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# Capital Journal



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## Weather

Cloudy tonight and Thursday, probably with showers. Little change in temperature, moderate northwest wind. Tuesday: Max. 39, min. 38. Rain .13 in. River - 4 ft. South wind. Cloudy.

# Murder Mysteries Figure in Musica Frauds

## Rescue Shipwrecked Sailors

### Nan Honeyman Failed to Get Griffith's Scalp

Defeated Congressman Sought Revenge, Desired Patronage

Washington, D. C., (Special)—The recent visit of Nanny Wood Honeyman, defeated in her contest for reelection to congress from the third Oregon district at the November election, was in the nature of a hunting expedition, according to current gossip, which has it that she was "gunning" for E. J. Griffith's job as WPA administrator for Oregon. The congresswoman's special peeve at Griffith seemingly centers around his refusal to permit his WPA organization to be used in her behalf during her fall campaign for re-election.

#### After Griffith

Reports here are to the effect that Mrs. Honeyman made her first demand for Griffith's scalp direct to President Roosevelt, after waiting around Washington two weeks for an audience. The president was in Warm Springs and receiving only selected visitors for conferences on state matters of high import.

#### Sought Patronage

But Mrs. Honeyman was not through hunting. Stressing the need for reassignment and coordination of the new deal forces in Oregon she sought designation as chief patronage dispenser for the administration in the old home state. That scheme also flattened out, however because of Jim Farley's previous pledge to leave Oregon patronage matters in the hands of Congressman Walter Pierce, National Committeeman Howard La Tourette and State Chairman Terrence J. Holman.

#### Await Holman

Washington observers are anxiously awaiting the arrival of Rufus Holman, senator-elect, of whom they have heard many and varied advance reports. Holman is figuring in current capital political gossip because of his reported attempts to induce the republican national committee to pay off a deficit of \$1,000 incurred in the conduct of his campaign.

Considering that the committee has already put a considerable sum into the Holman election—more than any senatorial candidate in Oregon has ever received before—guardians of the committee's war chest are not particularly sympathetic to Holman's tale of woe, particularly when they are reminded that during his term of office he will collect \$50,000 in pay checks from Uncle Sam in addition to travel mileage and incidental remuneration.

### Norwegian Prince To Visit America

Washington, Dec. 21 (AP)—The American public, from coast to coast, will get a chance next spring to see Norwegian royalty for the first time. Crown Prince Olav, 35-year-old blonde sportsman and statesman in training to be king, will tour the country with his pretty brunette wife, Princess Martha.

### Roosevelt to Let Congress Draft His Bills

Definite Policy Adopted Which Will Sidetrack Corcoran and Cohen

Washington, Dec. 21 (AP)—President Roosevelt was reported in informed quarters today to have forbidden administrative departments to draft legislation for submission to congress.

Congressional leaders, asking their names be withheld, said the chief executive had advised them he had adopted a "definite policy" of leaving the jobs of bill drafting up to the senate and house committees.

The president's forthcoming message to congress, they said, merely will make "affirmative suggestions" for legislation.

Corcoran Sidetracked  
Mr. Roosevelt's decision presumably would prevent future bill drafting by such government officials as Thomas Corcoran and Benjamin Cohen, who have been credited with writing much new deal legislation.

This practice has been criticized by anti-administration congressmen. There have been other indications the president intends to recommend only broad principles at this session and let congress work out the details. He told his press conference yesterday such would be the case with expansion of the social security program.

It also was understood on Capitol Hill he would leave parliamentary strategy on the government reorganization program to his house and senate leaders. He discussed it yesterday with Representatives Cochran (D-Mo.) and Warren (D-N.C.), who helped handle the legislation last spring.

Warren said afterward that "without any disparagement to the senate," a reorganization program would have been enacted last session if senate sponsors had permitted its division into four bills. (The senate passed a general measure, but it was shelved in the house.) Another subject which probably will be prominent in congressional debate came before the senate campaign expenditures committee today. It began preliminary work on a report expected to recommend, as one of its principal points, congressional action to keep politics out of relief.

