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# Capital Journal

**FAIR**  
tonight and Thursday with valley fog Thursday morning. No change in temperature. Easterly winds.  
Local: Max. 52; Min. 23; rain 0; river -2.7 feet; clear; northwest wind.

42nd YEAR, No. 277 Entered as second class matter at Salem, Oregon SALEM, OREGON, WEDNESDAY, NOVEMBER 20, 1929 PRICE THREE CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

## SENATE TO ADJOURN ON FRIDAY

### BANKS CONFER OVER PAYMENT OF BACK TAXES

Secret Session Held With County Trying To Reach Agreement

County May Deny Banks Further Deposits of Public Funds

At a secret session in the private offices of the county court Wednesday morning between Joseph J. Keber, Bank of Mt. Angel; M. G. Gunderson, Coolidge & McClaine Bank of Silverton; Keith Powell, Bank of Woodburn, and members of the county court once more the three banks endeavored to see how far they could get in not paying the 1927 and 1928 taxes which are assessed against them on the tax rolls of the county.

During this session of transaction of public business in private an iron clad agreement was reached among the six present that nothing should be said to the public of what transpired at the meeting.

Regarding it is known that the county court sat tight and refused to do much talking, assuming the same attitude that they have in the past that the move should come from the banks, and the bankers endeavored to get the county court to make some sort of proposition with no proposition forthcoming.

The three bankers represented three of six state banks which haven't paid their taxes for two years, the balance of the state banks (concluded on page 9, column 5)

### BROAD UPWARD MOVEMENT ON STOCK MARKET

New York (AP)—Stocks staged a broad rally in Wednesday's market, but encountered considerable profit-taking in the last half hour of the morning session. Scores of shares, with a few comparatively inactive issues selling up as much as \$20. U. S. Steel, after faltering in the early transactions, quickly rose to \$169.25, up \$2.75, and General Electric touched \$116, up \$15.

New developments during the day were largely of a character to aid the upturn. Directors of National Biscuit recommended a 2 1/2 for 1 split up and the stock quickly advanced up \$11.50 to \$180.

Ten or more of the corporations of the United States Steel corporation's plants were reported operating at 73 per cent of rated capacity, against 75 per cent last week, reports from the steel trade were generally optimistic, stating that the confidence of buyers was returning.

Trading was in comparatively moderate volume, but considerably heavier than Tuesday. Total sales during the first two hours of the session were 1,902,000 shares as compared with 1,359,000 Tuesday. The ticker fell nearly 20 minutes behind the market for a time in the morning, but was only 12 minutes in arrears by early afternoon.

Washington (AP)—A motion was filed with the District of Columbia supreme court Wednesday asking that January 13 be set as the date for trying Edward L. Doheny, wealthy oil man, on the bribery charge pending against him.

### Good Evening!

Sips for Supper  
By DON UPJOHN

COUNCILMAN'S CHOICE  
One thousand bridge players are gathering in Chicago for a big tournament. Some are concrete and some are wood.

GREAT QUANTITY MARKET  
A sudden spurt in the hop market disposed of 1538 bales sold at from 10 to 13 cents. It is figured that it costs about 15 cents a pound to produce the hops. This means that a vast quantity of hops must move, because if any money is made a heck of a lot of hops that are produced at 15 cents has to be sold at 13 cents to get much of a profit out of them.

Everybody knows Billy Taylor who runs the Mason County booth out at the state fair and it is out at the state fair Billy learned how to talk. He talks a blue streak to about 25,000 people all week. A while back Billy was out with a bunch in an automobile and he talked a blue streak way up into the hills. A party on the back seat suddenly broke in on Billy's talk.

"Say, Billy," he said, "you come back here. I want to get up in front and run the spreader awhile."

D. B. Jarman stood looking at the National Book Week sign in a local bookstore window for awhile and then went down to the First National bank and looked over his bank book. "There," said D. B., "I've read a good book for this week."

