

The Weather  
Forecast: Unsettled with occasional light rains tonight and Friday. Moderate temperature.  
Highest yesterday 53  
Lowest this morning 35

# MEDFORD MAIL TRIBUNE

A growing circulation  
The circulation of the Mail Tribune is growing rapidly. Hundreds of new readers have been added in the past few months. Paid-up circulation is the kind that pays Ad. dividends.

Twenty-eighth Year

MEDFORD, OREGON, THURSDAY, MAY 18, 1933.

No. 49.

# JUDGES RULING BLOW TO BANKS

## Comment on the Day's News

By FRANK JENKINS  
THE senate banking committee, by a vote of 11 to one, puts its O. K. on the Glass banking bill, which includes insurance of deposits NEXT YEAR.

That is to say, if the bill passes congress in its present form, and is signed by the President, deposits in the banks will be insured within a year.

WHAT does insurance of bank deposits mean? Is it somewhat similar to government guarantee of deposits?

It is similar in purpose and effect, but not the same in practice. Under government guarantee, the government would get behind the banks, and if the bank failed to pay the depositor the government would pay him.

Under the insurance plan, a tax of some sort, or an assessment, would be levied against all deposits. This tax, or assessment, would be used to build up a guarantee fund, which would be used to pay depositors in failed banks.

As long as the fund lasted, deposits would be guaranteed.

WHAT is the idea of postponing insurance for a year?

Well, presumably it is to give time to build up the insurance fund—although that is guesswork on this writer's part.

The country hasn't been told much as yet about the Glass banking bill and its purposes. It is an exceedingly important piece of legislation, and apparently it hasn't yet been whipped into anything like final shape.

THE farm strike, we read, has been called off.

That is sensible. If farming can be helped by legislation, the farm relief bill which President Roosevelt has just signed ought to do it. Certainly no greater powers have ever been given to one man, since this nation was founded, than the farm relief bill gives to the secretary of agriculture.

We couldn't go much farther in the way of legislation than we have already gone. The leaders of the so-called farm strike, couldn't very well ask for more than has already been done, so, if they are wise, they will wait and see what happens.

MEANWHILE, there is talk of dollar relief. Here on the Pacific coast, 75-cent hops are already a reality, and it isn't impossible that the price of hops may go to a dollar before the new crop comes in.

Within the past few days, we are beginning to hear talk of 25-cent wool. As these words are written, a few scattering sales have been made at 20 cents.

IS THIS the result of the new farm relief bill and its inflation rider? It may be. This writer, for one, isn't well enough informed to feel competent to say. No one really knows just what effect the EXPECTATION of inflation has had on prices of farm products.

We haven't really had, you know, very much inflation as yet. We have merely been talking about it.

BUT what, you will note, has gone up in other countries, as well as here. These other countries aren't directly affected by OUR inflation plans.

Hops are skyrocketing. NOT because of inflation, but because of the sudden change brought about by legalized beer, which boosted demand in the face of a sharply limited supply.

There are reasons for believing that changed conditions of supply and demand are responsible for recent rises in the price of wool. It looks now as if the government, through its various loan agencies, has its hands on some 70 to 80 per cent of the available wool supply and that, by its recent commitment order, it may be moving to bring about a seller's market.

That is to say, it may be that wool buyers are realizing that the available supply of wool isn't large and that the bulk of the supply is held in strong hands.

That may be why the buyers are bidding up the price, just as, more

## PRESCOTTS RIGHT ENTER RESIDENCE UPHOLD BY COURT

Arguments Begun By State—Neighbors Hit Defense Eye - Witness Testimony Final Words From Stand.

EUGENE, Ore., May 18.—(AP)—The case against Mr. and Mrs. Llewellyn A. Banks has been completed and closing arguments began at 2 o'clock this afternoon. The Medford publisher and his wife are accused of the first degree murder of George J. Prescott, Jackson county constable.

The state closed its rebuttal with the appearance of two witnesses this morning. R. O. Stephenson, Medford juror, appeared to refute the statements of John Wheeler, farmer, who had claimed to be an eye witness to the tragedy. Stephenson testified he saw Wheeler near the court house before and after the shooting and that the farmer could not have been an eye witness nor have entered the Banks house as he had testified.