### Blanket of Snow In Klamath Area

Klamath Falls, Dec. 21 (AP)—The first day of winter brought the season's first real snowfall here, but a midday sun threatened to melt the two-inch blanket which covered the ground early this morning.

Although the storm was reported more severe in mountain areas, all major highways in this vicinity remained open.

They asserted Germany's foreign exchange fund now is so low that even when a near relative abroad is dying authorities withhold the foreign exchange permits necessary for a German to make a last visit. Field Marshal Hermann Wilhelm Goering, director of the four year economic self-sufficiency plan, gave this explanation of Funk's new task:



Tells of Gun Deal — Frederic Wingersky, Boston attorney, is shown in the state attorney general's office in New York where he swore he drafted, at the behest of F. Donald Coster-Philip Musica, a contract for the purchase of rifles by McKesson and Robbins, Inc. and Standard Oil of England. — Associated Press Photo.

### Chinese Invade Manchoukuo

Shanghai, Dec. 21 (AP)—The Japanese were reported by foreign sources today to have rushed troops into Manchoukuo to put down disturbances caused by units of China's eighth route army which had crossed into the Japanese-dominated state.

Reports from Peiping said from 15 to 20 train loads of Japanese had been crossing the border daily at Shanhaikuan for several days.

A Japanese army spokesman, however, denied any troops were being sent into Manchoukuo and said no trouble had been reported anywhere along the border.

The Chinese press reported trouble also was brewing in Formosa where Formosans and Chinese residents were opposing Japan's strict war measures.

Meanwhile, Chinese reported new victories on the central front and in China where the Japanese were sending troop reinforcements to stamp out guerrilla activities.

Breaking the long deadlock on the Canton-Hankow railway, the Chinese said they had recaptured Matang station, nine miles south of Yehow, gateway to Hunan province, inflicting 300 casualties.

They also asserted Chinese guerrillas in Shantung province, north China, had recaptured Chanakui, 30 miles north of Tsinan, destroying two railway stations.

Three thousand fresh Japanese troops were said to have arrived at Linfen, Shansi province, to reinforce units now attempting to pacify southwestern Shansi.

Southern California, meanwhile, was finding relief today from a five-day deluge that brought 10.79 inches of rain in the San Fernando suburb of Los Angeles. Waters of the Los Angeles river began to recede last night after preparations had been made to evacuate 500 persons from homes in the Canoga park section. Trees were uprooted by a 15-minute storm at Pasadena last night. Snow ranged up to 18 inches in the San Bernardino mountains.

### 16 Survivors On Trail to Lituya Bay

Clearing Weather Enables Sailors to Travel To Rescue Camp

Juneau, Alaska, Dec. 21 (AP)—Sixteen weatherbeaten shipwreck survivors and a ship's cat toiled and stumbled over the rocky Cape Fairweather beach in clearing weather today toward a rescue party at Lituya bay.

The coast guard cutter Haida radioed the men last night were eight miles along the way from the scene of the wrecked wooden motorship Patterson, Alaska trading vessel which grounded four minutes before midnight, December 11.

Through the glasses the Haida's officers saw several of the men signal they were "okay," and another signified that he was proudly in charge of the ship's cat.

The Haida slowly followed the men's progress along the tortuous beach, and reported the survivors should reach a stretch of sandy shoreline early today which should speed their march.

A rescue party from the coast guard cutter Cyane was based at Lituya bay after being brought there yesterday in two navy planes from Sitka. An officer and three enlisted men established a camp and stored away food and medical supplies.

Some of the party may be sent along the beach to meet the approaching seamen.

Two survivors, brought here Monday from the wreck scene by Pilot Sheldon Simmons, left today on a steamer for Seattle after spending a night in a hospital.

Two men lost their lives in the Patterson wreck. One was washed overboard trying to launch a life boat. The other drowned trying to cross the speedy current of Sea Otter creek, after having safely reached shore.

