

# Congressional Inquiry Revealed Use of Klan Funds to Fatten Officers

Simmons \$25,000 Home in Atlanta Bought With Money of Order and Not By Small Subscriptions From Klansman—Lanier University Also Bought Out of Treasury—Three Months Record Revealed Receipts of Over a Million Dollars—Big Salaries Paid Officers

By HENRY P. FRY,

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Postoffice Inspector O. B. Williamson furnished the congressional committee investigating the Ku Klux Klan, with facts and figures relating to the financial and business side of the organization. Mr. Williamson had been to Atlanta, talked with Clarke and Mrs. Tyler and had gone through the books of the Klan. Among the first bubbles to burst was that of the purchase of Simmons \$25,000 home on Atlanta's fashionable Peachtree street. It had been claimed by Simmons & Company that this home had been presented to the "Emperor" by admiring members of the Klan, the money constituting the purchase price having been "donated" in small amounts ranging from twenty-five cents to one dollar. According to the real facts, Mr. Williamson showed the arrangements for payments to have been as follows:

"Ten thousand dollars was paid in cash, and one note maturing October 15, 1921, was given for \$15,500. The deed was made in the name of E. Y. Clarke. The ten thousand dollar cash payment consisted of \$1,000 secured by subscription from Klansmen, \$5,000 from the Klan treasury, and \$5,000 advanced by Clarke and Mrs. Tyler."

It appeared from a state of E. Y. Clarke, quoted by Mr. Williamson, that this use of Klan funds for private purposes was part of a press-agent scheme to add to the dignity and apparently high standing of Simmons, as the latter was living in an unpretentious part of the city in a house not in keeping with his important position as "emperor," and it was "therefore in the interest of the Klan to put him in a better home and one that would reflect credit on the organization."

Mr. Williamson also showed how Klan funds were diverted for private purposes in the purchase of Lanier university, introducing a statement of Clarke as follows:

**Buying a University.**  
"The Lanier university has existed for only a few years. It has been a Baptist institution of learning, operating under a charter granted by the state of Georgia and controlled by a board of trustees of fifteen men. Some time in July, this year, representatives of this university approached Colonel Simmons and myself, with a proposition to purchase this university outright and assume, of course, its debts, which amounted to \$50,000. We had our attorney investigate the matter fully and we found the indebtedness much larger than claimed. We therefore rejected the proposition to purchase and submitted a counter proposition. The counter proposition was accepted and was in substance as follows: First, that the managing board elect Colonel Simmons president of the university. Second, that they agree to make it nonsectarian. Third, that the present existing board elect new trustees, as named by Colonel Simmons, the present board resigning in their favor."

"Now, following that is other information, the material part of which is that the Klan paid to this university \$22,474.33, part of which was out of the Klan treasury and which is not secured in any way."

**What Records Revealed.**  
Mr. Williamson testified that he had gone over the books of the organization and had found that while the financial records of the organization had been accurately kept since June 15, 1921, there had been no accurate record kept prior to that time, embracing a period of one year during which time the Klan had been propagated under the contract of E. Y. Clarke, printed in a previous chapter.

The gross receipts of the organization, according to Mr. Williamson were \$1,748,710.97; the books showed 85,126 members; and statements of Clarke placed the membership at 126,000. The post-office inspector stated that prior to June 15, 1921, about \$151,000 had been spent by the organization, but that he had been unable

## The Modern Ku Klux Klan

The Capital Journal today presents another installment of the "The Modern Ku Klux Klan" by Henry P. Fry, author of the New York World expose that caused the congressional investigation of the order.

Mr. Fry in previous chapters detailed how he joined the Ku Klux Klan under a misapprehension, became a klanster, was disillusioned, discovered the real aims and purposes of the organizers, and resigned in disgust.

Tomorrow "Emperor" Simmons' story as a witness and his collapse before the congressional investigation committee will be given.

has received any of it; at least it does not appear on the accounts.

"Mr. Campbell: What is Mr. Simmons' salary, if you know?"

"Mr. Williamson: Mr. Simmons at present gets \$1000 a month. He has been getting that since the first of August."