We used to think that spinach was something that was applied externally and to hang from the chin as an ornament. For instance Doc Mercer has been one of the great exponents of the old-time spinach school around here for a good many years, although not working as hard at it as he used to or else he has had a halfway crop failure.

But we ran into Doc Lebold the other day and he told us we were getting fat and we should apply this spinach stuff internally. We used to see Gus Kehrberger chew a spinach and swallow it right down. A spinach a day keeps the doctor away, as it were.

We got a notion to go around to Doc Mercer or Gus Kehrberger and see if they'll loan us a little to try it.

### CABLES BROKEN BY EARTHQUAKE

New York (AP)—Six cable repair ships were offing the bed of the North Atlantic Wednesday for cables broken on Monday by the earthquake along the seaboard.

Ten or more of the earthquakes between America and Europe were served by the upheaval among the hills and valleys of the ocean's floor.

The repairs ships are kept in constant readiness for emergencies of this nature and they were on their way to the apparent source of trouble soon after the breaks were detected.

The cable companies, in the meantime, were striving to keep up with their business, and accepted messages subject to delay.

### BIG BUSINESS COOPERATING IN PROSPERITY

Hoover Sees More Optimistic Psychology as Result of Conferences

Manufacturing and Industrial Leaders Meet President Today

Washington (AP)—A more optimistic psychology, induced by the prospect of easier credit conditions and extensive railroad, shipyard and governmental construction, was foreseen Wednesday as the first product of President Hoover's program for increasing and stabilizing American prosperity.

Those close to the administration looked forward to a prompt and beneficial reaction from the chief executive's conferences with the presidents of the great eastern railroads and bankers from all sections of the nation and from assurances of large orders for railway and marine equipment that have grown out of Mr. Hoover's campaign in the few days that have elapsed since the original announcement of his plans.

Laid aside that the president might pay his last respects to the late Secretary James W. Good of the war department, the chief executive's schedule of conferences with the leaders of American economic endeavor was resumed Wednesday with a discussion of what the manufacturing and industrial field can do to advance his plans, attended by a group of men prominent in the industry.

### UTAH SHIPPERS URGE BUILDING OF HILL LINE

San Francisco (AP)—Considerable expansion of Utah's coal and iron industries was forecast Wednesday by spokesmen for the state in testimony before an interstate commerce commission examiner should their intervention in the Great Northern-Western Pacific railway linking western Japan with the commission's approval for the proposed line.

Representatives of various Utah shipping organizations told of the improved rates they expected to get over the proposed route from Orem, Cal., to Klamath Falls, Ore., and added that the recent purchase by the United States Steel corporation of the Columbia Steel properties in Utah would contribute to development of the state's resources.

H. W. Prickett, representing the Utah shippers and traffic association and the Utah Coal Producers' association after much of his testimony had been thrown out because of its argumentative nature, flatly asserted that granting the petition to build the 200 mile railroad would be in the best interest of the people of Utah because it would open new markets for Utah producers and similarly serve Utah buyers.

For the producers in the Iron region there are estimated to be 30,000,000 tons of high grade iron ore and 90,000,000 tons of coking coal, he said, saying the estimates were made by Columbia Steel engineers. Better transportation was expected from the new line, he explained, to stimulate development of these resources.

### Broadening Scope of Indian School Here As College Favored

Portland (UP)—Placing the Chemawa Indian school at Salem on a basis of national scope by making it an institution of higher learning, is indicated from conferences Sunday afternoon at the home of Superintendent O. H. Lippe held with officials of the Indian service, a dispatch from the Oregon Journal's Washington correspondent said.

Senator McNary for some time has urged plans for placing the school higher in education.

### Valley Day Bargains Ready For Thursday

Bargains in nearly 99 different lines are attractively displayed by the 44 merchants of the city participating with both the Salem papers in introducing to the public the first "All Valley Day." Formal notice of cooperation is given by special window display cards. "All Valley Day" will be observed Thursday.

With assurance of favorable weather conditions and fog dispelled, the merchants are anticipating a mid-week shopping spree, taking advantage of the specially priced merchandise.

