

The Weather
Forecast: Partly cloudy tonight and Wednesday; little change in temperature.
Highest yesterday 57
Lowest this morning 34

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Twenty-eighth Year

MEDFORD, OREGON, TUESDAY, JUNE 27, 1933.

No. 83.

DAVIS PROFITED IN LOAN DEALS

Comment on the Day's News

HERE are some views on taxation that are worth your attention. They were stated to this writer recently by a thoughtful citizen of southern Oregon. They are somewhat unusual, to say the least.

"MY taxes this year," he said, "amount to \$119. When I total up what I get for this \$119, I can't escape the conclusion that it is a very great bargain indeed."

"For example, I get irrigation water which alone is a very great service. If I had to provide irrigation water for myself, without the co-operation of my neighbors through the irrigation district, which is made possible by taxation, it would cost me more than the total of my taxes."

"THEN I get the use of the good roads that have been built with tax money. That means a lot to me in the way of convenience, comfort and the saving of time.

"If I had to provide these good roads for myself, without the co-operation of the community which is made possible by taxation, the cost would be prohibitive.

"I just simply COULDN'T afford such a luxury. If it weren't for taxation, I would have to do without good roads."

"IN return for the taxes I pay, I get the services of all the various public officers, including the peace officers who protect my property and guarantee my rights as a citizen.

"That service is worth a lot to me, and if I had to do without it I would miss it terribly."

"THEN consider this: 'In return for the taxes I pay, I get the services of the schools, which educate my children—suppose I had to pay for all this service myself, without the co-operation of my neighbors, which is made possible by the organization of society and the institution of taxes.

"If I had to educate my children all by myself, paying for it all out of my own pocket, the cost would be many times the TOTAL of my taxes.

"So, you see, I really get a lot in return for the taxes I pay."

WE have fallen into the habit of thinking of our taxes as all going out and nothing coming back. It isn't that way at all. WE GET A LOT BACK for the taxes we pay. If we had to do without what we get for our tax money, we would miss it frightfully. Life would be very hard indeed without these things.

HERE is another thought that is worth while:

"If we were able to shift all the taxes to 10 per cent of the people, it wouldn't be good for us in the long run, for those who pay the taxes eventually OWN THE GOVERNMENT."

That has been true in the past, in other countries and other civilizations. It may not be true in this country NOW, but it might be true some day.

We don't want to run that risk.

"THE thing to do," this man said, "is to spread the base, so that everybody will pay SOME taxes. Of course, while we are doing that, we should make it possible for everybody to earn enough to be ABLE to pay taxes, but the principle of everybody paying something is sound."

Put that way, it certainly sounds reasonable, doesn't it?"

HE spoke in support of the sales tax, which will be voted on in July. The sales tax, he says, is ANOTHER tax, truly enough, but not an ADDITIONAL tax, because it will take the place of the present state tax on property.

To the owner of property, he says, it will save more than it will cost.

THIS writer, incidentally, expects to vote for the sales tax, not with any enthusiasm for it as a tax principle, but because in the present emergency it seems to be about the only way to raise money enough to save the state's credit.

It is offered as an emergency measure and will continue only two years. If, at the end of that time, we don't re-enact it, it will die automatically.

Remember, Cal. banks have started night banking to accommodate workmen on the Los Angeles metropolitan water district tunnel.

CHILEAN ADVANCE BROUGHT FAT FEE BANKERS TESTIFY

Senate Probers Given Insight On Promotion of Twenty Million Dollar Loan —To Quiz Kahn On Tax

WASHINGTON, June 27.—(AP)—Ferdinand Pecora, senate committee counsel, said today Otto H. Kahn, senior partner of Kuhn, Loeb & Co., will be questioned tomorrow about his income tax returns.

WASHINGTON, June 27.—(AP)—Testimony that Norman H. Davis, American ambassador at large, received \$35,000 in 1925 from the Guaranty company of New York for promoting Chilean loans was given today to senate investigators.

