

The Evening Paper
The evening newspaper is a predominant factor in newspaperdom. When the day's work is done you'll appreciate the interesting news and features in the Capital Journal.

Capital Journal

Weather
Unsettled tonight and Sunday, occasional rain. Somewhat warmer. Increasing south wind. Friday: Max. 50, min. 28. Rain 0. River 2.2 ft. North wind. Partly cloudy.

51st Year, No. 18 Entered as second class matter at Salem, Oregon Salem, Oregon, Saturday, January 21, 1939 Price Three Cents On Trains and News Stands—Five Cents

13 Aboard British Airplane Sinking at Sea

Carry on Reichsbank Purge

Rose Commits Suicide in Jail After Confession

Broadacres Farmer Admits Slaying Wife with Stove Wood

Herman S. Rose, 51, charged with the first degree murder of his wife, Ora Pearl Rose, near Broadacres last Monday, committed suicide last night at the Marion county jail by slashing his throat and one arm with a safety razor blade. He ended his life after confessing the crime, the first time he had broken his denial of the deed since his arrest Wednesday.

Rose had steadfastly maintained innocence of the crime until about 4:30 o'clock yesterday afternoon when he hinted to Deputy Sheriff B. G. Honeycutt that he might confess. This was just after Rose had talked to George Wadsworth, Gervey banker, to whom he had sent a request to see him about a small debt of about \$40 he owed the bank and a mortgage on his tractor. In his conversation with Rose the banker is quoted as having advised him, if innocent, to fight for his liberty, but if guilty to admit it.

Dead When Found
Rose was found dead just after 11 o'clock, only a few minutes after he had slashed his throat. Just before the self-administered death stroke he had definitely confessed to Honeycutt and District Attorney Lyle J. Page. Honeycutt told him he could go into court, plead guilty and receive sentence.

"I won't need to do that," Rose answered, evidently with suicide in mind. Honeycutt, Page, and a newspaperman were sitting in Sheriff A. C. Burk's apartment in the basement of the courthouse when a trusty, Doyle Orr, called to Honeycutt: "Come quick. That old man's killed himself." Rose was found stretched dead on the cot in his cell, bleeding profusely and the razor blade lying on the floor beside him.

Orr had first hastened to Rose's cell when Leo Killian and Frank Feeley, two other prisoners, told him they had heard "gurgling noises" in Rose's cell. They said that not over five minutes earlier they had teased Rose a pencil. With the pencil he wrote a death note which said: "Dear kids and officials: Mrs. — is the cause of all of our troubles and the death of mama. I am sorry but I have been persuaded into this trouble. I no I ort not listened to her. . . . May God bless you all and I hope you prosper and do well. Put dear little Harold through school if you can sell the place if you rather or do the best you can. May God bless you all. With love and best wishes from papa. H. S. Rose."

The name of the woman mentioned in the note was withheld from publication by Page, who said she had nothing to do with the crime or with influencing Rose, and had, besides, given information to the officers that led to the investigation and the arrest.

Full Confession
Late yesterday afternoon Rose was visited at the jail by three of his children, Glen, Charles and Bernice, and to them he denied the crime. But soon after they left he called Honeycutt and requested that his children be called this morning and said he would tell the complete story. Honeycutt then called Page and together they again questioned Rose about the case. District Attorney Page said his confession substantially as follows:

Rose and his son, Charles, had gone to a field Monday morning to do some seeding in a field about a quarter mile from the house. About an hour later he returned to the house. His wife was sitting at a sewing machine. He took a piece of 16-inch stove wood from the kitchen, went to the living room and struck her on the head twice. When she fell he picked her up, carried her to the foot of the stairs, dropped her and struck her some more. Attempting then to cover the crime he went upstairs and got some apples which he dropped down the stairs. Then got a pressure cooker from the kitchen and placed it near the body to give the appearance she had fallen with the load of apples. He then mopped up the living room floor. (Concluded on page 9, column 1)

Premier Warns Extermination Awaits Enemies

Hiranuma Says Only One Alternative for Opponent of Japan's Policies

Tokyo, Jan. 21 (AP)—Premier Kijiro Hiranuma warned today extermination awaits persistent opponents of Japan. "As for those who fail to understand to the end and hereafter persist in the opposition to Japan," he cried in a speech before parliament. "We have no other alternative than to exterminate them."

