

The Weather
Forecast: Cloudy tonight and Wednesday; not much change in temperature.
Highest yesterday 64
Lowest this morning 49

MEDFORD MAIL TRIBUNE

Paid-Up Circulation
People who pay for their newspapers are the best prospects for the advertiser. A. B. C. circulation is paid up circulation. This newspaper is a B. C.

Twenty-Seventh Year

MEDFORD, OREGON, TUESDAY, MARCH 7, 1933.

No. 295.

LOCAL SCRIP PLAN FOR RELIEF

Comment on the Day's News

By FRANK JENKINS.

PRESIDENT ROOSEVELT, in his inaugural speech, says: "First of all, let me assert my firm belief that the only thing we have to fear is fear itself; nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance."

HITS the nail on the head. Remove this "nameless, unreasoning, unjustified terror" that has gripped the people of this country and our business troubles will begin to vanish as the early morning fogs vanish before the hot sun.

WHY does fear play such havoc with the modern business structure?

Well, it's like this: Modern business is built pretty largely upon credit—bank credit, chiefly; something like nine-tenths of all our buying and selling, which constitute business being accomplished by means of bank credit.

And bank credit, you must remember, is built upon BANK DEPOSITS.

GET this picture: Modern business, which provides jobs, which in turn provide buying power, is built upon bank credit. Bank credit is built upon bank deposits—about ten dollars in bank credit, in normal times, arising out of each dollar of deposits.

The savings of the people, you see, deposited in the banks, provide the foundation upon which the whole structure of business rests.

When FEAR, by causing people to remove their deposits from the banks, DESTROYS THE FOUNDATION, the structure must fall.

THAT'S all very well, you may say, "but the banks ought to be strong enough to stand up under any emergency."

Listen: Banks, no matter how strong they are, CANNOT survive when all their depositors take all their money out all at the same time any more than the strongest man in the world can survive when his heart stops beating.

BANKING, like so many of the useful devices that have made modern civilization possible, is based upon a simple fact discovered ages ago by some smart individual.

As of course you know, the first bankers were merely SAFE KEEPERS. That is to say, they provided a safe place where people might keep their treasure away from thieves, and they charged a fee for the use of this safe place.

We have a survival of this institution in the modern safe deposit vault.

THEN, away back in the dim beginnings of recorded history, some smart person discovered that all those who brought their treasure to the safe place for safe keeping didn't ask for its return ALL AT THE SAME TIME.

That started him to thinking, and out of his thinking came this idea: "Why not lend a part of this accumulated treasure to those who need it, using repayments as they come in to repay those who ask for the return of their treasure? It will be quite safe, because experience proves that as long as my customers HAVE CONFIDENCE in me they won't all ask for their treasure AT THE SAME TIME."

The scheme worked, and out of it came the immensely useful institution of banking, without which civilization could not have reached its present high level.

BUT mark this: The first bank—whenever it was started; whoever it was that founded it—COULDN'T have survived if ALL its customers had demanded the return of their treasure all at the same time any more than ANY individual modern bank, no matter how strong it is, can survive if all its depositors demand all their money all at the same time.

Banking, with all its vast usefulness to mankind, is BUILT upon the simple fact that as long as depositors have confidence in the bank they won't all demand their money at the same time.

The whole thing is just as simple as that.

SO YOU SEE, IT ISN'T POSSIBLE to provide a bank that will be

(Continued on Page Two)

BUSINESS FIRMS OF CITY JOIN IN PRINTING MONEY

Brighter Outlook Prevails As Decision Made to Meet Emergency—In Circulation Wednesday Morning

Business was looking up in the city of Medford this afternoon, and a brighter outlook flooded the horizon for merchant, buyer, employer and employee, as a meeting called to launch an emergency issue of local scrip, opened at the chamber of commerce at 2 o'clock.

For money of any other clink or color "smells the same" to southern Oregonians, it will be said. And that which local scrip will do. The chamber of commerce expects to have it circulating by tomorrow morning, starting a complete turnover of the wheels of business, partially paralyzed since declaration of the banking holidays.

Business Men Backers
The scrip will be underwritten by a group of local business men and will be in an amount judged sufficient to care for the immediate necessity. If further issuance is found necessary, it was explained this afternoon, another group of business men will be called in to participate in its launching.