Otto H. Kahn, partner of Kuhn, Loeb and Co., said Davis was paid in connection with a \$20,000,000 loan to the Mortgage Bank of Chile in 1925 by his firm and the Guaranty company.

Kahn read a prepared statement to the committee, saying the Guaranty Trust company had discussions from time to time with Davis regarding South American loans.

The statement, signed by J. R. Swan, president of the Guaranty company, pointed out Davis was a private citizen at that time.

"There was no agreement with Mr. Davis as to the amount he was to receive," Swan said.

"Upon conclusion of the deal, the bankers, without previous consultation with Mr. Davis, decided that the fee for his work in connection with the successful conclusion of the negotiations should be fixed at \$15,000 to be paid by the banking group and an additional \$10,000 was paid by the Guaranty company of New York, with which Mr. Davis had originally discussed the matter."

Subsequently, Swan added, a further fee of \$10,000 was paid by the group on a second loan.

BANKS REMOVED TO COUNTY JAIL

EUGENE, Ore., June 27.—(AP)—Llewellyn A. Banks, former Medford publisher held in Lane county under conviction of second degree murder for the slaying of George J. Prescott, Medford constable, was dismissed from a hospital here today and taken to the county jail. He has been in the hospital since May 21.

He is reported to be in good health but visitors are not allowed to see him.

No action has as yet been taken on the motion filed for new trial for Banks last week.

BANNER OF ROTARY RECEIVED FROM BYRD

BOSTON, June 27.—(AP)—A slaken banner bearing the emblem of the Rotary club of Wellington, N. Z., came into perpetual possession of Rotary International at its 24th annual convention today amid applause for Rear Admiral Richard E. Byrd, who had carried it with him in his flight from Little America to the South Pole.

Byrd witnessed the presentation of the flag. Thomas C. List, newspaper publisher from New Plymouth, N. Z., to Clinton P. Anderson of Albuquerque, N. M., president of Rotary.

RETRIAL GRANTED IN FALSE ARREST CASES

SALEM, June 27.—(AP)—The state supreme court, in two opinions written by Justice Kelly, today reversed Judges Jacob Kessler and James P. Stapleton of the Multnomah county circuit courts, in suits brought by Winfred McLean and Elmer Conrad to recover damages from Clyde E. Sanders, S. C. Chauvin and K. A. McDowell, Portland police officers, for false arrest. The cases were remanded for retrial.

The arrests occurred on July 31, 1929, when the three police officers obtained a search warrant and went to a residence in Portland.

MOLALLA BULL FIGHT BRINGS OUT PROTESTS

SALEM, June 27.—(AP)—Governor Julius L. Meier is receiving letters from all parts of the country protesting a bull fight which was taking place at Molalla backroom July 2 and 4, but abandoned 10 days ago.

This morning 375 letters of protest were received at the executive office—largely from Humane society members in numerous states.

BASEBALL

National.
Cincinnati R. H. E.
Brooklyn 11 14 7
Batteries: Johnson, Kolp and Lombardi; Bengt and Lopez, Outen.

St. Louis R. H. E.
Boston 0 6 1
Batteries: Walker, Johnson and Wilson; Mangum and Spohrer.

Pittsburg at New York, Chicago at Philadelphia, postponed; rain.

American.
Washington R. H. E.
Cleveland 6 10 0
Batteries: Thomas, McAfee, Russell and Sewell; Harder, Connelly and Myatt.

Philadelphia R. H. E.
Chicago 3 11 0
Batteries: Cain, Combs, Oliver, Peterson and Madjeski; Miller, Faber and Grube.

New York R. H. E.
Detroit 9 13 1
Batteries: Brown, Gomez and Dickey; Marberry, Herring, Rowe and Desautels, Hayworth.