Neither saw No One  
Mrs. Vivian McCullough, who resides across the street from the Banks house, testified she ran into the yard as soon as she heard the shot that killed Prescott. She looked up and down the street and did not see anybody, she said. The defense had introduced four "eye witnesses" who claimed they were in front of the house at the time of the murder.

In case rebuttal the defense again introduced Walter Jones, mayor of Rogue River. He denied having been within five blocks of the Pacific Record-Herald building on the morning of the tragedy. Sam Carey, of the News Publishing Company which was then headquarters there, had testified that Abner Cox and Jones had been at the office until a telephone call came from Mrs. Banks saying Prescott had been killed. Cox claimed to have been in front of the Banks house as an eye-witness.

Wheeler III  
John Wheeler was to have been recalled to the stand for the defense but was ill in bed and could not come for rebuttal.

Both the state and defense rested their cases and Judge G. P. Skipworth gave Ralph Moody, chief prosecutor, until 2 o'clock to prepare his opening statements. Moody plans to outline the state's case in his first appearance and to save the oratory for his final closing arguments after the defense has spoken.

Three lawyers will plead for Mr. and Mrs. Banks. Charles Hardy, Eugene attorney, will open and will be followed by Joe Hammersley of Portland, with Frank Loneragan, also of Portland, as the final defense speaker. The statute which limits the defense to two speakers was waived by Judge Skipworth with the permission of the state.

Moody will be the only state speaker. It is expected the case will go to the jury some time Saturday.

Courtroom Packed  
The courtroom was packed again today as the final shots were fired from the witness stand. All of the evidence has now been assembled and it is for the opposing lawyers to interpret it to the jury—the state showing the Banks and his wife planned to shoot Prescott and set a trap showing that Banks had planned a mountain trip, had a rifle handy, and shot the officer during a moment of "transitory insanity" when the officer tried to break into his home.

Judge Skipworth, in an informal talk with the lawyers after the jury had left the courtroom, discussed the law as it applies to the death of Prescott.

"I want to be sure that the right interpretation is placed on the law by both sides of the case in appealing to the jury," Skipworth said.

Officer Has Right  
"The statute holds that an officer with a warrant for a man's arrest may break open any door or portal if entrance is refused," Skipworth explained. "The defense is introducing the plea in the case of 'temporary insanity' and 'self-defense'."

"The record shows that Prescott did have a warrant for Banks' arrest and that the arrest was lawful. The statute provides that an officer may break an outer door or window to gain entrance."

"The defendant would be able to plead self-defense only in the event that the officer was using more force than necessary, or had threatened the defendant, and was attempting to commit a felony on his person."

"It will be for the jury to decide whether or not this was the case. Mrs. Banks testified that Prescott didn't say a word at the door. Even though Prescott was a trespasser, however, and not an officer, they would have no right to kill him."

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## Suggest Prohi Repeal Fund Public Works

# A. C. ALLEN JR. INHERITS FIVE MILLION ESTATE

## VALLEY YOUTH IS BENEFICIARY OF ECCENTRIC AUNT

LOS ANGELES, May 18.—(AP)—The \$5,000,000 fortune of Miss Margaret Keith, eccentric 49-year old recluse, who had orchestra music played and flowers placed beside her body for several days after her recent suicide, will go to a 27-year old nephew, Albert C. Allen Jr., of Central Point, Ore. It was disclosed in the 220-word will to be filed probably today.

The terse document which names the Security First National Bank of Los Angeles as executor and trustee bequeaths the entire estate to young Allen, with the exception of a few minor bequests to several other relatives. All of whom are described in the will as "in good financial condition."

Her to a large Utah mining fortune, Miss Keith hid herself from the world behind the barred gates of her Palms Verde estate, 23 miles south of home, and finally ended her life in her Beverly Hills mansion a few weeks ago.

"I think the amount is way overdrawn," and "It's nothing to get excited about," was the answer of Albert C. Allen, Jr., of Central Point, known here as "Jim" Allen, when interviewed this afternoon concerning the five million dollar estate left him by his mother's sister, Miss Margaret Keith of Los Angeles.

"As far as I know, there's nothing I can do about it," young Allen said, "because it's in a trust, and I won't be able to get any of it for seven or eight years."

Allen graduated from Medford high school several years ago, and since has been farming with his father, well known Rogue River orchardist. For the past three years, "As a matter of necessity" Allen had been aiding his father on his pear orchard "Lafolot on the Rogue."