The chamber of commerce meeting this afternoon was presided over by one held at the city hall, at which B. E. Harder, president of the First National bank, explained thoroughly the banking situation, urged the extension of credit as the cornerstone of commerce, and the best solution of the present situation. He predicted the arrival here by Friday of clearing house certificates to be issued out of Portland and approved temporary plans to issue local scrip, saying that it could do no harm but would undoubtedly furnish immediate relief here. The city hall and auditorium and corridors were filled to capacity for his talk and many persons were unable to gain entrance.

Bakery Has Own Issue
The Colonial Bakery today launched its own scrip to care for the payroll in the amount of \$585. The certificates will be accepted as payment for merchandise at the Colonial bakery or by any grocer or merchant selling or serving products manufactured by the Colonial bakery.

Clearing house certificates expected here within a few days will bring retirement of the local scrip, according to the plan. Both are expected to stimulate buying and discourage any tendency toward hoarding. Mr. Harder pointed out this morning.

Clearing house certificates are being issued in preference to regular currency, Mr. Harder explained to prevent hoarding and start an immediate circulation of a medium of exchange.

Hoarding Problem
"Currency put out now," he stated, "would probably go into hiding. Clearing house certificates will be spent, bringing the business turnover needed. Portland will pay its clearing house certificates against our balance, enabling their circulation here as soon as they are out."

Lasting the banking regulations in effect for today, which will liberalize considerably the situation of yesterday, Mr. Harder stated "Front doors will remain closed, but side doors will be open. We will permit withdrawals to drawer of check only in amount limited to necessity. All checks will be checked by an officer before paying."

SOVIET DECLINES TO CONFER WITH LEAGUE

MOSCOW, March 7.—(AP)—The soviet government refused today to participate in the League of Nations consultative commission which is to deal with the Sino-Japanese conflict. The reason ascribed was the "hostility" of the major participants toward the soviet administration.

The refusal did not mention the United States by name but obviously referred to the absence of diplomatic relations between Washington and Moscow.

The scheme worked, and out of it came the immensely useful institution of banking, without which civilization could not have reached its present high level.

New 'Mother Jones'



Mrs. Agnes Burns Wieck of Belleville, Ill., who has been named president of the auxiliary of the Progressive Miners union of Illinois, is called the new "Mother Jones" in the strife-torn Illinois coal fields. (Associated Press Photo)

PORTLAND BANKS CLOSED TIGHT ON HOLIDAY ORDERS

PORTLAND, Ore., Mar. 7.—(AP)—Although banks in several Oregon cities and towns were open for limited operation today, Portland institutions remained closed under the national and state holiday regulations.

The Portland branch of the Federal Reserve in San Francisco, they said, was now the only link in the city's financial structure not connected for a reopening of banks here under a limited business program as laid out in the 13 regulations of the secretary of the treasury.

Meanwhile, in other sections of Oregon, emergency business was being conducted. At Salem, the banks opened today for emergency business. Some payroll disbursements were being met, pending further instructions from Washington, D. C. The back doors of Klamath Falls banks were open for vital business.

Portland bankers said that until the Federal Reserve bank released their balances they would be unable to operate under the terms of Secretary Woodin's regulations, since every bank carries the greatest part of its balance in the Federal Reserve bank.

The Portland clearing house had completed plans for issuance of scrip this morning, but this arrangement was interrupted by announcement from Washington, D. C., that scrip plans were to be delayed until Friday.

(By the Associated Press.)
From their cages in the national bank thousands of paying tellers were confidently paying out and receiving money again today.

ROSEBURG EASED BY FEDERAL COIN

ROSEBURG, Ore., March 7.—(AP)—Business channels in Roseburg were expected to be relieved immediately from the shortage of currency, as the result of an order received this morning permitting local banks to cash checks drawn on the U. S. treasury.

Checks totaling approximately \$7000 given federal employes pensioners and veterans provided with disability allowance, received since the first of March, are being paid today in cash.

\$5 AUTO FEE AND TRUCK, BUS BILL GIVEN APPROVAL

Legislature Passes Two Important Measures Up for Governor Meier's Signature—Sales Tax in Debate

SALEM, March 7.—(AP)—Highway legislation was disposed of in short order in the senate of the Oregon legislature today, both the automobile license fee of \$5 and one cent gasoline tax, and the truck and bus bill being passed by safe majorities. Both will become laws, unless vetoed by the governor, within 90 days from adjournment of the legislature.