To a question whether the reference was to China, a foreign office official replied merely, "The translation is correct as it stands."

Baron Hiranuma, who formed a cabinet Jan. 5 to guide Japan toward "a new order in Asia," gave his maiden speech before the opening diet session just after Foreign Minister Hachiro Arita outlined Japanese Pan-Asia ambitions as seeking a "new east Asia upon an ethical foundation wherein Japan, China and Manchoukuo x x will stand united and linked together for active collaboration x x"

Pan-Asianism
The premier emphasized the necessity for Pan-Asianism and said measures for strengthening national resources and national morale would be instituted as soon as possible.

"The creation of a strong armament x x constitutes our most essential objective," he said, adding that war-time control measures would be placed on a permanent basis.

Foreign Minister Arita formally enunciated Japan's Pan-Asia ambitions in what was considered by some to be the most important statement of Japanese foreign policy in her history.

Japan's Desires
"What Japan desires is the creation of a new order which is to secure the permanent peace of East Asia, that is to say the construction of a new East Asia upon an ethical foundation wherein Japan, Manchoukuo and China, while each preserving her independence and individuality, will stand united and linked together for active collaboration and mutual aid along all lines of political, economic and cultural activities," he said.

"It is the firm conviction of the Japanese government that such a new order is not only absolutely necessary for the existence and healthy development of Japan, Manchoukuo and China, but also is conducive to the real peace and well-being of the whole world."

Entire Front of Building Collapses

New York, Jan. 21 (AP)—The entire front of a four-story unoccupied brick tenement at 55th street and 11th avenue collapsed today, imperiling the lives of children and others in the neighborhood.

After a thorough search of the mass of bricks and mortar and broken laths, Fire Chief William Taubert said he was convinced no one had been killed or injured.

Widen Probe Of Giannini's Financing

Washington, Jan. 21 (AP)—The securities and exchange commission today broadened the scope of its investigation of Transamerica corporation to include an inquiry into funds received by A. P. Giannini from the Pacific Coast Mortgage Co.

Transamerica Corporation is charged with filing documents with the SEC containing "false and misleading statements."

Pacific Coast Mortgage Co. formerly a subsidiary of Transamerica, was sold in 1932 to A. O. Stewart of San Francisco.

The commission broadened the investigation by amending its order for the current hearing in the Transamerica case. The amendment alleges that Giannini, who is chairman of the board of Transamerica, received approximately \$350,000 during 1935, 1936 and 1937 as dividends from Pacific Coast Mortgage Co.

These dividends, the commission alleged, represented the mortgage firm's profits from trading in Transamerica capital stock in a manner "rendered possible by the special knowledge of the affairs of Transamerica Corporation acquired by A. P. Giannini."

Reveal \$50,000 Kidnap Ransom

Chicago, Jan. 21 (AP)—The story of a hushed-up kidnaping and payment of \$50,000 ransom overshadowed the other testimony today at a hearing on the income tax debts of Murray (the Camel) Humphreys, Chicago's erstwhile public enemy No. 1.

Robert G. Fitchie, 74, president of the milk wagon drivers' union, testified he was abducted in 1931 but did not know the identity of the kidnapers.

Steve Sumner, hard bitten 90-year old secretary of the union, testified the late George "Red" Barker, slain gangster, and Humphreys collected \$50,000 ransom for Fitchie's release.

The abduction was made public at this late date because the government contends Humphreys did not include the ransom money in his income tax returns. Humphreys is contesting the government's claim of \$37,165 in taxes and penalties on his 1930-32 income.

Angell on House Rivers, Harbors

Washington, Jan. 21 (AP)—Representative Angell (R., Ore.) has "inherited" a position on the house rivers and harbors committee that has been held by Oregon representatives for many years. His assignment to the important committee headed by Judge Mansfield, Texas democrat, was announced this week.

Representative Honeyman, Portland democrat, whom Angell succeeded in the house, held the post during the 75th congress. Before Mrs. Honeyman the post was held by William Ekwall and Charles Martin. In the recent division of committee posts, Oregon's two other representatives, Republican James Mott and Democrat Walter Pierce, retained assignments given them during the 75th congress.