The young man, tall and quiet, who doesn't have a telephone at his ranch home, has written numerous stories, many of which have been printed in western magazines. He said he had not written anything lately.

Allen has a sister, Mary Allen of Los Angeles, who he said, might also have received some of the property. Young Allen married Eva Jester of Rock Point. They have a son Albert C. Allen III, age 2 1/2 years.

## SIX NEW CAMPS ARE ADDED FOR FORESTRY ARMY

Information was received at the Civic Conservation Corps headquarters this morning by Major Clarence H. Armstrong, stating that six new camps will be established in this area, two in Josephine county, one in Jackson county and three in Klamath county, he announced.

Whether or not these camps are replacements for formerly designated spots, or if they will be in addition to the 18 already announced, was not known by Major Armstrong.

Two light trucks and two heavy trucks were scheduled to arrive by train this afternoon from San Francisco, Major Armstrong said. He stated that no information had reached him whether or not some of the camps are to be occupied tomorrow.

Medical Sergeant H. C. Schmalzer of Fort Worden, Wash., arrived this morning to take up duties in connection with the corps.

Major Armstrong said the forestry service is cooperating in every way possible, and their assistance in helping the army unit has been greatly appreciated.

Major Gearhart and Lieutenant Jones left this morning on a reconnoitering trip up to and including the Pistol creek camp. Lieutenant Jones of the company of engineers will leave on a similar trip covering camps to the west.

## BASEBALL

National		R	H	E
Philadelphia	.....	2	6	3
Pittsburgh	.....	6	15	2
Rhem, Elliott and Davis; Swetonic and Padden.	.....			
American		R	H	E
Boston	.....	0	1	0
Cincinnati	.....	1	6	0
Frankhouse and Hogan; Johnson and Hemsley.	.....			
New York	.....	3	9	0
Chicago	.....	0	6	1
Schumacher and Mancuso; Grimes, Malone and Hartnett.	.....			
American		R	H	E
Detroit	.....	1	5	2
New York	.....	5	6	0
Sorrell and Hayworth; Allen and Dickey.	.....			
St. Louis	.....	8	8	0
Boston	.....	2	6	0
Coffman, Gray and Shea; Wetland, Kline, Welch, McLaughlin and Ferreri.	.....			

## FORESTRY CHIEF LAUDS CHAMBER AT FORUM MEET

One hundred and seventy-five residents of this city gathered at the Hotel Medford today noon for the forum luncheon of the chamber of commerce, one of the largest, and most enthusiastic gatherings in the history of the organization to hear the address of Major Clarence H. Armstrong, officer in command of the base concentration camp in the civic conservation corps.

B. E. Harder presided as chairman of the luncheon and introduced Major Armstrong and two other members of his staff, Major Bibbhaus in command of medical inspection, and Major Gearhart, infantry, E. C. Solinsky, superintendent of the Crater Lake national park, Hugh B. Rankin, supervisor of the Rogue River national forest, and Karl J. Louch, assistant supervisor, were also introduced by Chairman Harder as having been instrumental in bringing the base concentration camp to this city.

The activities of W. S. Bolger, president of the Medford chamber, and A. H. Banwell, secretary, were highly praised by Mr. Harder and Major Armstrong in his address. It was through the energies of these two men, Mr. Harder stated, that Medford was recommended as location of the camp. Their efforts to bring the post to Medford at first appeared hopeless and it was not until Major Armstrong arrived that they realized their hopes had been realized.

Appreciation of the cooperation of the chamber of commerce was voiced by Major Armstrong in his outline of activities to be carried on by the government here in the operation of the conservation corps camps to be served by Medford.

"I am much pleased to have this opportunity to speak to you leading business men of this city. First and foremost I wish to thank you and the entire community for the wonderful welcome and spirit of friendliness we have received on every hand," Major Armstrong declared in opening his address. "You are fortunate in having such two first class getters and 'can do' men as Mr. Bolger and Mr. Banwell as the head of the chamber of commerce. They have worked day and night since my arrival to provide for our needs."

Major Armstrong also complimented Medford upon being chosen as the base camp, stating that they city would enjoy a steady flood of cash.

Announcement of the spring concert of the Medford Gleemen was made by George Henselman, who urged all luncheon guests to attend the program one week from tonight.

