CIRCULATION
Daily average distribution for the Month ending July 31, 1932
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Capital Journal

CITY EDITION
Fair tonight and Sunday, but cloudy or foggy on the coast; warmer Sunday; northwest winds.
Local: Max. 77; Min. 49; rain, 0; river, -2.6 feet; partly cloudy; northwesterly winds.

44th YEAR, No. 193 Entered as second class matter at Salem, Oregon — SALEM, OREGON, SATURDAY, AUGUST 13, 1932 — PRICE THREE CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

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HINDENBURG REJECTS NAZI PLEA

HOLD COLLEGE BILL FATHERED BY CORVALLIS

Young Charges Moving Bill Originated at State College Town

Tells of Efforts of Corvallis Citizens To Enlist Eugene in Plan

Portland, Aug. 13 (LP)—P. H. Young, acting chairman of the school tax saving association today charged that Corvallis interests instigated the Zorn-Macpherson school moving bill.

In a letter to President C. J. Whiteside of the Corvallis chamber of commerce Young alleged that Corvallis interests first sought to get Eugene interests to go in with them in an initiative which would return the school of commerce to the State college. Failing in this, Young alleges, the Corvallis interests retaliated with the Zorn-Macpherson bill.

Young's letter to Whiteside, in part, said:

"* * * you write that your "understanding" was that the bill's "initiation was to be financed by the Taxpayers' league of the state of Oregon, Marion county, and that business men in Portland, interested in tax reductions, were to help

(Concluded on page 9, column 7)

HOLMES LOSES $10,000 YEARLY

Washington, Aug. 13 (AP)—After spending a lifetime interpreting and applying the laws, that master of them, Oliver Wendell Holmes, finds legal technicalities will cost him $10,000 this fiscal year.

Justice Holmes is the hardest hit among the comparatively few former federal judges affected by the economy measure which reduced the pay of government employes.

He resigned recently on the eve of his 91st birthday after almost 30 years on the supreme court bench. Then he was eligible to draw $20,000 for the remainder of his life, only to have that cut in half by the economy bill.

As interpreted, it proves that no federal judge who had resigned could draw more than $10,000 a year in retirement pay. The law did not affect the salary of federal judges in active service since the constitution prohibits it.

Justce Holmes probably doesn't mind. His private fortune is ample and his sense of humor still keen.

SMITH'S YOUNGEST SON WALTER WEDS

Schenectady, N. Y., Aug. 13 (AP)—Police held back a crowd which filled the Church of the Immaculate Conception to overflowing today for the wedding of Walter, youngest son of former Governor Alfred E. Smith, to Miss Florence E. Watson, of Schenectady.

The former governor, his wife and members of their family occupied a front section of te church.

Miss Watson is the daughter of Mr. and Mrs. Samuel H. Watson of Schenectady. Young Smith, who was graduated from Manhattan university in 1932, met her when she was a stenographer in the education department at Albany. Smith was recorded at the license clerk's office as assistant secretary of the New York County Trust company.

FARMERS PLANNING FOR DOLLAR WHEAT

Pendleton, Ore., Aug. 13 (AP)—Prominent wheat ranchers of Oregon, Washington and Idaho were expected here tonight for a meeting with congressional delegations, business leaders and bankers in the hope of obtaining general support of their "dollar wheat plan."

Invitations were sent to senators and representatives of the three states but it was not known definitely today how many would attend. Representatives Butler of Oregon and Summers of Washington sent word they would be here.

The plan to obtain $1 a bushel for wheat already is being followed generally in the producing areas of the Inland Empire. Growers have agreed to withhold their crops from markets for 30 days and then to sell 15 per cent of their holdings each month.

Good Evening!

Sips for Supper
By DON UPJOHN

The question of what a torch singer really is continues to occupy the minds on Main street and inquiries grow daily from people who think we have something up our sleeve and that we ourselves know what a torch singer is. Which we don't. The Statute of Liberty comes nearest to fitting the description as far as we know.

The suggestion that the city turn out for a celebration notifying Doug McKay that he's been elected mayor also met with a good reception. A lot of folks tell us they don't believe Doug knows himself he's been elected. Especially the boys who have asked him for city jobs are convinced that he doesn't know it. At least that's what he tells them when they ask for jobs.