Hitler Removes Chief Aides of Hjalmar Schacht

Opposition to Unrestricted Spending and Financing by Debts Held Cause

Berlin, Jan. 21 (AP)—Reichsfuehrer Hitler continued today his eradication of the conservative influence of Dr. Hjalmar Schacht from the Reichsbank and at the same time moved to increase Germany's armed strength with a decree that every able-bodied man over 17 must keep fit for military service.

The fuhrer removed from the bank's directorate two followers of Schacht, ousted yesterday from the presidency. Friedrich W. Dreyse was succeeded as vice-president by Rudolf Brinkmann, right-hand man of Schacht's successor as president, Economics Minister Walther Funk.

2 Directors Ousted
Both Dreyse, the board's oldest member, and Ernst Hueise, the other director removed, joined Schacht in opposing unrestricted spending and financing by piling up huge short term debts. Their ousting left little doubt that the shelving of Schacht resulted from sharp differences of opinion with ambitions of Nazi leaders.

There were indications that Schacht, around whose head the storm broke yesterday, might be charged with continuing negotiations with George Rublee, American director of the intergovernmental committee on refugees, concerning emigration of German Jews.

Brinkmann, whom Hitler named director of the Reichsbank and Funk immediately made vice-president, was one of Schacht's four closest collaborators but parted company with him when Funk was appointed economics minister in Schacht's stead in 1937.

Goebbels Emerges
Propaganda Minister Paul Joseph Goebbels emerged from a month's retirement following an intestinal illness with a caustic four-column article in Hitler's newspaper Voelkischer Beobachter on German-American relations. It was headed: "What Does America Really Want?"

Goebbels advised the United States "to return to the old established methods of international courtesy." He added he viewed the further development of German-American relations with "deep apprehensions."

Fighting Resumed On Chinese Fronts

Shanghai, Jan. 21 (AP)—After a long deadlock marked only by sporadic fighting, both Chinese and Japanese reports indicated today that a renewal of warfare on a major scale was near.

From Chungking, Chinese military authorities frankly admitted they expected increasing activities in the West river sector, near Canton, to develop into an offensive against Shiching, important military base 40 miles west of the south China metropolis.

From there the Japanese would be in a position to carry out their long treasured invasion of Kwangsi province.

Thirty miles northwest of Canton, fighting was becoming more intense near Taungta where the Japanese were trying to advance northward along the Canton-Hankow railway.

Extortion Plotters Given Prison Sentence

Portland, Jan. 21 (AP)—Three men convicted of attempting to extort \$15,000 from Dr. W. E. Savage, Portland physician, were sentenced today to federal prison yesterday by Federal Judge James A. Fee.

Relief Bill Reported Out \$725,000,000

Full Committee Favors \$150 Millions Less Than FDR Asks—Fight Looms

Washington, Jan. 21 (AP)—The senate appropriations committee approved today a \$725,000,000 relief appropriation. This sum, \$150,000,000 less than the amount asked by President Roosevelt, already has been approved by the house.

The committee vote was 17 to 7 in favor of the \$725,000,000 figure.

Senator McKellar (D., Tenn.), an administration supporter, moved unsuccessfully to increase the appropriation to \$875,000,000.

Line-up of Votes
Those voting for \$725,000,000 were Glass of Virginia, Byrnes of South Carolina, Tydings of Maryland, Russell of Georgia, Adams of Colorado, McCarran of Nevada, Bankhead of Alabama, Truman of Missouri, Burke of Nebraska, Chavez of New Mexico, all democrats, and Hale of Maine, Nye of North Dakota, Townsend of Delaware, Bridges of New Hampshire, Lodge of Massachusetts, Holman of Oregon and Taft of Ohio, republicans.

Those favoring a relief allotment of \$875,000,000 were McKellar, Hayden of Arizona, Thomas of Oklahoma, Overton of Louisiana, O'Mahoney of Wyoming, Green of Rhode Island and Maloney of Connecticut, all democrats.