## FIRST OF FORESTERS ASSIGNED TO AGNESS

MARSHFIELD, Ore., May 18.—(AP)—The first contingent of the federal civilian conservation corps to be assigned to southwestern Oregon forests will arrive tomorrow morning from the training camp at Fort Lewis.

Thirty men will comprise the first group. They will go from Marshfield to Gold Beach by stage and thence up the Rogue river 20 miles by boat to Agness, which is near the site of the forest camp.

## GERMAN NATION RALLIES BEHIND HITLERS PLEDGE

By Rudolph Josten  
BERLIN, May 18.—(AP)—The whole German nation rallied today behind the government in solemnly assuring the world that her hallowed ideals are universal peace, universal disarmament, and properly working economic machinery.

Such aims were included yesterday by Chancellor Hitler in his foreign policy pronouncements before the Reichstag in which he reiterated a demand for arms equality, accepted world peace proposals of America and pledged cooperation in guarantee of international tranquility and security.

Seldom in the history of the Reichstag did a chancellor's declaration win such unanimously overwhelming support of all classes and parties.

Newspapers took the stand that success of the world disarmament conference now was dependent upon

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## LIQUOR INTERESTS FAYED IN TALKS BY PROHI LEADERS

A strong argument against beer was contained in the addresses given last night at the Baptist church by W. E. "Pussyfoot" Johnson and Thos. W. Gales, nationally prominent prohibition workers, who spoke on "Prohibition or What?" before a large audience. Every seat in the church was taken, and several persons were standing.

Speaking of the "beer by Christmas" campaign of last fall, Mr. Johnson described the advocates as "chasing themselves around the block with their tongues hanging out." He said the nation's capital "smells like a brewery," and made reference to "creatures" who call themselves congressmen.

Mr. Johnson told his audience that the beer barons "get what they want on a silver platter," and said the brewers asked and demanded the law for the return of beer, and got it. He said they tried to get beer by "all

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## Well Known, Important Citizens From Medford Say Banks Undesirable

Testimony of Catspaws Riddled by State Defense Council Heckles Witnesses As Murder Trial Nears End

By ARTHUR PERRY  
EUGENE, May 18.—Men long active in the varied affairs of Medford, and the Rogue River valley, some of whom rose to high positions in the state, came to the witness stand in the trial of L. A. Banks Wednesday, and testified that the chief defendant of the murder trial, bore a "bad" reputation "for truth and veracity" and as a "peaceable and law-abiding citizen of the community" in which he lived.

And, for the victim of Banks' frenzy, Constable George J. Prescott, the same array of substantial citizens testified that his reputation, as a "peaceful, mild-mannered and not quarrelsome man" was good.

Heckled by Defense  
Each of the eleven character witnesses was subjected to a long barrage of at times, heckling queries from Defense Counsel Loneragan.

The final character witness of the day was E. W. Carlson, 33 years, an orchardist of the Table Rock district, a director and former president of the Fruitgrowers League, now president of the State Horticultural society.

On cross-examination, after a few preliminary questions, Attorney Loneragan snapped:

"What relation are you to the head of the Western Union?"  
Loneragan: "He's your brother."  
Carlson: "So your brother is head of the Western Union?"  
Carlson: "Yes."  
Loneragan: "Who asked you to come here?"

Carlson: "Judge Kelly."  
Loneragan: "Atorney E. E. Kelly."  
Carlson: "Yes."  
Loneragan: "How did he reach you over the Western Union lines?"  
Carlson: "No, by telephone."  
Loneragan: "Over the Pacific Telephone and Telephone lines?"  
Carlson: "Yes, and also over a farm-ers line, that runs to my place."

C. E. (Pop) Gates, former mayor of Medford, former state highway commissioner, and once mentioned for governor, was the first witness of the day. Attorney Loneragan and the witness knew each other, politically.

And otherwise. The masses of politics was being followed by the two in their verbal sparring, when the court said, "this has gone far enough."

Mayor E. M. Wilson called to the stand, was cross-examined on the sewer bonds, the franchise to the power company, and the audit of county and city books in the past. The attorney attempted to show, by their verbal sparring, that they had opposed these issues, and "attacked them bitterly," there was a "persecution plot" against him, one of the claims of the defense.

O. O. Alexander, another former mayor was called to the stand. The

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## OREGON HIGHWAY PLANS SURVEYED AS FUNDS LOOM

Commission To Map Program Making Use Of Five Millions Provided In New Public Works Measure.