Paved roads have caused Salem to become more and more the center of trade in a large and thickly populated district, and it is to introduce their merchandise to residents of the entire district that "All Valley Day" is being offered by the merchants, the Capital Journal and the Oregon Statesman.

### ASK GRANGE TO LEND SUPPORT TO FARM BOARD

Seattle (AP)—A plea for support for the federal farm board was addressed to members of the national grange Wednesday by Charles S. Wilson, of the board, who said they could be of great assistance by doing all possible to encourage the cooperative marketing movement.

"We believe that the farm organizations, and particularly the grange with its long history of support to agriculture, can be of great assistance," Wilson said, suggesting that the local, county and state granges give support and guidance to the cooperative associations within their territory. He also suggested that the local granges devote much time to a study of the farmers' marketing problems.

In addition, Wilson discussed in a general way the policies of the farm board and told of what had already been done to assist the grain, wool, mohair, livestock and other groups of cooperative associations to organize the national commodity marketing agencies.

### QUAKE ROCKS LINER OLYMPIC

New York (AP)—The earthquake which was felt along the coast from New York to Halifax Monday, shook the liner Olympic, 640 miles at sea, from stem to stern, her commander reported Wednesday on arrival here from Southampton and Chibougamau.

Officers of the Olympic did not know what happened and for a time feared the ship had hit a submerged wreck and perhaps damaged her hull.

Captain W. H. Parker, the commander, said he was in the chart room when the ship started to tremble.

"I immediately went to the bridge," he said. "Nothing had been sighted ahead and nothing seen astern. For a moment I thought we had cast a proper blade. But the engine continued to work smoothly so I began to fear we had struck submerged wreck. When the vibration ceased I went aft to examine the wake of the ship for signs of wreckage but there was none."

KIPLING, DOYLE SUFFER ILL HEALTH  
London (AP)—Ill health has overtaken two of Britain's most noted writers, Rudyard Kipling and Sir Arthur Conan Doyle. It was announced here Wednesday.

Kipling has been ordered abroad for his health, the British Broadcasting corporation announced in cancelling an address he was scheduled to broadcast.

### FINAL HONORS PAID GOOD AT WHITE HOUSE

Funeral of Late Secretary of War Held in Historic East Room

Services Marked by Simple Dignity—President and Officials Present

Washington (AP)—Flags at half staff throughout the land Wednesday signaled the cessation of governmental affairs as President Hoover and other officials of both the American and foreign governments assembled in the historic East room of the White House and paid final tribute at the funeral of James W. Good, the late secretary of war.

The services of the Presbyterian church were conducted with simple dignity. Around the room, in which many epochal events of American history have taken place, were floral tributes from personal friends, foreign governments, and many organizations.

The metal casket was placed before the east tier of windows which were draped in heavy gold brocade. Two soldiers at either end of the casket stood at rigid attention. Elsewhere in the room the gold braid on the uniforms of high officers of the army and the bright decorations on the uniforms of diplomats and military attaches of foreign powers appeared in sharp contrast to the somber clothes of governmental officials.

Before the services started and anyone had arrived, Mr. and Mrs. Reutcher said reports of the oil scandal and of six months of confinement, the multi-millionaire is expected to go at once to his luxurious Long Island home.

### BANK MONEY USED TO BEAT SUGAR TARIFF

By PAUL R. MALLON  
Washington (AP)—The National City Bank of New York spent a "couple hundred thousand dollars a year minimum" on a monthly bulletin opposing increases in the sugar tariff, Gordon S. Reutcher, president, told the senate lobby investigation committee Wednesday.

Reutcher said reports that the bank was involved in the Cuban sugar industry to the extent of \$100,000,000 were "greatly exaggerated," however.

The bank president refused to express an opinion concerning the charge that the responsible representative of the independent republic of the Montañas, to ascribe a cause for the stock deflation, Reutcher said.

"It's all too near to me to have an opinion about it yet," Reutcher said.

### ROCKIES GRIPPED BY COLD WAVE

Denver, Colo. (AP)—Zero and freezing temperatures were the rule throughout the Rocky mountain region Wednesday after a steady snowstorm had covered most of the area.