The full committee's action supported a decision by a sub-committee yesterday to hold the appropriation to \$725,000,000. The full committee also approved a sub-committee restriction preventing any material reduction in WPA rolls during February and March.

Plan Stiff Fight
The appropriation, which will be considered in the senate early next week, is designed to operate the WPA until June 30. Administration forces are planning a stiff fight to restore the additional \$150,000,000 to the measure and even some economy-minded senators predicted they would be successful.

Senator Adams (D., Colo.), who will be floor manager for the bill, said the appropriation committee probably "will get the wheat beaten out of it" on the issue of holding the appropriation to \$725,000,000.

Political and business leaders look to the senate vote as the first test of sentiment there toward any part of the president's program of continued large-scale spending.

Changes Forced
The sub-committee wrote into the bill a prohibition against reducing the rolls by more than 150,000 during February and March. There now are about 3,000,000 work relief employees.

Senator Byrnes (D., S.C.), who submitted this proposal, said it would prevent the administration "from putting people out in the snow."

Byrnes said it would permit relief rolls to be maintained at 1,900,000 on June 30—or the same number receiving relief in January a year ago.

Senator McNary of Oregon, the republican leader, predicted most republicans would support it. But one administration leader said privately there would be ample votes to raise the appropriation to \$875,000,000.

Ruble Assured on Jews by Goering

Berlin, Jan. 21 (AP)—Field Marshal Hermann Wilhelm Goering, today assured George Rublee, American director of the intergovernmental refugee committee, that Germany was ready to continue trying to find ways of sending her Jews abroad.

Ruble, who arranged to go to Paris tonight, said he would return to Berlin early next week. He said that the negotiations would continue on the basis of the plan already offered by and discussed with Dr. Hjalmar Schacht, ousted yesterday as president of the Reichsbank.

Ruble asserted that his talk today with the No. 2 man of the Nazi regime was "very cordial and satisfactory."

Radio Stars Vote High Wage Strike

Professional Entertainers to Go Out on Orders From National Board—Membership Includes Actors, Singers and Producers

Chicago, Jan. 2 (AP)—Nearly 2,000 of the country's professional radio entertainers were ready today to strike for higher wages. The Chicago local of the American Federation of Radio Artists voted unanimously last night to strike upon orders from the national executive board. Like action was taken earlier in the week by the New York local, and balloting was scheduled for today in Los Angeles and tomorrow in San Francisco.

A rejection by the American Association of Advertising Agencies of demands for an increased wage scale and pay for rehearsals was the basis for the threatened strike.

The AFRA, an AFL affiliate whose president is Eddie Cantor, picture and radio comedian, asked minimums of \$15 for a 15-minute broadcast, \$25 for 30 minutes and \$35 for 60 minutes, plus \$6 an hour for rehearsals.

The four-A's counter-offer was \$15, \$20 and \$25 for each respective period and proposed that performers rehearse without compensation for two, three or four hours for each period.

The AFRA embraces in its membership actors, singers, announcers, solo instrumentalists, producers and sound effect men.

A spokesman for the four-A's said compliance with union demands would mean that an actor on a 15-minute show would get approximately \$18 a week regardless of how minor his part.

Chinese Picket Scrap Iron Ship

Long Beach, Calif., Jan. 21 (AP)—Chinese picketing of ships loading scrap iron for Japan continued today, with longshoremen declaring they had stopped work on the ships for their personal safety.

"The men were called off the job because of the increasing danger of injury from the rapidly growing picket line," said Ernest Brown, president of the International Longshoremen's and Warehousemen's union.

"We are not concerned if the materials are considered contraband of war. That is a matter for the government to decide."

Francis J. McGowan, president of the Waterfront Employers' association of southern California, charged "this particular case is but one of many similar cases where commerce has been tied up in the port by refusal of longshoremen to work all too frequently through cases and issues entirely outside the scope of employer-employee relations."

"The ship operators," he declared, "are legally obligated to accept the scrap iron cargoes involved and the question of what constitutes contraband of war is a matter for determination by the federal government, and not by longshoremen or publicity seeking pickets."