SAVING THE COUNTRY

"No interest. No Taxes. No Hunger. No Unemployment. Vote for Liberty Party." Sign on street automobile.

"No License Tax. No Gas Tax. No Parts Tax. No Tire Tax. Ride a Bicycle." Sign in Harry Scott's window.

Between the two the country ought to get back into pretty good shape. But we expect if everybody voted for the Liberty party everybody would be riding bicycles.

Shang Laughrige, deputy secretary of state, whose application for membership in the False Teeth association we duly recorded the other day has sent an emissary to us asking for the password so he can get into the next meeting. Between you and us, Shang, the password is "Soft-boiled eggs and soup." But keep it dark. That's only for members.

Our old friend Paul Kelty, managing editor of the Oregonian, drops us a chiding note saying we misquoted him the other day in saying he introduced Claude Ingalls over KGW as one of the "greatest" editors in the state. What he did say was that Claude was one of the most "brilliant." For which we duly apologize.

"PK" also adds that "I always read and enjoy 'Sips' even when it misquotes me — but I think this is the first time it has done that." For which we wish to add that "PK" is not only one of the most brilliant but also one of the greatest editors.

RHYMESTER'S RIDDLE

We wonder is it look or book,
Nook or rook or hook or crook;
Or should the word be duke or fluke
That we must find to rhyme with Zook.

Doggone the doggone doggerel anyhow.

A newcomer here, one Tom Elkins, gave Salem, the chamber of commerce, rotating clubs, et cetera a well aimed punch in a letter to the Journal last night. He complained of Salem's coldness to stranger, tourists and new residents.

But when lonesome Tom lives here 25 years he'll have the same complaint to make. Salemites live in cliques and crowds and don't chum up. Folk in this blessed haven are all too darned self-satisfied to worry about newcomers or old comers. The thing to do in Salem is to collect you a few friends and stick with 'em. And then let the rest of the world go by.

And why not.

La Grande Mercury Makes Heavy Drop

La Grande, Ore., Aug. 13 (AP)—Although clear, summery weather appears to have returned to eastern Oregon, the mercury dropped last night to a new low mark for the season, going down to 44 above.

Friday's maximum was 74 above and warmer weather was expected today.

TROOPS QUELL STUDENT RIOT AT SANTIAGO

Brief Rebellion Suppressed and Martial Law Declared in Chili

Three Killed in Hour and Half Battle — University Buildings Seized

Santiago, Chile, Aug. 13 (AP)—Martial law was proclaimed throughout Chile today after police and soldiers had put down a short-lived rebellion against the government by 400 students of the University of Chile.

The government explained that the proclamation of martial law was a precautionary measure.

A police officer, a student and a boy bystander were known to have been killed in the hour and a half battle last night and there were unconfirmed reports that five others were dead. Twenty were wounded.

The students seized the university buildings, demanding the restoration of Col. Marmaduke Grove as head of the government instead of Carlos Davila. Col. Grove was a colleague of Senor Davila in the first socialist revolution several weeks ago, but was ousted by a counter-revolt.

Two regiments of troops were called out immediately and fired upon the students. As soon as the firing began the students abandoned their barricades and fled. All but 50 of them were captured.

BUTTE PRINTERS ACCEPT SLASH

Butte, Mont., Aug. 13 (LP)—After a "newsless" period of two weeks, publication of newspapers will be resumed here Sunday morning.

Printing crafts of Butte and Anaconda last night accepted the basic wage reduction of $1 throughout the scale offered by publishers and commercial shop employers.

The Montana Standard and the Butte Daily Post, as well as job shops, suspended operations August 1 after the unions rejected wage adjustment proposals.

The typographical, stereotypers, pressmen, mailers and bookbinders unions are affected by the wage adjustment. Three daily newspapers, including the Anaconda Standard, published in Anaconda, seven job printing shops, and one weekly paper suspended during the two weeks negotiations.

Citizens were kept informed of world events by bulletins posted on the windows of the suspended newspapers.