**Mrs. Tyler's Activities.**  
When questioned as to the activities of Mrs. Elizabeth Tyler, Mr. Williamson described her as a business woman who was engaged in the work of propagating Ku Kluxism as she would in any other mercantile pursuit, without any altruistic motives whatever. This is brought out in the following colloquy:

"Mr. Campbell: Is it purely a business proposition, so far as she is concerned?"

"Mr. Williamson: Absolutely."

"Mr. Campbell: She is using the mysticism, the regalia, the paraphernalia, the masks, and all of the literature of the order for the purpose of making money out of it? Is that correct?"

"Mr. Williamson: That is correct. In fact, she told me at least twice that she was in the business for the purpose of making money, just like she was in any other business for that same purpose."

William J. Burns, director of the bureau of investigation of the department of justice, was called as a witness, but stated that his department was still investigating the Ku Klux Klan and that he had nothing to offer at the present time.

(To Be Continued.)

**Used Klan Funds.**  
"Mr. Williamson: Well, when I went to Atlanta I found that the imperial palace itself, which had been bought in part with Klan funds, was in the name of Mr. Clarke. I found that the home of Mr. Simmons, which had been bought in part with Klan funds, was in Mr. Clarke's name. I found also that some \$21,000 of Klan funds had been given the Lanier university without security. And in that connection I might say this: That whenever anybody pays his \$10 for the purpose of joining this Klan, he is given a receipt which says that this money is received in trust for the Knights of the Ku Klux Klan (Inc.) That is printed on each and every receipt."

## FIRST MATCHES IN BOYS TENNIS CONTEST

The first matches in the boys' tennis tournament were played Monday morning. All of the singles were won in straight sets. The only games that proved to be more than ordinary were the ones between John Varley and Richard Strausbaugh and the one between Roderick Blatchford and Charles Hagaman. Varley was forced to the limit in his contest and won in two hard sets, 7-5, 6-4. Blatchford took the first set in his game with Hagaman 6-2, but his opponent came back in the second set and played a 10-8 set before he was defeated.

For the losers of the matches a consolation series is being scheduled. The only doubles match of the day was between Ivan White with H. Waters against C. Lutz and A. Barger. White and Waters won 6-0, 3-6, 6-3.

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**Eight Dollars Used.**  
"Mr. Campbell: And all of the \$8, then, is used up in paying officers or agents of the Klan?"

"Mr. Williamson: That is true."

"Mr. Campbell: How much of the remaining \$2 has been spent, if you know, for the benefit of needy people, or for helpful purposes in communities—charitable purposes?"

"Mr. Williamson: Well if you call Mr. Simmons a needy person, then some thousands of dollars have been spent for him. But general charity, I do not think,

## OREGON GUARD TO SEND TEAM

Oregon will be represented by a selected team of 14 expert riflemen in the national rifle matches at Camp Perry, Ohio, next month, according to an announcement by Brigadier General George A. White, adjutant general of the state. Telegraphic appropriation from the United States treasury sufficient to cover the expenses of the Oregon citizen soldiers was received by General White after hope had been practically abandoned, since only a limited number of states can be represented this year, because of limited federal appropriations.

Selection of the team had already been practically completed and includes the 12 best riflemen from the infantry units of the state. Towns represented are Portland, Salem, Hood River, Dallas, Marshfield and Albany. Announcement of the names will be made tomorrow.

The team will leave Portland next Monday and will spend a month shooting in the national matches. The Oregonians will be in competition with the crack riflemen from the army, navy and marine corps.

## BILLINGS COAL MINERS SIGN UP

Billings, Mont., Aug. 22.—Operators representing virtually all the coal mines in Montana are meeting today with the scales committee of the United Mine Workers, district 27, in an effort to reach an agreement on wages and working conditions which will permit the resumption of mining in this state.

The morning session was devoted to general discussion of points involved, and it was indicated by Secretary Robert Condon of the miners and Secretary M. F. Purdell of the operators that a general basis for agreement had been reported.

Discussion of details of agreement was to be taken up at the afternoon meeting. Both sides expressed confidence of reaching an agreement by late afternoon.