MILLION DOLLAR BUILDING PLANS FOR EDUCATION

Oregon Board Approves Program to Use Federal Money for New Construction—May Sanction More

PORTLAND, June 27.—(AP)—A million-dollar building program for Oregon's institutions of higher learning, undertaken through use of federal grant and loan money, has been approved by the state board of higher education. The program may ultimately call for expenditure of \$1,500,000.

With two members absent, the board at a late afternoon meeting here Monday agreed to request \$300,000 as a direct federal grant, and \$700,000 as a self-liquidating loan from federal funds.

Projects listed
With this money the following projects would be constructed:
\$300,000 for a psychopathic ward wing for the children's hospital building at University of Oregon Medical school center at Portland.

\$300,000 for a pulmonary diseases wing for the same institution.

\$130,000 for a training school building for the Eastern Oregon Normal school at La Grande.

\$100,000 for an infirmary for the University of Oregon on the Eugene campus.

\$100,000 for an infirmary for Oregon State at Corvallis.

Between \$40,000 and \$50,000 for a

FEAR OF WHEAT CHAOS GOVERNS

LONDON, June 27.—(AP)—A renewed threat of chaos and price debates which will follow if the American and Canadian wheat surplus of 500,000,000 bushels is "dumped" on the world market acted today to save from breakdown the wheat acreage restrictions negotiations of the four principal wheat producing nations.

A conference of representatives of the "big four" broke up after being in session for an hour. Stanley M. Bruce of Australia told the representatives of the United States, Argentina, and Canada that three Australian states were adamant in their opposition to the restriction scheme.

NEW YORK RATIFIES REPEAL OF DRY LAW

ALBANY, N. Y., June 28.—(AP)—President Roosevelt's home state of New York ratified the congressional repeal of the 18th amendment today with the declaration by former Senator Elihu Root that "there are no 13 states, there will be no 13 states that shall undertake to stand up against the overwhelming voice of the whole people of the United States."

Former Gov. Alfred E. Smith, president of the convention, declared the gathering will stand out as a lesson and a warning for all time to come for the people of this and every other state to be very careful in the future and never allow anything like the 18th amendment to get into the federal constitution.

BRITAIN REFUSES JOIN GOLD BLOC AGAINST AMERICA

Move Headed by France Seen As Effort Deal Independently On Stabilization — England Sits Tight

LONDON, June 27.—(AP)—Great Britain was understood in well informed quarters tonight to have refused to commit herself to a new European gold bloc scheme under which British and continental currencies would be stabilized irrespective of the desires of the United States.

In responsible British circles this move, headed by France, was described as an effort to deal independently on stabilization.

England, it was stated, wants to keep her hands free so that she can deal directly with America on stabilization when the proper time comes.

Britain Sits Tight
Britain's position at the moment, therefore, is that she is sitting tight. Meanwhile gold bloc bankers were meeting again late in the day to consider what new move they could make to force stabilization.

Representative Sam D. Reynolds, addressing the commercial policy committee of the conference today, struck back at charges that the United States had gone nationalistic. He asserted monetary stabilization should be undertaken by all nations rather than only three or four.

Talk Stirs Comment
The American spoke in a private meeting, but his address was made public later at American headquarters. The speech created much comment in conference circles, particularly because he took an opportunity to dive into home politics.

McReynolds, chairman of the house of representatives foreign affairs committee, agreed with foreign spokesmen that the American tariff act of 1930 was unjust and he explained it was a republican measure.

COBH, Irish Free State, June 27.—(AP)—Assistant Secretary of State Raymond Moley, who had intended to land here and fly to London where he was to attend the world economic conference, changed his plans today and decided to proceed at Plymouth aboard the steamship Manhattan.

The Manhattan is due to reach Plymouth about 6:30 p. m. today (1:30 p. m. E. S. T.).

BANK BANDIT IS GIVEN PEN TERM

SALEM, June 27.—(AP)—Just 52 hours after he glared through the cash window bars at the Aumville bank and escaped with \$655, Frank J. Wegener glared through the bars at Oregon penitentiary and prepared for a life term.