Low temperatures ranging from zero in Montana to freezing zero in southern Colorado and northern New Mexico, followed in the wake of the storm, but there was little added precipitation.

Sub-zero temperatures were reported in the Judith Basin, Montana early Wednesday, and at Livingston it was three degrees above zero with no let-up in the cold spell indicated. At Cheyenne three inches of snow lay on the ground, and Denver experienced a similar fall, the seventh snow fall of the season.

### RECEIPT GIVEN BY DRY CONGRESSMAN FOR BOOZE LADEN GRIP

Washington (AP)—District Attorney Royer disclosed Wednesday that he had a receipt signed by Representative Edward E. Denison of Illinois for the liquor laden trunk on which an indictment of the Illinois representative on liquor charges was based. The indictment of a member of the house—one who voted for the 18th amendment, the Volstead act and the Jones law—on a charge of possession of intoxicating liquor heightened and intensified Wednesday the current furor over prohibition enforcement conditions in the nation's capital.

The accused legislator, asserted that the charges were based upon the delivery, by mistake, of a trunk containing intoxicants to his office here last January.

The indictment was returned Tuesday by the grand jury which heard Senator Brookhart describe the celebrated "Wall Street booze party" for members of the senate, in the course of a general inquiry into liquor conditions here.

A bill to forbid any one to tap telephone or telegraph wires, (Concluded on page 10, column 4)

### OIL MAGNATE LEAVES PRISON AT MIDNIGHT

Washington (AP)—Harry F. Sinclair, oil magnate, linked with the black and white of the District of Columbia jail pharmacy Wednesday for the last time. At midnight he will leave all that behind, his sentence for contempt of court and contempt of one-half month of confinement, the multi-millionaire is expected to go at once to his luxurious Long Island home.

Sinclair entered the jail May 6 to serve terms of three months for refusing to answer questions of the senate committee investigating the oil scandal and of six months for contempt of the District of Columbia supreme court in connection with the shadowing of the jury when he was on trial with Albert B. Fall for conspiracy to defraud the government through the celebrated lease on the Teapot Dome naval oil reserve.

Portions of the two sentences ran concurrently and with allowances of five days off each month for good behavior, his stay in the jail was reduced to six months and fourteen days.

Drug store experience gained in the early days of his career led to his assignment as jail pharmacist and assistant to the jail physician. A storm of criticism was aroused when it was discovered that his duties took him beyond the walls of the jail and included frequent rides in the Washington water-front.

These were discontinued by the director William L. Peake at the direction of his superior officers.

### ALASKAN FLIER HEARD IN FOG

Nome, Alaska (AP)—Word that Pilot Carl Ben Eielson who, assisted by Pilot Frank Donnan is attempting to rescue passengers on two ships icebound near North Cape, Siberia, had been seen by natives, flying within sixty miles of the village, one of the vessels, was received Tuesday night. Information was also received that his motor had been heard within fifty miles of the ship by a Russian trapper. It was so foggy, however, that the trapper did not see the plane, the report said.

The fliers are attempting to bring those aboard the Nanuk and Soviet ship Stavropol, icebound near the Nanuk, to Nome.

They are also endeavoring to bring a quantity of valuable furs from the Nanuk, trading ship, owned by Swetman Trading company.

### TARIFF BILL TO GO OVER INTO NEXT SESSION

Special Session to End Without Accomplishing Its Purpose

Babson Assailed in Senate for Saying Slump Caused by Tariff Cut

Washington (AP)—The senate Wednesday voted to adjourn sine die at 10 o'clock Friday night, allowing for a week's respite between the special and regular sessions.

Senator Walsh of Montana, acting democratic leader, offered the adjournment resolution at the outset of Wednesday's session. He said it was apparent it was impossible to pass the tariff bill before December 2, when the regular session begins and asserted senators should be given at least a week to prepare for the winter term. The vote was 49 to 33.