### Long Drought in Dust Bowl Ends

Lamar, Colo., Dec. 21 (AP)—Long overdue snowfalls which ranged up to seven inches brightened the winter crop outlook in the one-time dust country and adjoining areas today.

Winter's welcome onslaught erased visions of a return of the past pall of wind-borne dust that snuffed out winter wheat hopes in the southwestern "dust bowl" in 1934-35.

The storms covered much of Colorado, Kansas and Oklahoma and parts of Texas, New Mexico and Arizona. In Arizona, where three months of drought had depleted seriously the contents of water reservoirs, two days of rain and snow copiously fulfilled prayers for moisture offered in Mormon churches Sunday.

Relief offices were prepared today for a relief demonstration by the workers' alliance, announced yesterday by Charles Paddock, chairman of an alliance committee.

Paddock declared members, armed with a list of relief cases "demanding immediate attention" would move into the offices and "hold the fort" until the cases were cared for.

Relief committee officials said they anticipated no disorder, but had notified city, state and county authorities. The officers declared they would tolerate no disorder.

### Pan-American Dispute Ended By Compromise

Declaration Agreed to For Cooperative Action Against Aggression

Lima, Peru, Dec. 21 (AP)—The principal delegations to the Pan-American conference agreed today on a declaration of cooperative action against aggression, ending a ten-day dispute on wording between the United States and Argentina.

The declaration, highly reliable conference informants said, provides for consultation against aggression, the menace of power, and subversive political propaganda.

Argentina won her point, in that European or other non-American nations were not named specifically. The United States attained its purpose, however, delegates said, in obtaining a declaration to which all the 21 American republics could subscribe.

#### Warning Evident

Many of the delegates held it was fear of propagandist incursion by European totalitarian, dictator states which inspired the resolution in the first place; that even if it did not specifically contain the phrase "aggression from without" its warning was evident.

A most reliable source said the United States, Argentine, Brazilian and Peruvian delegation chiefs agreed to a final draft at conference lasting until early morning.

The Argentine insistence the declaration be against all aggressors was based on the contention the United States might one day alter the good neighbor policy and be herself a potential aggressor.

#### Consultation Provided

The resolution now awaits the approval of home governments and with the principal dispute settled, likely will be adopted unanimously within a few days, delegation spokesmen said. It provides for resistance against any aggression or menace of aggression by force against any American republic. Any of the nations may start the procedure of consultation.

There is provision also, an authoritative informant said, for consultation by the nations in the event of undue interference, with a view to substituting its own political institutions, by unofficial elements having the support of any nation—even if done without the appearance of force. The state concerned in this case, however, must take the initiative in applying the "principle of solidarity."

War-torn aerial bombardments which destroy non-combatants and cultural treasures were condemned today in a declaration adopted by a Pan-American conference committee representing the 21 republics of the western hemisphere.

Based on a Mexican proposal, the "declaration in defense of human rights" said that although adoption of war regulations in the Americas was unnecessary, "America cannot be indifferent from a human viewpoint to sufferings of this character."

### Workers Alliance Stages Sit-Down

Bugene, Dec. 21 (AP)—Lane county relief offices were prepared today for a relief demonstration by the workers' alliance, announced yesterday by Charles Paddock, chairman of an alliance committee.

Paddock declared members, armed with a list of relief cases "demanding immediate attention" would move into the offices and "hold the fort" until the cases were cared for.

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Wife Visits Musica Brother—Mrs. George S. Dietrich, who said she did not know during the 17 years of her married life that her husband actually was George Musica, brother of Philip ("F. Donald Coster"), is shown leaving the federal building in New Haven, Conn., with her husband's attorney, Samuel Reich, after visiting her husband. — Associated Press Photo.

### Neediest Families Need Xmas Cheer

The Capital Journal's Christmas cheer campaign is almost over the top. There are still several dozens of children on the Santa Claus editor's list who have not been cared for as yet—but with three days before Christmas, surely kind-hearted persons will volunteer to take these kiddies and make their Christmas the merriest one ever.