## YOUTH FATALLY SHOT IN MISTAKE FOR DEER

Marshfield, Aug. 22.—Roy Ostrander, 17, was shot and probably fatally wounded by George Hurst, 21. They were in a party of four young men hunting at the headwaters of Eucher creek in Curry county. Ostrander was crawling on a rock and was mistaken for a deer by Hurst. It was necessary to carry the injured youth four miles on a stretcher before reaching the highway. He was taken to Bandon and small hope is held for his recovery. Ostrander is the son of R. C. Ostrander, barber at Port Orford, and Hurst lives with his father W. R. Hurst, on a ranch at Elk River, in Curry county.

One of the last official acts of Sheriff Ole Nelson of Clatsop county, recently recalled, was the destruction Monday of 250 gallons of liquor, part of the confiscations made during his term of office.

It is slowly being forced home to the public and the government that the time to stop a big strike is before it starts.—Albany Democrat.

## Shortage of Coal Forces Ford to Install Oil Burners in Plant

Detroit, Mich., Aug. 22.—Owing to the shortage of coal, the Ford Motor company's Highland Park plant has been equipped with oil burners. The change was made without loss of time to any of the 42,000 employees.

The Ford company, it is understood, has placed orders for 12,000,000 gallons of fuel oil. Before installing oil burners, coke screenings and other fuel were tried out, but found unsatisfactory.

## K. OF C. COIN FOR WELFARE WORK

New York, Aug. 22.—The Knights of Columbus spent \$2,794,206.49 during 1921-22 in welfare work for American war veterans, it became known today. Free technical evening schools, which about 70,000 veterans attended, cost \$254,891.74, and other schools for veterans operated by councils through the country used \$308,578.27 of the fund devoted to educational purposes.

College courses valued at \$173,336.29 in addition to numerous catholic university foundation scholarships were granted veterans by the K. of C. during the year.

More than 350 hospitals, where veterans are still being treated for war wounds and illness, were provided with recreational opportunities and comfort for men confined to bed. On this branch of the work \$904,000 was expended.

The report claims an overhead expense of less than one per cent of the total expenditure.

## WRECK DUE TO SPIKE REMOVAL

Gary, Ind., Aug. 22.—Deliberate homicide was the verdict of E. B. Evans, lake county coroner, who has been investigating the wreck of the New York-Chicago express train which was derailed near here Sunday, killing two members of the crew and injuring several others. The coroner said he found that "thirty-seven spikes were removed from the tracks by persons unfamiliar with the use of a crowbar."

About forty witnesses, including six members of the crew, testified that the wreck was not caused by defective equipment. The coroner's verdict said the wreck was a deliberate plot.

With a membership of 10 as a starter, a temporary organization of 40 Hommes and Eight Cheveaux, the fun body of the American Legion, was formed in Pendleton at a meeting last week.

Following a liquor investigation which has been going on for the past month, Sheriff Starmer of Douglas county has dismissed all his deputy sheriffs at Reedsport and made new appointments.

How the seasons do move around. Last time we noticed Chicago on the front page it was tied up with snow and ice. Now it's suffering from its periodic heat wave.



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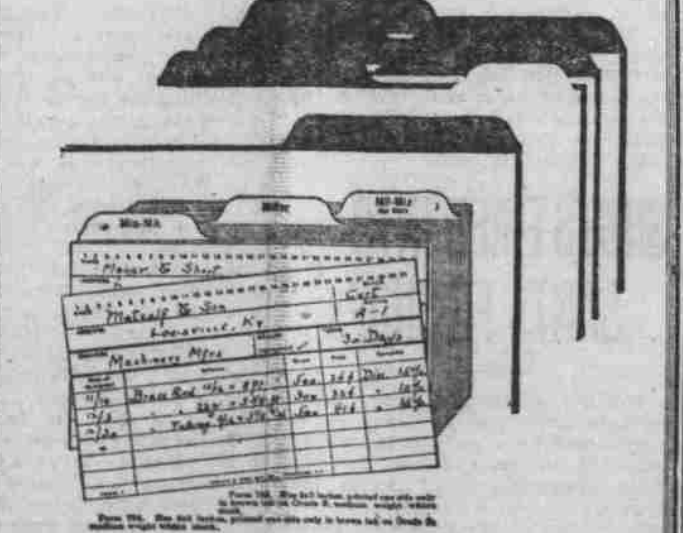
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