Oregon Diplomat Weds in Florence

Florence, Italy, Jan. 21 (AP)—John Risley Putnam, United States consul general in Florence, and Mrs. Sidney Kendall of Amsterdam, N. Y., were married here today by the vice mayor.

Putnam formerly was a resident of Mt. Hood, Oregon. He was appointed to the foreign service in 1915 from Oregon.

Loyalists Recapture Key Point of Igualada

Hendaye, France (at the Spanish Frontier), Jan. 21 (AP)—The insurgents' great drive toward Barcelona today was reported to have met its first serious setback when a violent government counter-attack drove Generalissimo Franco's troops back out of the important town of Igualada.

This town, 28 airline miles west of the government capital, was considered a key point in the government's main defense line.

Bermuda Liner Down Halfway To Destination

British Flying Boat Cavalier, Carrying 8 Passengers, Down on Ocean

New York, Jan. 21 (AP)—The Pan American Airways station at Port Washington, N. Y., said late today it had intercepted a "garbled" message from Imperial Airways at Hamilton, Bermuda, apparently saying an unnamed steamship had picked up the passengers and crew of the stricken flying boat Cavalier.

New York, Jan. 21 (AP)—A one-word message—"Sinking"—crackled through the air at 1:13 p.m. EST today from the British flying boat Cavalier, with 13 persons aboard, as it was forced to alight on the Atlantic ocean.

Then the air lanes were silent, concealing the fate of eight passengers and a crew of five men of the airliner which left New York at 10:38 a.m. for Hamilton, Bermuda.

Steamers and coast guard planes raced for the spot, 150 miles out the rough seas from Ocean City, Md., where the last despairing one-word message had originated.

Ships to Rescue
At least two steamers, and Vincent Astor's yacht Normal, turned out for their courses and started full speed for the last position of the stricken Imperial Airways flying boat.

Two planes left Floyd Bennett Field on the same errand.

The flying boat which left Port Washington, Long Island, at 10:38 a.m. for the five and one-half hour flight to Bermuda, sent an S.O.S. at 1:13 p.m. from a position approximately 150 miles east of Ocean City, Md.—not quite half the way to its destination.

SOS Received
First word that the Cavalier was in trouble came in a radio message picked up in New York by the radio marine and the Mackay radio. It was an S.O.S. and gave the position of the flying boat as 38 north latitude and 70 west longitude, which would have placed the Cavalier about 250 miles east of Ocean City. The Pan American message saying the flying boat was sinking placed it about 150 miles off the coast from Ocean City.

The Cavalier and the Bermuda clipper, a Pan American Airways flying boat, started the Bermuda line in the summer of 1937. Each makes two trips a week over the 700 mile route between New York and Hamilton, Bermuda. The Bermuda clipper now is in Hamilton and was reported at Pan American headquarters here to be standing by to go to the rescue of its sister ship.

One of 28 Planes
The Cavalier is one of 28 flying boats constructed by the Imperial Airways for its various Empire routes. It is a high-wing monoplane with four Bristol-Pegasus motors and carries 1,800 gallons of gasoline, more than enough to cover the 700 mile route.

Two of the crew on the Cavalier today made the original survey trip of the Bermuda route in May, 1937.—Neil Richardson, first officer, and Robert Spence, steward.

The coast guard cutter Icarus reported shortly after 3 p.m. that she was 135 miles from the spot where the Cavalier came down and was proceeding at full speed.

List of Passengers
The Cavalier carried eight passengers, according to a list released here by the Pan American Airways, which cooperates with the Imperial Airways on the Bermuda route.

The passengers are: Mrs. George Ingham of Hamilton, Bermuda, Mrs. Ethna Watson of Bermuda, Mr. and Mrs. Donald Miller, Lincoln, Neb.; Charles Talbot, Brookline, Mass.; Mr. and Mrs. John Noakes, Malba, Long Island; Miss Nellie Smith, Bermuda.

The crew: M. R. Alderson, captain; Neil Richardson, first officer; Patrick Chapman, radio officer; David Williams and Robert Spence, stewards.

Siskiyous
Grants Pass, Jan. 21 (AP)—The first Siskiyous national forest census to include animals as small as squirrels today listed a game population of 32,176. More deer and fewer cougars were reported. Rangers reported only six wolves.

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