With these two major measures disposed of and the sales tax considered for quarterly payment of business in the senate for 3 o'clock this afternoon, it was believed sine die adjournment could now be taken either tomorrow night or Thursday. There are many other bills to be considered but debates on these were expected to be limited.

Majority Oppose Sales Tax
The divided report on the sales tax was returned by the taxation committee during the forenoon, with the majority opposed to the bill and the minority favoring its passage with amendments, referring the bill to a vote of the people. A bill calling for a special election in the event the bill is referred is still in a house committee.

The house, after an all morning debate, passed the taxation measure calling for quarterly payment of property taxes and cancellation of all penalty and interest on delinquent taxes prior to 1931.

Immediately after passage of the automobile license bill and as part of the same special order of business, the senate took up house bill 493, the bus and truck bill. The bus and truck bill provides a tax of one mill per ton-mile for large carrying concerns and three-fourths of a mill per ton-mile for private contractors.

The bill was assailed by Senator Burke who called it "a railroad bill pure and simple."

With all members present only Brown, Burke, Staples and Zimmerman voted against the truck and bus bill.

A controversy between Judge L. H. McMahan and Marion county lawyers, that has been seething in the legislature for the last week, culminated today in a victory for the judge when the senate defeated a bill that would have removed him from the law department of the court.

KLAMATH RELIEF LEADERS NAMED

SALEM, March 7.—(AP)—Andrew Collier of Klamath Falls was named chairman of the Klamath county unemployment relief committee by Governor Julius L. Meier at noon today.

He will have six others on the committee, three named by the governor and three by the county court. The three named by the governor include Claude McCulloch, Mrs. Elizabeth Sanders and A. J. Schieferstein, all of Klamath Falls.

Business on I. O. U. Basis Ministers to All Wants

NEW YORK, March 7.—(AP)—Business turned to the public prints today to tell the man in the street that he could trade as freely as he liked on his good name; eat on it, sleep on it, procure all the necessities of life on it, travel on it, even go to the theatre on it and take along the folks.

The advertising columns of the New York papers are crowded with display announcements brimming with encouragement for the present and with optimism as to the future.

The ordinary pay-as-you-go family was told that money might be temporarily scarce, but scrip might be not yet available, but that credits were still the cornerstone of commerce and that despite the present crisis it remained unshaken.

"If you haven't got a charge account, hurry in and start one," was the tenor of most of the department store advertisements. And they suggested how to use such accounts to best advantage, even advocating office workers eating lunch in the store restaurants and charging the bill to their accounts.

Hotels offered all their facilities on a basis of trust. Steamship lines advertised that checks were acceptable and that scrip would be as soon as

Present Extreme Is Turning Point Declares Expert

NEW YORK, March 7.—(AP)—The present situation may prove to be the low point of the depression, in the opinion of A. D. Whiteside, head of the Dun and Bradstreet Mercantile Agency.

"The American people may confidently rely upon the intelligence and determination of the American business man to carry on and to progress from this point," said Whiteside's statement.

GOOD GOVERNMENT LEADERS IN SNUB FOR UNEMPLOYED

The Jackson County Unemployed council, through its secretary, O. H. Goss, today issued the following detailed statement to the "unemployed members of the Good Government Congress":

Yesterday, Monday, March 6, a representative of the Unemployed Council of Jackson county made arrangements, through County Judge Fehl, to speak for a few minutes upon UNEMPLOYMENT and RELIEF in Jackson county at the meeting to be held at the court house. It is a fact that Mr. Llewellyn A. Banks and Mrs. Henrietta B. Martin were fully aware that a short address was to be made upon RELIEF and UNEMPLOYMENT.

In addition perhaps one-half of the unemployed workers present were also aware of the fact. Despite this, Mrs. Henrietta B. Martin deliberately closed the meeting following Mr. Banks' remarks without having announced the unemployed representative who stood near by.

Immediately after the meeting Judge Fehl expressed surprise that the unemployed were denied a voice at the meeting.

Questioned by the Unemployed Council as to her reasons for the tactics employed, Mrs. Martin replied: "Mr. Goss did not ask me PERSONALLY, I AM THE PRESIDENT OF THE Good Government Congress. NOT JUDGE FEHL."