Public response has been wonderful. Food, clothing, bedding and donations of cash have poured into the Journal office, to be distributed to needy families. If results in the three remaining days before Christmas eve are as fine it will practically guarantee a jolly holiday for the hundreds of kiddies who have been reported to the Journal's Christmas cheer department.

Below are listed a few more families who truly need help this Christmas time.

Family 41. If there is anyone who would like to do practical things for Christmas here is a fine chance. There is a problem of tuberculosis in this family. Plenty of milk is needed to build up the ill member of the family and to protect the other members. The family owns a cow but finances have run so short that some means must be found to feed the cow this month or she will starve. Will anyone help Santa with his problem?

Family 42. Where is the Santa Claus who likes twins? In this family there is a twin brother and sister, aged 4, who are pressing their noses against the window pane these moments trying to get a glimpse of Santa Claus looking for their Christmas letters. Two older brothers would not mind being remembered either. This is a retiring family who would not ask for assistance but who could certainly use it right now.

Family 43. This family will not ask for assistance either. They have been reported by neighbors who give them a fine character. The father is a very busy person who is attempting to pay debts and care for his family on a very small income. The children are babies, one two years and the other eight months. A Christmas basket and text for the babies would be a grand idea.

Family 44. Misfortune in the form of illness has befallen on this family's door. There is a tiny income from which rent is paid. The father, who is truly ill, tries to pick up enough work to buy food. This is a nice family who has never been in such dire straits before. A kindly lift with not a question asked would make Christmas a much happier day for them. The children are 12 and 9 years.

Family 45. Last year the father of this family thought he had a secure job. The family had a home and their own possessions. Today it is with difficulty that the rent is paid and food secured. A Christmas basket and text for the children would be a grand idea.

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Family 47. This family will not ask for assistance either. They have been reported by neighbors who give them a fine character. The father is a very busy person who is attempting to pay debts and care for his family on a very small income. The children are babies, one two years and the other eight months. A Christmas basket and text for the babies would be a grand idea.

Family 48. Misfortune in the form of illness has befallen on this family's door. There is a tiny income from which rent is paid. The father, who is truly ill, tries to pick up enough work to buy food. This is a nice family who has never been in such dire straits before. A kindly lift with not a question asked would make Christmas a much happier day for them. The children are 12 and 9 years.

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Family 50. Misfortune in the form of illness has befallen on this family's door. There is a tiny income from which rent is paid. The father, who is truly ill, tries to pick up enough work to buy food. This is a nice family who has never been in such dire straits before. A kindly lift with not a question asked would make Christmas a much happier day for them. The children are 12 and 9 years.

Family 51. This family will not ask for assistance either. They have been reported by neighbors who give them a fine character. The father is a very busy person who is attempting to pay debts and care for his family on a very small income. The children are babies, one two years and the other eight months. A Christmas basket and text for the babies would be a grand idea.

### Reopen Probe Into Slaying Of Two Cohens

Prosecutor Says Frauds Involved Narcotics, Rum And Other Rackets

New York, Dec. 21 (U.P.)—Participants in the frauds which mulcted McKesson and Robbins, Inc., of millions of dollars "went even so far as to commit murder," Assistant Attorney General Brien McMahon, who is in charge of the manifold federal investigation, asserted today.

McMahon said the investigation into the activities of Philip Musica, swindling ex-convict, who, as F. Donald Coster, masqueraded his way into control of the \$85,000,000 drug firm, had extended to murder cases in Brooklyn.

"There was something more than a mere business fraud—it was fraud involving many other rackets and it involved illicit narcotic importations and sales, rum frauds, liquor tax evasions and the participants went so far as to even commit murder," McMahon said.

Cohen Murders  
Simultaneously, Brooklyn police reopened the unsolved cases of the slayings of Joseph Cohen and Barney Cohen, wealthy poultry dealers. Musica-Coster had arranged perjured testimony against Joseph Cohen at his trial in 1914 for the slaying of Barnett Baff, poultry racketeer.

