwin, who was secretly indicted, was arrested two days ago and has since been confined in the county jail.

Highland Friends Five Wins Again

The basketballers of Highland Friends church were again triumphant when they beat the Senators by a score of 20 to 14 last night at the deaf school gymnasium. The game was fast and furious and punctuated with the usual number of fouls which accompany such a game. The lineup: Basketkeepers: Tucker (9), L. White (2) forwards; Nicholson, Comstock, guards; Lee (7) center. Senators: E. Scott (4), C. Scott (2), forwards; Kressel (6), Fisher, guards; Gromwell (2) center. Substitution: Basketkeepers, H. White (2) for Comstock.

SLUMP IN DEPOSITS IS SLIGHT

Salem Banks Weather Depression Period With Decrease of Only 8 Percent

Deposits in Salem's four banks during the year just completed have fallen off only 8 per cent from the year of 1920, according to statements made this morning by heads of the different banking institutions of the city.

On December 31, 1920, the total deposits for the year in all four banks were \$7,900,071.51 and on December 31, 1921, the total deposits were \$7,222,422.84, making a difference of \$677,648.67 or a decrease of 7 per cent plus.

All banking heads affirm that the decrease is prevalent throughout the country and that if comparative figures could be obtained from other communities, the drop in Salem banking institutions' deposits would be found comparatively small.

The underlying cause of the decrease, they agree, is due to the fact that there is not as much money in circulation at present as at the close of the preceding year, this condition being brought about by the general business stagnation and the decrease in the price of raw materials.

Yakima, Wash., Jan. 4.—Total bank deposits in the five banks in the city, as reported for December 31, in response to the call from the comptroller, are \$9,357,060, which is but \$262,903 less than for the corresponding date a year ago.

Bankers say deposits have been steadily increasing since they were at the low ebb of about \$7,500,000 early in June.

Score Injured Two Fatally In Accident

Salvation of Europe Rests With Premiers

Cannes, Jan. 4.—(By Associated Press)—To save Europe from complete economic disintegration and keep the entente from falling apart are the big tasks to be undertaken here by Premiers Lloyd-George of Great Britain and Briand of France.

Opening private conversations today soon after the arrival from Paris of M. Briand and minister of liberated regions, Loucheur, the two premiers began to lay out the program for the allied supreme council, which convenes here Friday.

Mr. Lloyd-George intends that this shall be the last meeting of the supreme council if there is any way of bringing pending questions to a point where they can thereafter be dealt with by the ambassadors of the allied powers.

M. Briand is understood also to favor adoption of a broad understanding.

Experts regard as an encouraging sign the progress made by the British project for organization of an international financial corporation to deal with credits and exchange and possibly currency. This question, as well as that of reparations, will be discussed by Mr. Lloyd-George and M. Briand in their private talks. There is strong expectation that approval of the draft project adopted at Paris will be one of the earliest results of the conference.

WORLD BANK IS SOUGHT

Establishment of Federal Reserve Branch In Europe Advocated by Owen

Washington, Jan. 4.—The establishment of a European federal reserve bank, providing a gold secured currency and linked inseparably with the American reserve system, from which it would draw its resources and reserves, was advocated today by Senator Owen, democrat, Oklahoma, as a basic move towards restoration of stable economic conditions throughout the world.

In an extensive speech in the senate, the Oklahoma senator suggested in connection with the proposed reserve bank the following proposal for American aid in world rehabilitation:

Extend Debt Payments

"1.—That we should postpone the final payment of the world war debt in the United States by extending the payment over 50 years; that we should not for ten years collect any amount under the sinking fund.

"2.—That in arranging the payment of Europe's debt to the United States we should extend time to Europe necessary to enable them to readjust their affairs and regain their productive power, and that we should not for ten years demand of them the payment of interest due but allow it to merge with the principal.

"3.—That we should put the interest rate at 3 per cent on Europe's debt to the United States."

Offers Amendment

Mr. Owen at the same time submitted to the senate a bill to amend the federal reserve act so that establishment of the foreign bank would be possible. He proposed that the European bank should be owned by the reserve system of the United States and that from the 12 banks here it would draw a total of \$500,000,000 in gold as a reserve.

This, he claimed, would in no way impair the reserves or resources of the American institutions, yet it would enable the foreign banks to issue \$2,000,000,000 in notes, backed up by gold as well as 100 per cent commodity bills.

Would End Inflation

"The one great outstanding factor breaking down confidence and destroying the validity and desirability of contracts in Europe," the senator declared, "is the violent inflation of currency through the printing press. In some countries of Europe, people have been compelled to abandon the making of contracts in terms of currency and have had to resort to the clumsy system of barter—so many bushels of potatoes for so many bushels of corn or coal.

"The outstanding factor that retards restoration of European industry and commerce then is the lack of gold secured currency. Then the United States is able to provide the means for supplying a currency by gold, redeemable in gold and secured at the same time by merchantable commodities that in themselves open and renew the ways of trade."

Man With Still Fined \$300 And Given 4 Months

Richard Schutte, whose home is located about one mile east of Salem, was sentenced to pay a fine of \$300 and to serve four months in the county jail when he pleaded guilty yesterday to a charge of unlawfully manufacturing intoxicating liquor.

When first arraigned before Judge G. E. Unruh in the justice court, Schutte pleaded not guilty. Yesterday afternoon he elected to change his plea.

Schutte was arrested several days ago by Deputy Sheriffs Bert Smith and Walter Barber. On his place he found a small wash-bolter, said to have been used as a still, and a small quantity of mash.

Yakima Farmers Plan To Import Blooded Cattle

Yakima, Wash., Jan. 4.—Guernsey breeders of the Yakima valley met here last night and planned to make a survey of the livestock situation in the valley with a view to importing more high grade Guernsey stock if there is a place for it. Officers for the coming year were elected as follows: H. E. Angel of Mabton, president; R. T. Peterson of Yakima, vice-president; R. N. West of Yakima, secretary-treasurer.

Open Shop Fight Expected To Rise Out of Big Strike

Chicago, Jan. 4.—A fight on the open shop issue in the building trades of Chicago was scheduled to start this morning when members of five unions went on a sympathetic strike with the union carpenters who have refused to work under the Landis wage award.

Four large construction jobs, on which the estimated cost of building is \$4,500,000, were affected by the order issued by the business agents of the cement finishers, painters, plumbers, steamfitters and hoisting engineers, which instructed the members of those unions to remain away from work unless non-union carpenters were discharged.

West Virginia Miners Again Threaten Trouble

Morgantown, W. Va., Jan. 4.—Sheiff William Yost, left this afternoon for Scott's Run coal field, between here and Fairmount, where his office announced, miners were congregating with the avowed intention of marching into the Gustom Run territory as a protest against an alleged agreement of the miners of the Gilbert-Davis mine to work on a non-union basis.

There's a Reason!

In December, THE CAPITAL JOURNAL carried 2935 Want Ads

Totaling 12290 lines—not including real estate and classified directory—double the number of any other paper.

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