One can only conclude from this, as well as past actions, that neither Mrs. Henrietta B. Martin or Llewellyn A. Banks are interested in the employment of the unemployed or relief of the needy, but are using the unemployed workers for their own ends.

Fire at Keno Does Damage of \$20,000

KLAMATH FALLS, March 7.—(AP)—Loss estimated by the owners at nearly \$20,000, was caused by fire which destroyed a general store and a restaurant at Keno, Ore., 14 miles west of here, last night.

Roosevelt Eats Lunch At Desk

WASHINGTON, Mar. 7.—(AP)—President Roosevelt had lunch served at his desk in the executive office today as he worked at his banking program and prepared for Thursday's extra session of congress.

WASHINGTON RELIEF MEASURE IS SIGNED

OLYMPIA, Wash., March 7.—(AP)—Governor Clarence D. Martin of Washington signed the \$10,000,000 unemployment relief bond issue measure today and announced steps would be taken immediately toward bringing an action before the state supreme court to test its validity.

PROSPECT SCHOOL BOARD BARS BANKS IN SPEECH PLANS

Permission to Use Gym for Public Address Denied—Erstwhile Editor—G.G. Leaders Leave in Dudgeon

PROSPECT, Ore., March 7.—(Sp.) Leaders of the so-called Good Government congress left here last night in a huff when the school board denied permission for L. A. Banks to speak at a meeting scheduled in the school gymnasium. Permission had previously been granted Earl H. Fehl to speak but, when he attempted to include the erstwhile editor in the program he was informed Banks would not be permitted to speak.

Fehl, Banks and Henrietta B. Martin, president of the Good Government congress, then left Prospect, according to information obtained here.

Members of the Prospect district school board are Tom Carlson, W. E. Mooney and L. A. Ditzworth.

There came to this strife torn county today a blessed respite from political turmoil and fantastic rumors and inflammatory talk. There were signs of peace, and an undertone of optimism.

For the first week-day since January 2, the court house corridors this morning were not filled with loungers and curiosity seekers. A dozen men stood on the sidewalk and laughed and joked. Though it was a non-judicial day, due to the bank moratorium, with no official filings being made and no court in session, the peaceful calm on business and court officials and workers marveled at the sudden welcome change.

Developments of Day
It was also quiet on all other fronts, the developments of the last 24 hours being:

The district attorney's office started an investigation of the claim of L. A. Banks, honorary president of the so-called "Good Government congress" in his court house steps speech Monday, that he had written to the governor and other state officials—"unless we can have justice, I will take the field in revolution against you people—now make the most of it."

Strong public disapproval registered of incendiary speeches, and launching of grave charges against officials and citizens, to fan prejudices.

STATE'S RECEIPTS MAY TOP OUTGO

SALEM, March 7.—(AP)—Receipts of the state government for the present biennium were estimated by the ways and means committee, in its final report, at \$12,596,000, or \$3,009,008 in excess of state expenditures, leaving the latter to be applied to the state deficit.

Receipts embrace \$12,448,000 estimated to accrue from various activities and \$150,000 from the "tithing" bill which has now passed both houses.

Expenditures embrace \$5,720,353 in legislative appropriations, of which \$5,439,963 is the total of budget items and \$284,390 non-budget items; continuing appropriations of \$358,186; and mileage taxes of \$2,111,483, making a total of \$9,589,822 in expenditures as against the \$12,596,000 receipts.

WORK STARTS ON SOUTH HIGHWAY

One hundred fifty men today started work in five-hour shifts on the highway work in the Ashland district, according to reports from that city. Besides the 150 unskilled laborers employed on the job, there will be an additional ten men.

Twenty-one per cent of the unskilled laborers are selected from Jackson county unemployed, the remainder being from Coos, Curry, and Multnomah counties.

Work has started on two bridges over Bear creek, information from Ashland states, and moving of heavy machinery is now underway.

Bond Theft Suspect



Ray Winger, 19, Boise, Idaho, high school boy has been arrested on charges of stealing \$230,000 of state of Idaho blank bonds and forging names of officials on them. He was arrested in Omaha, where it was alleged he confessed, in a purposeful attempt to cash one of them. (Associated Press Photo)

COPS ROUND UP 2 SUSPECTS IN DENVER KIDNAP

DENVER, Colo., Mar. 7.—(AP)—Two alleged members of the gang that kidnaped Charles Boettcher, II., wealthy young broker, for \$50,000 ransom are behind jail bars, Chief of Police A. T. Clark revealed today, and two other men who helped stage the abduction are known, and their arrest is expected soon.