JEFFERSON AUTO THIEF CAPTURED

Harold McMurtry, alias Ralph Miller, wanted by the state police for the theft of an automobile at Jefferson, belonging to L. M. Doty, has been arrested at Piedmont, Cal., says information received today at state police headquarters.

The theft of Doty's car occurred May 14 and it has not been recovered. Clues furnished by Clay Cornwell of Jefferson, a partner of McMurtry, and by a bad check passed by him on the Day & Niles service station in Salem when he was driving the Doty car, resulted in the theft being fastened on him.

McMurtry is is said by the police to be an ex-convict.

Dunne Warns Zook Not To Accept Job Of University Chancellor

Portland, Aug. 13 (AP)—Dr. George Frederick Zook, president of Akron university, invited to Oregon with a view to his becoming chancellor of the state's system of higher education, said today he will go to Eugene during the morning to inspect the university campus, and confer with Albert Burch of Medford, chairman of the unification committee of the board of higher education.

Dr. Zook will motor south with Dr. E. E. Lindsay, secretary of the board. He will stop at Albany to confer with F. E. Callister, another board member. Before returning to Portland Monday Dr. Zook will visit Corvallis and Monmouth.

State Senator Joe E. Dunne, who several weeks ago sent Dr. Zook a telegram advising him not to come to Oregon, sent the educator a letter which he received today urging him to disregard any inclination he might have to accept the chancellorship "because any action taken by the board, which has invited you here, will be nullified by abolishment of the board at the next session of the Oregon legislature.

(Concluded on page 9, column 4)

Army Of Frogs Start Invasion Of Vancouver

Vancouver, Wash., Aug. 13 (AP)—Unheralded, the reason for the strange and unprecedented migration a mystery, hundreds of thousands of tiny frogs invaded Vancouver today.

Highways and streets within the city and to the east were swarming with the little creatures and motorists on the Evergreen highway said the frogs were so thick over some sections as to give the ap-

(Concluded on page 7, column 7)

FLOOD WATERS ROAR ON PLATTE

Omaha, Neb., Aug. 13 (LP)—Flood waters still roared throughout the Platte river valley today and estimates of damages ran past the $1,000,000 mark.

One death was caused by the flood. Dr. Douglase Hansen, Nehawka, was drowned when he tried to cross a swollen creek while answering a sick call.

The flooded district was from one to five miles wide. Scores of homes had been washed out and hundreds of head of livestock drowned.

Damage to highways alone was estimated at more than half a million dollars, according to Frank Riha, chairman of the Douglas county board of commissioners.

Losses in crops and livestock could not be estimated until farmers are able to get back to their homes.

Rescue crews in motor boats attempted today to reach fifteen families reported marooned near Fort Crook.

Army tents were hastily set up at the fort to care for families who had been driven from their homes.

The flood was gradually receding in some sections today and forecasts were there would be a definite drop in the water level by tonight. The flood was caused by the 6.62 inches of rain which fell Thursday.

Irvington, Peony Park, Ak-sar-ben, South Omaha and Fort Crook were the districts which suffered most. Several railroad lines were washed out.

Fences at the Union stockyards were torn down so that stock could be taken out. None of the animals were lost, officials said.

BRITISH PAPERS CRITICISE SPEECH

London, Aug. 13 (AP) — British newspapers critized President Hoover's acceptance speech sharply today, especially that part of it referring to war debts and tariffs.

Most of them added, however, that the speech was more of a campaign document than a declaration of state policy.

While the speech seemed "primarily intended to influence votes" the Times said, "the references to the debts and tariffs showed a determination to ignore the main causes of the depression."

"He was careful, however," it added, "not to close the door to future negotiations."

The liberal News-Chronicle, which sponsers free trade, said the speech was intended to encourage the British delegation at Ottawa to keep the door open to possible arrangements with America and also to enable the president to open the door to debt revision.

After praising the "admirable record' of the president's foreign policy, the Telegraph rapped smartly at the references to war debts.

BREAKFAST BUCKET ENDS FLIGHT EFFORT

Valley Stream, N. Y., Aug. 13 (AP)—The old breakfast bucket that swung in the sky brought an endurance flight by two women to an untimely end today.

