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Capital Journal

CITY EDITION
Cloudy and occasional rain to-
night and Wednesday. Northwest
winds.
Local: Max. 46; min 37; rain .23;
river 5.6; cloudy, southeasterly wind.

45th YEAR, No. 44 Entered as second class matter at Salem, Oregon SALEM, OREGON, TUESDAY, FEBRUARY 21, 1933 PRICE THREE CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

HOLMAN RENEWS WAR ON MEIER

STATES ACT TO HASTEN REPEAL OF PROHIBITION

15 States Start Machinery for Conventions—42 Legislatures Meet

Authorities Split As To Whether States or Congress Should Act

Washington, Feb. 21 (AP)—Copies of the resolution for the repeal of the prohibition amendment, together with covering letter, were sent to the 48 governors by Secretary Stimson this afternoon.

The communications were sent by registered mail and those which would not reach a governor in 24 hours by ordinary mail were air mailed.

The letter of the secretary of state accompanying the certified copies of the resolution said:

"It is requested that you cause this joint resolution to be submitted to a convention in your state for such action as may be had and that a certified copy of such action be communicated to the secretary of state as required by section 160, title 5, U. S. Code."

Secretary Stimson's letter carefully avoided conveying any opinion.

(Concluded on page 9, column 5)

3 INDICTMENTS FACED BY BANKS

Medford, Ore., Feb. 21 (AP)—Llewellyn A. Banks, editor and publisher, was arraigned in circuit court here today on two charges of criminal libel and one charge of criminal syndicalism in connection with articles that have appeared in his newspaper, and was given until 9:30 a. m., Thursday, to plead on the three counts.

Banks was indicted on the syndicalism charge and on one criminal libel charge by the Jackson county grand jury late yesterday. The other libel indictment was returned January 11.

He waived right of attorney and appeared in court alone. He made no statement. Bond of \$1,000 was furnished on each count. The state said later it would file a motion contesting the sufficiency of the bondsmen.

The criminal libel charge grew out of an editorial in Banks' newspaper discussing the Declaration of Independence.

HEARST REMEDY FOR DEPRESSION

Washington, Feb. 21 (AP)—Representatives of the newspaper industry today recommended to the senate finance committee government ownership of the railroads and tariff, tax and farm debt revision.

William Randolph Hearst, in a voluminous letter outlined a program suggesting federal operation of the railroads, expanded public works to aid unemployment, a sales tax and "reasonable relief" of the currency.

Henry J. Haskell, editor of the Kansas City Star, gave the committee the viewpoint of the agricultural middle west, suggested that the incoming president be a virtual budget dictator and said:

"Radically reduce all taxes; industry, including the farm industry, cannot carry the 1929 load.

"Adjust and scale down farm indebtedness where necessary by selective treatment under which creditors and debtors should share unavoidable losses.

"Depend for price recovery, not on domestic allotment or governmental rental of marginal lands, but first on the upward movement of the world economy, and secondly through removing elements of uncertainty and fear."

Call To Colors Issued by Peru

Arica, Chile, Feb. 21 (AP)—Peru has decreed the mobilization of all citizens from 21 to 45, advised from Tacna, Peru, said today. A large mass meeting was held at Tacna, at which Colombia was denounced and the crowds shouted, "no to Bogota."

BANKS TO CLOSE

New York, Feb. 21 (AP)—Washington's birthday, as usual, will be observed as a holiday tomorrow by financial markets and banks throughout the country.

Good Evening! Sips for Supper

By DON UPJOHN

Phil Bell for the past month has been making a noble effort to produce a mustache with some results visible on close inspection. But Phil shouldn't be worried. This has been a year of crop failures all over the country. Maybe Phil's mustache has just been winter killed and will come out all right if he tries spring re-seeding.

Melba Cheese was up in circuit court yesterday and pleaded guilty to passing a forged check. Melba Toast, next, maybe.

We read in the dispatches that the Japanese government has bought a lot of old British ships "for scrapping purposes." The Japs have bought a lot of other stuff for scrapping purposes the past few years.

The governor of New York has issued an order to all state officials forbidding the buying of any new automobiles until the ones they now use have covered at least 80,000 miles. They have to go that far before a lot of folks by them in the first place, hereabouts.

The Statesman says that this strip proposition is merely "passing the buck." You, it's a buck when it starts out but by the time a store gets it, it is about a thin dime.