## QUARTER BILLION RETURN ANNUALLY IF LIQUOR TAXED

Budget Director Gives House Committee Facts For Consideration In Seeking Means For Finance.

WASHINGTON, May 18.—(AP)—Lewis W. Douglas, director of the budget, told the house ways and means committee today that prompt prohibition repeal would mean an annual return of \$250,000,000 for the federal treasury.

This statement was made as Douglas explained to the committee the great public works and industrial control measure submitted to congress yesterday by President Roosevelt.

Douglas said in 1916 the federal government collected \$247,500,000 in taxes on liquors; in 1917, \$284,000,000; in 1918, \$443,800,000, and in 1919, \$483,100,000.

He said the 1919 and 1918 figures included beer.

"Assuming that the yield from the present beer tax is \$150,000,000," he said "then we could expect a return of at least \$250,000,000 from taxes on spirits."

WASHINGTON, May 18.—(AP)—Four separate ways of raising the tax money to fund the \$3,300,000,000 outlay of the big public works-industrial control bill, were put before the ways and means committee of the house today by the administration, without recommendations for any one but with disadvantages of some levels pointed out.

A flat sales tax of 1-1/2 to 1-3/4 per cent, with no exemptions was one plan described. Three others involved raising income tax rates from their present 4 and 6 per cent levels either to 6 and 10, or 8 and 12 per cent, in combination with income taxation or corporate dividends, plus increased gasoline tax (to 1 1/2 per cent) or levies on tea, coffee and cocoa, or with new miscellaneous taxes covering such items as the smaller admission and long distance telephone charges which are now tax exempt.

WASHINGTON, May 18.—Knowing one's smile and look wide when you mention the new Glass bill amendment proposing to put J. P. Morgan under the federal reserve.

They insist Senator Glass must have thought up the brilliant idea one rainy afternoon when he had nothing else to do. That is not the case.

It came from no less a worthy opponent of Morgan than Mr. John D. Rockefeller, Jr. himself, in person, not a picture. While all lips have been sealed the inside evidence is conclusive.

There is no record to prove it but many will testify in whispers that the amendment was first offered in a private session of the Glass subcommittee by Winthrop W. Aldrich. He is president of Mr. Rockefeller's bank, the Chase National.

If there is anyone who thinks Mr. Aldrich would act in a matter like that without consulting Mr. Rockefeller, he does not know Mr. Rockefeller. They are two persons with a single thought—Mr. Rockefeller's.

The strangest part of the tale is that at the time (about two weeks ago) the committee yawned and was not interested in the proposition. Apparently Senator Glass thought that was too big a head for his horse. The committee filed the idea away and then went down to the White House to find out what Mr. Roosevelt thought about more pertinent aspects of bank reform.

They walked into a surprise. Apparently Mr. Aldrich had been there before them.

When they asked Mr. Roosevelt for suggestions he pulled the Aldrich amendment out of a drawer in his desk. It would be unfair to quote him second-handed but he said substantially he felt it was a good idea.

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## REIN ON MORGAN BANK ACTIVITIES JOHN D. JR'S IDEA

WASHINGTON, May 18.—Knowing one's smile and look wide when you mention the new Glass bill amendment proposing to put J. P. Morgan under the federal reserve.

## REGATTA LURES VANCOUVERITES

A delegation of Vancouver, Wash., Junior Chamber of Commerce Mid-Columbia Regatta officials, are planning to attend the regatta here next Sunday, at least twelve will be in the party.

Plans to welcome the Vancouver group are being made by the Medford Chamber of Commerce and local regatta officials and it is intended that the visitors will have no dull moments from the time of their arrival Saturday evening until the festivities Sunday evening, winding up the outboard racing meet.

BEVERLY HILLS, Cal., May 17.—Well, lots of war news in the papers today. I knew it was coming when I saw we had cut down on our army and navy. If you want to know when a war is coming just watch the U. S. and see when they start cutting down on their defense. It's the surest barometer in the world.

The Democrats have one great failing (that I was in hopes they had lived down) and that is they just want to fix the affairs of the world. Now it's big-hearted and it's mighty generous, but it's just not possible for me (3000 miles away) to tell you what caliber group to have in your house. You know your neighbors better than I do.

Yours,  
Will Rogers

Will Rogers  
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