Frances Marsalis and Louise Thaden took off late yesterday in an attempt to establish a new refuelling endurance record for women. They got through the first night all right and completed their first refueling operation successfully this morning.

But then the refueling ship let down a bucket full of breakfast and the bucket struck one wing of their plane, ripping the fabric. The girls landed for repairs. They may start again late today.

MURREY SECRETARY

Washington, Aug. 13 (LP)—William Edward Murrey, Rockville, Ill., today was appointed secretary of the federal home loan bank board. The board also appointed A. R. Gardner, Olympia, Wash., administrative assistant.

RECOMMEND RESTORATION OF GOLD BASIS

Monetary Committee of Imperial Conference Makes Final Report

United States Leniency In Settlement of War Debts Advocated

Ottawa, Ont., Aug. 13 (AP) — Americans observing the work of the imperial conference interpreted a final report of the monetary committee today as a definite bid for continuation of currency on a gold basis and for leniency by the United States in settlement of war debts.

The report was prepared for the plenary session expected to end the conference next Thursday.

"The conference," the report said, "recognized that the ultimate aim of a monetary policy should be the restoration of a satisfactory international standard." It added that trying to achieve low interest rates and an abundance of short-term money for restoration of trade should not be predicated on "inflationary creation of additional means of payment to finance public expenditures."

Gold was not specifically mentioned, but Americans read into it a suggestion that a new par value be established on a gold basis for repreciated empire currency.

(Concluded on page 9, column 6)

WANT BUDGET TRIMMED AGAIN

Washington, Aug. 13 (AP)— At least another $800,000,000 reduction in federal expenses is expected of the next session of congress by the chamber of commerce of the United States.

Henry I. Harriman, president of the chamber, said so in a statement today as the executive committee of the non-governmental agency met.

Federal appropriations for this year are $800,000,000 less than those for last year, he said, adding:

"Analysis of the appropriations made by congress for the current fiscal year * * * makes it clear that it is reasonable to expect congress during the coming winter * * * to reduce them further by at least * * * $800,000,000.

He suggested that federal activities in existence now and in 1925 be placed on the same basis, including salaries, as in 1925, that public construction and public works be reduced $200,000,000; that veterans administration appropriations be slashed $100,000,000 and that $150,000,000 be saved by "abandonment of only a part of the activities which the chamber has repeatedly opposed for the reason that they are improperly competitive with private enterprise."

FIREMEN INJURED IN SHIP EXPLOSION

Oakland, Calif., Aug. 13 (LP)—Two firemen were injured by an explosion aboard the $200,000 motorship Lassen today when fire swept the craft and it sank at its dock.

Six hundred barrels of oil stored in the engine room exploded as fire, which apparently starting in one of the lower holds, swept the boat.

Firemen George Russo and Herbert French, members of the crews aboard the fireboats Ajax and Sullivan were removed to hospitals for treatment. They received lacerations and severe burns. None of the crew was injured.

The Lassen was a wooden vessel, owned by the E. K. Wood Lumber Co., of 750 tons. Engaged in coastal service, it arrived here from Los Angeles, July 5. Captain W. Peterson was in command.

COMMUNISTS IN DRESDEN BOMBED

Dresden, Aug. 13 (LP)—Two men on motorcycles bombed the building occupied by the local communist recretariat here today, tossed a bomb into a group of pedestrians in front of the building, then bombed several homes of prominent socialists and communists.

One person was injured in the downtown explosion. The bombers escaped.

United States Wins Diving Sweepstake At Olympic Games

Olympic Swimming Stadium, Los Angeles, Aug. 13 (U.P.)—Harold "Dutch" Smith of Los Angeles, decisively outpointed his seven rivals today to win the high diving championship of the Olympic games. As they have in both of the women's diving events, and in the men's springboard competition, United States divers finished one, two, three today. Michael Riley Gallitzen, also of Los Angeles, winner of the springboard title, was second in the high diving, and Frank Kurtz, another Los Angeles boy, was third in today's event.