Chief Clark announced that C. W. Pierce was under arrest in Denver as the alleged writer of the extortion letters. He said Arthur Youngberg was under arrest at Chamberlain, S. D.

BANWELL SPEAKS AT LIONS CLUB SESSION; MUSIC ALSO ENJOYED

A. H. Banwell, newly appointed secretary of the chamber of commerce, outlined briefly the work to be undertaken this year at the noon luncheon of the Lions club at the Hotel Holland today. The meeting was attended by a large crowd and an enjoyable program of music was also presented. Miss Margaret Pennington and George Andrews entertained with duet and solo numbers, accompanied at the piano by Mrs. George Andrews. The group of songs included "Waiting You," "A Boy and a Girl Were Dancing," "Take Me In Your Arms" and "On the Street of Dreams."

Short talks were given by W. T. Lee, assessor of Klamath county, D. E. Van Vactor, district attorney, and George E. Powell, deputy district attorney, who were guests here today from Klamath Falls.

MISSING WOMAN RETURNS TO HOME

Mrs. Mae Powell, wife of Dewey Powell, was reported back at her home near Talent today, following reports at the Medford city and state police offices that she had disappeared from the crowd at the Good Government congress meeting in front of the courthouse yesterday afternoon.

Joe Croft, member of the Good Government congress telephoned officers late yesterday, asking if Mrs. Powell was being held in jail. Croft was released on \$1000 bond the last of the week on a charge of "burglary not in a dwelling" in connection with the ballot theft at the courthouse.

MAIL AVALANCHE SWEEPS DOWN ON NEW FIRST LADY

Three Thousand Letters Await Answers From Mrs. Roosevelt—She Is Popular With Girl Reporters

By PAUL MAILLON
(Copyrighted by McClure Newspaper Syndicate.)
WASHINGTON, Mar. 7.—Mrs. Roosevelt has more to do with things than you've heard. The President consults her at least once a day and sometimes oftener.

She gets a tremendous amount of mail. Right now she is trying to answer 3,000 letters that have piled up on her. She answers all letters, those knocking as well as boosting. With the exception that she won't answer those with a political tinge. She wrote some during the campaign, the recipients published them and her husband was embarrassed.

Everybody around the Roosevelt is fond of the First Lady. She sees the girl reporters whenever they want to see her. They, in turn, do anything she asks.

For that reason you probably will find that all domestic news from the White House will be favorable.

Col. Lewis Henry Howe, the President's confidential secretary, has to pay a price for his close association with "Franklin" as he calls his chief. Roosevelt taunts him unmercifully. He is still bragging him about the new suit he bought for his triumphal descent on Washington.

MISSOURIAN NAMED TO PHILIPPINE POST

WASHINGTON, March 7.—(AP)—President Roosevelt today gave John H. Holliday of Missouri, an ad interim appointment to continue as vice-governor of the Philippines.

The president accepted the resignation of Theodore Roosevelt as governor general and designated Holliday as acting governor general after Roosevelt sails from the islands March 24.

Holliday was continued in office to await the arrival of Homer S. Cummings, of Connecticut, who will take over the governor generalship after he completes his temporary appointment as attorney general in the Roosevelt cabinet.

Klamath Banks Making Change

KLAMATH FALLS, Ore., March 7.—(AP)—Banks in Klamath Falls had their back doors open, safety deposit boxes were available to depositors, and emergency business was being transacted today. The banks were making change.

WILL ROGERS says:

SANTA MONICA, Cal., Mar. 6.—America hasn't been as happy in three years as they are today. No money, no work, but they know they got a man in there who is wise to congress, wise to our big bankers and wise to our so-called big men.

The whole country is with him. Even if what he does is wrong they are with him, just so he does something. If he burned down the capitol we would cheer and say, "Well, we at least got a fire started, anyhow."

We have had years of "don't rock the boat." Go and sink it if you want to. We might just as well be swimming as like we are." Yours,

Will Rogers

©1933 McClure Syndicate, Inc.