Judge L. H. McLahan pronounced a 10-year sentence on Wegener, who yesterday pleaded guilty and waived preliminary hearing before the grand jury.

He was captured by state police at Medford at 12:15 o'clock yesterday morning and returned to Salem. The robbery occurred about 11 o'clock Saturday morning.

The prisoner made a prolonged plea for leniency. He said his grandmother, 92, lived in Minneapolis and was destitute and needed help.

Wegener lived in Salem, where he worked as a salesman for a time. He was recently employed on a highway construction job.

GILL SPEAKS AGAINST SALES TAX WEDNESDAY

R. W. Gill, master of the state senate, will speak here Wednesday evening at 8:30 o'clock in opposition to the proposed sales tax. The meeting, to be held at the K. P. hall, will be under auspices of the Jackson County Pomona Grange, of which L. R. Kline is master, and will be free to the public.

CAPONE'S SUCCESSOR NAMED AS TAX EVADER

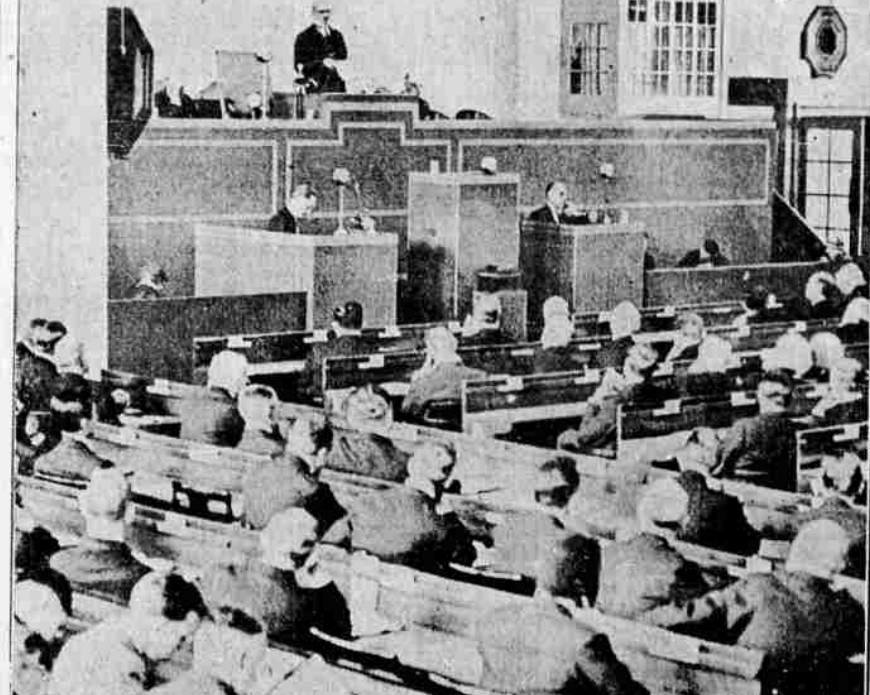
CHICAGO, June 27.—(AP)—Murray Humphreys was indicted today for violation of the income tax law.

Successor to Al Capone as Chicago's such gangster and "public enemy No. 1," he was accused on the same charge that sent Capone to Atlanta federal penitentiary.

The government alleged that Humphreys' earnings for 1930, 1931 and 1932 totaled \$185,000, upon which he should have paid \$36,106 taxes. The gangster actually paid only \$2967 taxes for the three years.

Four counts were returned, one a misdemeanor and three felonies, upon which the total penalty possible would be 16 years in prison and \$40,000 fine.

HERE'S A GENERAL VIEW OF BIG LONDON PARLEY



As the world economic conference held its opening sessions in the geological museum at South Kensington, London suburb, the assemblage of notables presented this appearance. Prime Minister J. Ramsay MacDonald of Great Britain is shown addressing the delegates. (Associated Press Photo)

D'SOUZA SLATED FOR POSTOFFICE PLUM IS REPORT

Into the democratic faithful of Jackson county will soon be distributed the political pie that rewards the winners in a victory at the polls. The high priests of Oregon democracy have decided, according to highly reliable sources, who will fatten on the patronage.