The point totals were Smith, 124.80; Gallitzen, 124.28; Kurtz, 121.98; Josef Staudinger, Austria, 103.44; C. Curiel, Mexico, 83.82; J. Albo, Mexico, 77.94; A. Phillips, Canadian, 77.10; T. Ishida, Japan, 75.92.

The American diving victory returned America to the lead in men's swimming competition. The United States now has 65 points, with Japan, its chief rival, holding 56.

AUTO MAGNATE DIES IN CREEK

Chatham, Ont., Aug. 13 (LP)—Ray A. Graham, 45, Brosslyn, N. Y., treasurer of the Graham-Paige Motors Co., threw himself into McGregor creek here today and was drowned.

He came here yesterday with his brother, Robert E. Graham of the same company and Rev. Fr. Shine of St. Louis University.

Shortly after arising today he rushed from the hotel, hurried to the creek which winds through the town and after running a few steps along its bank plunged in fully clothed.

The trio spent the night at the William Pitt hotel. They chatted gayly until retiring shortly before midnight.

Late this morning, Ray dressed hurriedly and left the hotel. His pace was hurried. He glanced nervously about as he broke into a short run and then turned abruptly and plunged abruptly into the water.

An immediate inquest was ordered.

Graham had suffered a nervous breakdown and his brother and Father Shine were taking him to Morristown, N. J., where he was to enter the Loyola House of Retreat for a rest.

He was the youngest of the three Graham brothers who acquired the Paige Motor company in 1927.

INSURERS OFFER GANG PROTECTION

Chicago, Aug. 13 (AP)—Chicago's long and bitter fight against the gangster today was marked by a new development — insurance against murder by hoodlums.

Officials of the Milk Drivers' union, which gangsters are reported to have threatened with invasion, are the men insured.

The union voted to pay $15,000 out of its $800,000 fund to the family of any of its officers killed by hoodlums. The money is payable within 24 hours of such a crime.

So far as could be learned, it was the first time in the history of Chicago's struggle against the racketeer and the gunman that it was deemed necessary to insure the families of labor leaders against the possibility of gangster guns.

The Chicago Daily Tribune said it was understood the fund was intended principally for the protection of Robert C. Fitchie, president of the union; Steve C. Summer, its 33-year-old business agent, and Ray Bryant, its trustee.

IRISH DEMAND INDEPENDENCE

Dublin, Irish Free State, Aug. 13 (AP)—Eamon De Valera, president of the Free State, was beleaguered from two sides today, to declare the independence of a republic of Ireland.

The An Phoblacht, organ of the Irish republican army, an unofficial organization which demands independence, said in an editorial headed "Am emphatic answer to De Valera" that the mere abolition of the oath of allegiance to King George would not alter the republican position.

"The Irish republican army," the editorial continued, "has entered a solemn compact to guard and defend the Irish republic against all enemies, foreign and domestic, and it cannot lay down its arms or rest until the republic is a reality."

At the same time the newspaper, "United Irishman," organ of Former President William T. Cosgrave, conservative leader, attacked De Valera as acting illogical in not declaring a republic.

Such a procedure, it said, "would certainly be damaging, but would probably be less so than De Valera's policy of governing the Free State by a sort of conspiracy with the Irish republican army."

Both incidents followed the announcement Thursday of an organization known as the Free State Comrades association which was considered in some quarters to be opposed to the republican army.

GULF HURRICANE OFF TEXAS COAST

Washington, Aug. 13 (LP) — The United States weather bureau at 2:30 p. m., today issued warning of a tropical hurricane which may reach the Texas coast tonight. Hurricane warnings were ordered displayed between Port Arthur and Freeport.

Galveston, Texas, Aug. 13 (LP)—Coast guard today rescued several beach campers and bathers who hurried to remove their tents and other belongings to safety as a tropical disturbance approached from far out in the Gulf of Mexico.

The guards came to the rescue of persons whose automobiles were bogged in the sands and in danger of being engulfed by the waves, which were growing larger by the hour.

The barometer continued falling.

FILM STAR UNDER KNIFE OF SURGEON

Hollywood, Aug. 13 (LP)—Robert Montgomery, film star, was operated upon last night for acute appendicitis, it became known today at the Metro-Goldwyn-Mayer studios where he is under contract.