House leaders said they were confident that body would offer no objection to adjournment of congress next Friday.

Roger W. Babson, business statistician, who charged in a newspaper article that the senate debate on the tariff was partly to blame for the slump, (Concluded on page 10, column 1)

### PILOT KILLED AS PLANE CRASHES INTO Y BUILDING

New York (AP)—Charles Reid, a pilot in a private airplane from Roosevelt field, was killed when the craft crashed on the roof of a Y. M. C. A. building in West 64th street Wednesday afternoon. His passenger, Robert Baile, landed in a nearby street in a parachute, apparently uninjured.

The airplane was almost skimming the tops of the buildings, Mrs. Samuel Marx, an eye witness, said, as Baile leaped out with a parachute.

He landed on the pavement opposite the building which the airplane hit, picked himself up, and ran across the street into the building.

One wing of the ship broke loose as it crashed on the roof and dropped into the street.

The airplane was over Central Park flying at a rather low altitude when Mrs. Marx first noticed it was in difficulty. It headed west and in a few seconds crashed on the roof of the Y. M. C. A. building.

The airplane took off from Roosevelt field where, it was said, Baile was a student pilot. Police identified it as "airplane No. 4, privately owned, Roosevelt Field."

### HOOVER CANCELS SOCIAL FUNCTIONS

Washington (AP)—The White House Wednesday cancelled all social functions on the calendar for December out of respect for the memory of the late Secretary Good.

### REPARATIONS CONFERENCE TO BE POSTPONED

Paris (AP)—The extremist wing in the German cabinet which seemed Wednesday to have convinced France that the second Hague reparations conference should not be held before January, notwithstanding Germany's insistence that it convene in December.

At a conference with Leopold Von Hoesch, German ambassador to Paris, Foreign Minister Aristide Briand Tuesday indicated France's stand for the later meeting, in answer to Von Hoesch's expressions, pointing out the advantages which a December meeting would mean to his government in dealing with domestic problems, Briand asserted that preliminary work of the conference was as yet incomplete and with the eastern reparations conference in a deadlock there appeared little prospect of completion before January 1.

The German government has desired to open The Hague meeting before December 22 when the German people vote on the nationalist referendum opposing acceptance of the Young plan. But France is not willing to accept the belief that nationalist referendum can have no effect on Germany's acceptance of the Young plan and refuses to consider signing a reparations agreement until the referendum is completed.

In addition to this fear, which was greatly accentuated by the results of Sunday's elections throughout Germany, there is growing anxiety over the failure of the non-German reparations conference to break the deadlock which followed differences over the reparations of Bulgaria and Hungary.

### BANKERS PLAN MARCH MEETING

Portland, Ore. (AP)—Heralded as one of the most constructive moves in the annals of Pacific northwest banking history, between 800 and 1,000 bankers from six western and inter-mountain states will convene here March 5 to discuss banking problems and management.

Officers of the Portland clearing house section of the American Bankers' association, who Wednesday announced preliminary arrangements for the convention, said that at least one director and one executive officer from every bank in Oregon, Washington, Idaho, Montana, Wyoming and Utah probably would attend.

The conference, which will continue two days, will be a strictly business one, officials said, and will be devoted entirely to discussion of two general phases of banking, the mechanical operation of banks and the credit administration.

The conference will be patterned after the Mississippi valley conference held in Chicago last March and the tri-state conference on better bank management held in Minneapolis.

### Bank Robber Hanged By Infuriated Mob To Telephone Cable

Eastland, Texas (AP)—Impatient at the law's delay and enraged by the latest violent crime of Marshall Ratliff, condemned "Santa Claus" bank robber, a mob of approximately 1,000 persons Tuesday night hanged the condemned man from a telephone cable 200 yards from the jail from which he was dragged.

For several hours the mob's naked body dangled from the end of a grass rope in a bitter wind, while a crowd which included many women and children stood bawling upward in comparative silence until a justice of the peace ordered the body cut down.

Two years ago Ratliff, dressed as a Santa Claus, participated in a bank holdup in which two offi-