It has been decided, according to semi-official reports, that in due season, and when Postmaster William Warner's term has expired next February, Attorney Frank DeSouza will get the plum. DeSouza has toiled for the democratic party, when it was helpless, and when it was mighty, and was county chairman last year.

He has never wavered in the political faith, and both worked and talked for Roosevelt.

J. E. (Moe) Barkdull, a veteran Bourbon warhorse, is slated for position under the internal revenue collector at Portland. Barkdull has indicated that he is willing to take the job, though a resident of the county for 50 years, and move upstate.

Since his first vote, Barkdull has been an earnest toiler for the democratic party, paying his way to committee meets and conventions.

Another pioneer democrat due for a federal berth is William H. Canon, former mayor of Medford. He is slated to be named to the land office at Roseburg, a place he held under Woodrow Wilson, and would like to have again. Like Barkdull, he has given his all for the democratic party.

Attorney Edward C. (Young Judge) Kelly, elected as a democrat to the state legislature last year, is slated to be an attorney for the Home Loan Bureau, a position that requires knowledge of the law. Upstate democratic leaders figure Kelly is going places in politics. He is slated as the "young democrat."

It is slated as just the position for a youthful democrat. He is a graduate of "Old Oregon" where he was an honor student.

The appointments will be made public from time to time. The word has been given they have been assured, after much letter writing and long deliberation by upstate politicians.

Dalles Bank Planned

THE DALLES, Ore., June 27.—(AP)—The Dalles, with no banking facilities now, may have two banks soon. This was indicated by the application for a charter for a branch bank here by the First National Bank of Portland. The United States National of Portland recently announced it would open a branch here if a charter could be obtained.

KIWANIS GROWING FAST IS REPORT

LOS ANGELES, June 27.—(AP)—A marked upturn in the membership of Kiwanis International for the first five months of 1933 was reported by the organization's secretary, Fred C. W. Parker, Chicago, today, who declared it was "the very best barometer of the pickup of business in the United States and Canada."

"No organization is better situated," said Parker, "to reflect the pulse of the times than a civic group of this sort, operating as it does in 1873 communities in these two countries."

William Reed, master diver who located the submarine S-51 after it had been rammed off New York, has been appointed submarine inspector for the San Francisco-Oakland bay bridge.

Sharkey-Carnera Battle Thursday On Loudspeaker

The battle between Jack Sharkey, heavyweight champion, and Primo Carnera, at New York Thursday evening will be given to Medford fans in a blow-by-blow description over The Mail Tribune's loud-speaker in front of the office on North Fir street.

The fight is scheduled to start at 5:30 p. m. (P. S. T.) and there will be no radio broadcast from the ringside, the promoters announce.

EGAN NEAR PAR, PRACTICES PUTT AT LUNCH HOUR

VICTORIA, B. C., June 27.—(AP)—Albert "Scotty" Campbell, young brilliant artist of Seattle, again set the pace for the qualifiers in the first round of the Pacific northwest amateur golf tournament today, scoring a sizzling 65, one under par, to take a five hole lead over Dr. T. E. Seddon, Los Angeles, at the end of 18 holes in their 35 hole match.

Campbell yesterday was the medalist in the qualifying round with 71-69-140.

Jimmie Todd, Victoria southpaw, was three up on Dick Munson, Seattle. Todd shot an even par 69 on the first lap with the aid of a hole-in-one at the short 14th.

Lee Stell, Seattle, was leading G. K. Thompson, Victoria, by 7 holes; Johnny Shields, Seattle, was 2 up on Goldwyn Terry, Victoria, and Ken Lawson, Victoria, was 10 holes in front of R. L. Chaffler, Victoria.