The operation was performed by Dr. W. E. Branch at Cedars of Lebanon hospital. Montgomery's condition was said to be excellent.

He was taken ill Thursday night after he had worked all day on the set of a production in which his leading woman was Tallulah Bankhead.

Iowa Striking Farmers Resort To Violence To Enforce Holiday Plan

Des Moines, Ia., Aug. 13 (U.P.)—A farm strike in Iowa reached its sixth day today with milk and cream soaking the ground where it was dumped and opinion sharply divided as to the success of the unusual movement.

Force has been resorted to in northwestern Iowa to prevent delivery to market of milk and cream.

Opponents of the strike movement, and these included many business men who felt the holiday plan was hopeless and only served to increase economic difficulties, contended the violence that has been displayed thus far is part of what is termed the Sioux City milk war. They differentiate between this and the general farm strike under which all produce is to be withheld from market for a 30 day period.

The strike leaders, on the other hand, assume a share of the "credit" for the milk war at Sioux City, pointing out that the price of $2.17 per hundred pounds which the milk producers demand is the estimated "cost of production plus a reasonable profit" which the holiday as-

(Concluded on page 9, column 7)

HITLER TOLD APPOINTMENT UNACHIEVABLE

Hindenburg Says Conscience and Country Prevent Selection

Government Prepared To Declare Martial Law If Trouble Starts

Berlin, Aug. 13 (LP)—The German government is determined to use every means to maintain order and will not hesitate to proclaim a "state of emergency" if Nazi make any attempt to disturb the peace, a government spokesman today told the United Press.

The declaration followed President Paul Von Hindenburg's refusal to grant the desired German chancellorship to Adolf Hitler, Nazi leader.

Berlin, Aug. 13 (LP)—With a large peace time army at his call, Adolf Hitler, Nazi leader, today placed his demands for power personally before President Paul Von Hindenburg of Germany.

He failed to achieve his aim of becoming chancellor of the reich.

(Concluded on page 9, column 8)

FIGHT RENEWED AGAINST BOOZE

Seattle, Aug. 13 (AP) — Pledged anew to resist every effort to repeal or resubmit the 18th amendment, the Women's Christian Temperance Union today began the business sessions of its 58th annual convention.

Delegates last night adopted the keynote speech of the organization's president, Mrs. Ella A. Boole of Brooklyn, N. Y., in which she urged members to concentrate on election of dry congressmen and dry legislatures.

Her statement that the union "cannot accept either the repeal amendment proposed by the democratic platform or the amendment proposed by Mr. Hoover," received the approbation of the covention.

The motion for adoption of her address was made by Mrs. Elizabeth Preston Anderson of Sheldon, N. D., president of the North Dakota union.

Unable to approve either of the two candidates for president because of their views favoring a change in the liquor laws, Mrs. Boole suggested "it may be your convictions upon other great questions will help you in reaching a decision as to how to vote."

Her admonition to not "question the conscientious convictions of another woman who does not see things as you do" was received in silence.

Prolonged applause greeted her statement that the union could not subscribe to either of the prohibition planks adopted by the two major parties.

CUBAN REFUGEES JAILED AT MIAMI

Miami, Fla., Aug. 13 (LP)—Eleven Cuban political refugees were taken to county jail here today by U. S. customs inspectors after the fugitives halted their 50-foot single-masted auxiliary schooner off an island to ask fishermen for fresh water.

The Cubans said they had plenty of food but had been without water 18 hours. Their craft was leaking and they had been forced to bail water since leaving Cuba Monday.

Spokesman for the group said they escaped from Cuba after the fachine gun slaying of Miguel Calvo, chief of secret police, and two aides, and the bomb killing of Garcia Sierra several weeks ago.

GARNER ENROUTE TO VISIT ROOSEVELT

Charlotte, N. C., Aug. 13 (AP)—Speaker John N. Garner, the democratic nominee for vice-president passed through Charlotte today enroute to Albany, N. Y., to confer with his running mate, Governor Franklin D. Roosevelt.

The ruddy-faced Texan declined to discuss President Hoover's speech accepting the republican nomination for president.

He said he would make no comments on politics until after conferring with Roosevelt.