WALT THOMPSON UNCOVERED

Woodburn, Ore., Feb. 18.

Dear Sirs: That was a good one about there now being two hogs at the police station since Sam Brown sent a dressed one over to feed the unemployed. I know who the other hog is. Walt Thompson isn't carrying that big boy window around at his own expense. When I was desk sergeant and I was run in for violating the 18th amendment I used to send him out for a bottle of milk now and then. But the cream was always taken off and Walt came in with the cream all over his face. I wonder who's going to get the hams of the hog Brown donated—the unemployed or Walt?

Henry Becker—alias Sour Mash Henry.

Listen, Henry, whatcha mean—the unemployed or Walt? We never heard of Walt being employed at anything.

WE SAY, GIVE HIM MORE ROPE

"I give you 80 years," said the judge.

"Make it a hundred," said Zangara.

Make it 200, make it 500, make it a thousand, say the people.

From J. P. Goplerud over at Brush Creek comes a family ticket for "George in a Jam." The show is to be put on at Brush Creek school Friday and Saturday evenings. "This ticket admits the big gulp, his wife and the little Sips," says the ticket.

If we go over with all the folks the ticket calls for there'll have to be a special showing, or give the play out on the lawn.

Incidentally the ladies of the American Legion trio, et al, who went over to Brush Creek all the other night send word that all the "gulgups" are sore now because Mr. Goplerud didn't include them.

GERMAN BONDS TO PAY KREUGER DEBT

New York, Feb. 21 (AP)—The Irving Trust company, trustee for the bankrupt International Match company, today accepted \$21,000,000 in German gold bonds as settlement of the suit brought against five Swedish banks to recover money posted to secure loans allegedly made to the late Ivar Kreuger, match king.

At 10 o'clock this morning Mr. Roosevelt went into conference with a group of economic experts headed by Bernard M. Baruch and Prof. Raymond Moley.

The Roosevelt movement gave fresh evidence that the president-elect is looking for an early world economic conference.

This is the first time that he has undertaken any discussion at all with France, which failed to pay a December war debt installment.

It is believed, however, that Mr.

JAPAN REJECTS LEAGUE REPORT ON MANCHURIA

Official Rejection Covers Both Findings and Recommendation

Assembly Adjourns Until Friday Before Taking Definite Action

Geneva, Feb. 21 (AP)—Japan officially rejected today the committee report to the assembly of the League of Nations, blaming Japan for events in Manchuria.

The rejection covered both the report of the committee of 19 and its recommendations, including restoration of Manchuria to Chinese sovereignty. It came as the assembly opened its final dramatic meeting to adopt the report, which will entail Japan's withdrawal from the league.

The assembly, however, faced with the most critical action in the league's history, refused to be hurried and adjourned until Friday before taking definite action.

China will accept the report and recommendations at Friday's session, it was forecast reliably.

Today's meeting, held in the disarmament hall, was crowded with representatives of all nations, eager for the end of the league's efforts to conciliate the Chinese-Japanese dispute.

Paul Hymans of Belgium, who presided, read a formal statement reviewing the case and the failure.

(Concluded on page 9, column 4)

GEORGE DE MOSS PASSES AWAY

Marysville, Calif., Feb. 21 (AP)—George G. De Moss, 66, head of the De Moss family of musicians, who for many years have appeared in church and school concerts in the United States and Europe, died here last night.

Death, physicians said, resulted from a breakdown which forced De Moss to leave a concert at Grilled Thursday night. Since the age of five, when he started playing with a troupe headed by his father, James M. De Moss, De Moss traveled with the family musical group. The family home is at De Moss Springs in eastern Oregon.

CHINESE PLAN JAP BOYCOTT

Nanking, China, Feb. 21 (AP)—Boycott of Japanese merchandise and labor will be sought by China as the result of Japan's refusal to accept the committee report to the assembly of the league of nations, a government spokesman informed the United Press today.

The government, playing its last card in an attempt to thwart impending general warfare, will apply to the league for permission, under its covenant, to declare employment and economic sanctions against Japan. The application will be presented to the assembly immediately, the spokesman said.

Under plans of the intended boycott, China would bar Japanese goods and labor, and probably order the discharge of Japanese now employed in China, it was understood.

Roosevelt Confers With French Envoy On War Debt Settlement

New York, Feb. 21 (AP)—Following his conference yesterday on war debts and world economics with Sir Ronald Lindsay, British ambassador, President-elect Roosevelt arranged this morning for a similar conference shortly after noon with the French ambassador, Maurice Clauel.