Only a light breeze prevailed today compared with the 24-mile-an-hour gale of yesterday.

H. Chandler Egan, Medford, Ore., defending champion, was one over par on the 18 to go five up on A. M. Watson, Victoria. Egan was dissatisfied with his putting and spent a half hour practicing during his lunch time.

1300 DRY AIDES OUT JUNE 30TH

WASHINGTON, June 27.—(AP)—Attorney General Cummings announced today that more than 1,300 employees of the prohibition bureau will be furloughed or dismissed June 30 to save \$4,000,000 in the coming fiscal year.

Among the employees to be dropped, the attorney general said, are administrators, agents, investigators, special agents, secretaries, stenographers, typists and clerks.

The attorney general's announcement said "the last session of congress appropriated \$8,300,000 for the purpose of carrying on prohibition enforcement, but under the plan of reorganization contemplated for the prohibition bureau, Director of the Budget Lewis Douglas ordered a saving of \$4,000,000 to be made."

The number of employees to be dropped includes Oregon 9; California 55; Idaho 4; Washington 23.

GLENN'S PLEA OF DOUBLE JEOPARDY DENIED BY COURT

Dismissal of Jury in Trial of Former Jailer On Ballot Theft Held Proper — New Jury Is Called

A plea of former jeopardy, filed this morning by John Glenn of Ashland, former county jailer, charged with ballot-theft, was denied by Judge George F. Skipworth and the selection of a new jury to try him, was started.

Glenn, through his counsel, contended that by reason of the dismissal of the jury Monday, following the state's claims, that J. P. Duggan, Sam's Valley rancher, had disqualified himself, by asserting innocence on the Banks murder trial, and the ballot cases, he had thus been placed in "jeopardy twice, for his liberty, and that he was technically on trial when the jury was sworn in last Saturday.

Technical Acquittal Claimed
The defense held that the first jury was dismissed over their protests and without their consent, and "that the act amounted to acquittal by reason of a blunder of the state." The state argued it did not know of Duggan's statements until after he had been sworn as a juror.

In overruling the motion, the court said: "The court was within its rights, and very properly, in dismissing the jury, and the action of the court will be upheld if the case ever reaches the higher courts. There has been no double jeopardy."

Twelve Called
The first twelve persons called to the jury box were:

Newton Lewis, farmer, Watkins; Miss Elva Adams, housewife, Central Point; Gordon Cox, farmer, Trail; Frank C. Clark, architect, Medford; Mrs. Agnes Sanderson, housewife, Beagle; Mrs. Sylvia Kellogg, housewife, Hillcrest orchard district.

(Continued on Page Two)

BORG INJURED IN FALL FROM ROOF

C. O. Borg, well known Talent contractor and prominent in Medford American Legion circles, is in the Community hospital at Ashland with both legs broken near the ankle, as result of a fall from the roof of L. H. Gallatin's barn in the Valleyview district this morning.

Borg, while shingling the structure, started sliding down the roof and essayed to jump to the ground upon reaching the eaves. Although the distance was only about ten feet, the weight of his approximately 200 pounds was sufficient to snap the large bones in both legs.

REGISTRATION FOR ELECTION LOWER

SALEM, June 27.—(AP)—Registrations for the special election July 21 will show a decrease of approximately 10 per cent when compared with those for the general election in November, 1932, according to figures received at the state department from 11 counties.

All of the counties which have reported showed a decrease in registration with the exception of Gilliam, which has an increase of one.

SANTA MONICA, Cal., June 26.—You talk about an earthquake hitting California, that was kindergarten stuff compared to the news that some nut sent over the cables that Sister Aimee had had a baby.

It looked like a case of maternity by remote control.

Science is so marvelous it is confused with miracles, and it looked like birth control by electrical transcription. But now that the facts are all in, we find the visit to the hospital was to beautify the present generation and not to perpetuate the future.

Yours,

Will Rogers

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