The Cohen brothers were killed in 1932. Joseph was shot down in the doorway of his home in Flatbush. His brother was killed about one month later in Jamaica.

Police speculated on the possibility that the victims might have threatened to expose Musica-Coster, who by then was well established in his new role as a respected financier.

Was Stoolpigeon  
Musica-Coster came in contact with the Cohen brothers in 1913 while he was being held for trial in connection with a human hair swindle. Subsequently Musica became a stool pigeon for the district attorney's office and uncovered "evidence" which was used against Joseph Cohen.

Police Inspector Michael F. McDermott, head of the Brooklyn detective bureau, announced that he planned to talk with relatives of the two brothers and may also attempt to question the surviving Musica brothers.

Police said if the Cohens knew that Coster, head of the old reliable drug firm, was really Musica they would have had strong motives to make use of that information.

Federal investigators summoned 20 more officers of McKesson and Robbins, Inc., today, convinced that some of them must have known something was wrong with the \$85,000,000 drug firm during the 10 years it was bossed by Philip Musica, a swindling ex-convict.

The investigation so far had disclosed that although manipulations of the four Musica brothers had cost McKesson and Robbins \$21,000,000, the brothers actually got away with only about \$3,000,000, and they apparently lost most of that in Wall Street during the depression. Very little of value could be found among their possessions, which were all impounded.

(Continued on page 11, column 2)

### Hushed by Job From Musica

New York, Dec. 21 (AP)—Another crony out of the past of Philip Musica—a man who knew the masquerading super-swindler when he was a World war spy-hunter—was held today on a charge of conspiracy in the McKesson and Robbins drug mystery.

The arrest of Benjamin Simon, 40-year old Bronx salesman with a police record, gave credence to a previously reported story of an old friend who met Musica one day when he was still "F. Donald Coster," respected president of McKesson and Robbins.

"Well, what are you going to do for me?" the man asked when Musica told how high he had risen since the days of the infamous human hair swindle of 1913 and the dubious dealings in alcohol during prohibition.

"Why didn't you know?" Coster replied. "This very minute you became —" and he named a post in McKesson and Robbins.

Simon has been on the corporation's payroll at \$5,000 a year and expenses for five years. Assistant U.S. Attorney Brien McMahon said last night:

"I assume he was drawing \$5,000 a year for what he knew instead of what he did."

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### Net Debt of Oregon \$136,406,809

The net debt of the state of Oregon and all its subdivisions is \$136,406,809, about \$50,000,000 less than the all-time peak of 1930, State Treasurer Rufus C. Holman said today.

The figure is \$15,000,000 less than two years ago.

The bonded indebtedness totals \$136,991,267, while warrant indebtedness amounts to \$18,735,844, the total being \$155,727,111. However, about \$39,000,000 in sinking fund assets reduces the net debt to about \$136,000,000.

The bonded indebtedness has been reduced \$61,000,000 in eight years, while warrant indebtedness has increased by \$6,000,000.

3 SHOPPING DAYS LEFT  
BUY CHRISTMAS SEALS

### Lightning Shatters Vatican's Windows

Vatican City, Dec. 21 (AP)—Several windows were shattered in the Vatican palace today by a bolt of lightning which struck at a considerable distance from the pope's apartment.

### Contact Established With Isle of Perdition

Paris, Dec. 21 (U.P.)—Radio contact with an adventurous band of French colonists on barren St. Paul's island, close to the outer edge of the Antarctic ice shield, was established today.

George Mandel, minister of colonies, announced the colonists were running out of food and their supply of coal was exhausted.

Naval authorities made hasty preparations to rush coal from the nearest naval base, Diego Suarez, on the island of Madagascar, 3,000 miles away.

Radio operators at Antananarivo, Madagascar, established contact with the tiny "sursed island" early today and confirmed the plight of the colonists. Bitter discussion was reported to have broken out among the women in the band.

Fear that the colony had been wiped out abated with the report.