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Jehol Drive Resumed In Jap Offensive

Tokyo, Feb. 22 (Wednesday) (AP)—A Tengu (Japanese) news agency dispatch from Chinchow today said Japanese troops occupied Nanling early this morning and then took over Koupeiyangtu, eight miles further northwest in Jehol province.

The advice added that the Japanese troops then continued in the direction of Peipiao, which is the terminus of a railroad line from Chinchow.

After occupation of Peipiao, the advance will be suspended, headquarters in Changchun said.

Japanese airplanes severely bombed concentrations of guerrillas in the neighborhood of Kalu, said Tengu dispatches from Tungliao.

Following a night battle at the Jehol village of Chaoyangssu, thirty miles west of Chinchow, (Concluded on page 9, column 3)

BANKING BAN PARTIALLY OFF

Lansing, Mich., Feb. 21 (AP)—Gov. William A. Cooch announced this morning that he will issue some time today a new proclamation permitting Michigan banks to reopen for restricted withdrawals.

The new proclamation, Governor Cooch said, will continue the present "holiday" with the exception that it will provide for limited withdrawals.

The present holiday expires at midnight, and was under a proclamation which directed all banks to close. The state, however, permitted banks in Detroit and some other cities to open for payment to depositors of a small percentage of their balances.

Banks was arraigned before Judge G. F. Skipworth this morning and given until Thursday to enter a plea. He asked permission to plead today but Judge Skipworth set the plea over until Thursday to give Banks opportunity to seek legal counsel if he so desired.

The libel indictment was based on an editorial entitled "Judge Norton's Confession" published in the News Feb. 18, and the criminal syndicalism indictment on an editorial entitled "Declaration of Independence," which appeared Jan. 8.

BALLOT THEFT HALTS RECOUNT

Medford, Feb. 21 (AP)—Thirty-four pouches containing ballots marked in the November election, were rifled and the ballots were stolen by unidentified thieves who broke into the vault of the county court house here last night.

The loss was discovered this morning as attorneys went to the vault to take the ballots to circuit court where a recount of votes cast for sheriff was to be undertaken.

Circuit Judge G. F. Skipworth, who was to have supervised the recount, immediately ordered the action dismissed. County officials said they had ordered a complete investigation of the robbery. Entrance to the vault was gained by breaking a rear window.

The demand for a recount was made by Ralph Jennings, former sheriff, who lost by 123 ballots to Gordon L. Schermerhorn. Jennings had insisted that errors in the election board counting had been discovered and that a correct count would give him the election.

OLYMPIA RENEWS REPEAL EFFORT

Olympia, Wash., Feb. 21 (AP)—Defeated February 10 in the Washington state senate by a vote of 27 to 17, the Houser-Arnold bill, providing for a state convention to consider repeal of the 18th amendment, was dropped in the senate hopper again today.

Its sponsors believed it had a better chance of success as a result of congressional action in proposing the 21st amendment to repeal the dry statute. A similar bill was introduced in the house.

LINDY ON FLIGHT FIRST IN MONTHS

Newark, N. J., Feb. 21 (AP)—Colonel Charles Lindbergh, making what was reported to be his first flight in six months, left Newark airport in a single motored plane today for an unannounced destination.

The plane belongs to the Transcontinental and Western Air Express, for which Lindbergh is technical adviser. Airport officials said they believed he would return here later today.

DONEY ASKS TO BE RELIEVED OF HIS DUTIES

President of Willamette Seeks Retirement At End of School Year

Board Takes No Action Say It Is Not a Resignation—Will Write

Portland, Feb. 21 (AP)—Dr. Carl Greag Doney, president of Willamette university, today asked to be relieved of his duties not later than June, 1934.

Dr. Doney has been president of Willamette since 1915. He made the request at a mid-year meeting of the board of trustees.

Dr. Doney's request came as a distinct surprise to most of the board members, although some years ago he indicated privately he was considering giving up college work to devote his time to writing.

He went to Willamette from Wesleyan college in West Virginia following an eight year term there. Before that he held Methodist pastorates in Ohio, Delaware and Washington, D. C. He recently celebrated at Salem his 25th anniversary as a college president.

When asked about his future plans, Dr. Doney said he desired to spend considerable time visiting his children, one of whom resides in the (Concluded on page 9, column 1)

MAYOR CERMAK GROWS BETTER

Miami, Fla., Feb. 21 (AP)—Mayor Anton Cermak of Chicago, one of those wounded by bullets intended for President-elect Roosevelt, spent a restless night although he was given a sedative at 10 p. m., Jackson Memorial hospital authorities said at 6:30 a. m., today, but his general condition was described as improved over yesterday.

He groans almost constantly in sleep, but hospital attaches said the mayor's relatives previously had informed them that was his normal habit. Relatives said he slept restlessly at all times. The hospital attendant said a condition of dysentery that caused abdominal pains had cleared up but the cause of the dysentery was unknown.

Mrs. Joe H. Gill of Miami, also seriously wounded by bullets Giuseppe Zangara fired in an attempt to assassinate the president-elect was reported as having a "quite comfortable night." Hospital authorities said the improvement in her condition during the last three days was "remarkable."

GLASS CONTENT TO REMAIN IN SENATE

Washington, Feb. 21 (AP)—Senator Glass, Virginia democrat, when asked today about reports he had declined appointment as secretary of the treasury said:

"I am entirely content to remain in the senate.

"I have not changed my mind."

"Glass added, "My decision has always been final."

The Virginian, in genial mood at a banking committee hearing, advised colleagues who joked with him about various published reports concerning the secretaryship to "never believe anything you see in the papers unless in mine."

POLICE DOG RESCUES OWNER FROM FLAMES

New York, Feb. 21 (AP)—A 7-year-old police dog today led his master from a burning shack and ripped the flaming clothes from his body after an explosion had covered him with ignited oil.

George Howell, 30, was mixing paints in the Lesser Motor Car company when the fumes exploded. Blinded by the flames, Howell staggered about until his dog, Peggy, closed her jaws on his wrist.

She tugged him toward a window and leaped through. Howell stumbled after her, rolling on the ground, his trousers ablaze. Disregarding the flames, the dog ripped the cloth until she pulled it from her master's legs.

"I'd be burned to a crisp right now," Howell said, through his bandages, "if it hadn't been for that dog."

Battle For Curb Of Loan Sharks To Be Renewed In Senate

The battle for drastic curbs upon the interest rates charged and the practices indulged in by persons and firms engaged in the business of making loans of less than \$300 in Oregon shifted over to the senate today following defeat in the house yesterday of three of the five measures designed to that end. The only two bills to survive the intense barrage of the "loan lobby" were one amending features of the present regulatory act, and one fixing the rate of interest to be charged by pawnbrokers at 2 1/2 per cent a month.

Today it was authentically reported that duplicates of the defeated house bills, which would have reduced interest rates on loans under \$300 from 3 to 2 1/2 percent a month or less, banned the practice of splitting loans to bring them within the high interest rate class and have removed loans of less than \$30 from the unrestricted class, will be introduced in the senate.

How effective has been the lobby headed by Gus Moser, former senator, in resisting every effort to cut down the present legal rate of 36 (Concluded on page 9, column 6)

BLAST DESTROYS SHANGHAI PLANT

Shanghai, Feb. 21 (AP)—Eighty-one persons were killed, 120 were injured and ten were missing today after an explosion in two gasoline vulcanizer in a Chinese rubber factory in East Shanghai.

Of the 120 injured, 50 were taken to hospitals while the remainder escaped with only slight injuries.

These figures appeared to be the total toll of the blast as rescuers virtually completed a search of the ruins. Police had believed earlier that the death toll might reach 200.

Of the known dead 79 were girls and two men.

The bodies of the victims were placed in a vacant lot near the factory while relatives sought to identify them. Virtually all the bodies were badly burned.

A number of the injured taken to hospitals were reported to be gravely burned and it was feared some of them would die. Searchers digging into the ruins said that they expected to find the bodies of the ten missing persons buried there.

Police stated that they had not been able to determine the cause of the blast. The owner of the factory disappeared, apparently fearing, the police said, damage claims from relatives of the victims.

POWER VOTED TO ROOSEVELT

Washington, Feb. 21 (AP)—The house today voted to give President-elect Roosevelt sweeping power to reorganize the government.

It adopted a modification of the treaty postoffice appropriation bill by the senate.

However, no move was made in the house to empower the incoming chief executive to reduce veterans' compensation, as proposed by Speaker Garner.

The Bratton amendment, authorizing a five per cent horizontal cut in expenditures of all government departments, was eliminated.

COUZENS BILL GETS APPROVAL

Washington, Feb. 21 (AP)—The senate banking committee at a special meeting today gave speedy approval to the Couzens emergency banking bill authorizing the comptroller of currency to apply to national banks any restrictions placed on state banks by state legislatures.

The measure, sponsored by Senator Couzens, republican, Michigan, was introduced yesterday.

Under the Michigan plan yet to be approved by the state legislature, a bank's assets would be segregated, the frozen separated from the liquid assets.

Withdrawals would be limited to the liquid assets, but depositors would be given a lien on the frozen amount.

The Couzens bill would be operative for only one year, or until March 3, 1934.

Davis Will Giving Bulk Of \$150,000 Estate To Home for Needy Upheld

The will of the late Cornelia A. Davis of Turner giving the bulk of her \$150,000 estate in trust for a home for the needy at Turner was upheld in a decision by Circuit Judge I. G. Lewelling this morning.

He held the seventh clause of the will disposing of the estate creates a valid trust for such a home, even though no trustee was named in the will.

Under the will the home is to be established on the property between the tabernacle and the Marion road, to front on the Aumsville-Turner paved highway and to be given use of a tract of land covering not less than five acres.

She did state in her will that she desired the home to be maintained under the management of some orthodox denomination, the specific one being unnamed, but further (Concluded on page 9, column 6)

PROBERS FIND NO EVIDENCE OF DECEPTION

Charges Made by Holman Against Meier, Hanzen, Einzig Unproven

Legislative Committee Unable To Find Alleged Reign of Terror

No attempt to pad the budget nor deceive the ways and means committee in requesting increases in salaries of two individuals, one in the budget department and one in the office of the board of control, were found by the committee investigating charges made against Henry M. Hanzen and William Einzig by State Treasurer Rufus C. Holman.

This will be the content of a report being prepared by the subcommittee which investigated the Holman charges today. The committee will make its formal report to the ways and means committee tonight.

Interview with the three members, Representatives W. B. Snider and Dean Walker and Senator W. F. Woodward following the committee meeting at noon revealed the contents of the report. All stated they saw no willful attempt to pad nor deceive, the two department heads (Concluded on page 9, column 6)

JUNGLE FEVER CAUSES MURDER

Manila, P. I., Feb. 21 (AP)—Two Moros crazed by the dread "jungle madness," slashed seven natives to death today with bolo knives, and wounded three others before they were shot down by members of the constabulary headquarters of the Philippines constabulary here reported.

The killers ran amok on Bonnav island of the Tawitawi group. They ran from hut to hut, in a native village, slaying their victims indiscriminately.

Other natives were warned by screams of the victims, and fled from their barrios, or native huts. Members of the constabulary were attracted by cries of "Juramentado! Juramentado!"—the warning that crazed killers were loose.

Constabularymen who shot the Moros said it was impossible to take them alive. It was the first recent outbreak of "jungle madness" which once was fairly common.

APPLE JACK SCRIP USED IN WENATCHEE

Wenatchee, Wash., Feb. 21 (AP)—The "apple capital" of the west began using "apple jack" scrip today to solve the depression.

Souvenir hunters paid premium prices yesterday when Wenatchee's unique scrip first appeared. The first piece, valued at 25 cents, was bought for \$5.

Teachers will be paid the scrip instead of salary warrants, which have been discounted five per cent in recent months.

The scrip is backed by a special fund of \$18,000 raised by voluntary subscription. It will be redeemed within a year.

OREGON DUCHESS PASSES IN PARIS

Paris, Feb. 21 (AP)—The Dowager Duchesse De La Roche-foucauld, 67, died here Monday. She was a daughter of the late Senator Mitchell of Oregon.

The Duchesse was the former Mattie Elizabeth Mitchell and was born in Portland, Ore., in 1866. On February 11, 1892 she married Francois-Alfred-Gustave De La Roche-foucauld, Duc De La Roche-foucauld.

She was for many years an important figure in Paris society. The Roche-foucauld chateau is at Charente.

Montana Hermit Not Wanted at Bend

Butte, Mont., Feb. 21 (AP)—Fingerprints of Bob Bates, Kallispell hermit, definitely proved he is not Charles Kimzey, sought by Bend, Ore., authorities, police here announced. Bates was taken into custody last week after being found living in a tent near Kallispell, following information that he resembled the Oregon fugitive.