

The Weather
Forecast: Cloudy and unsettled, with occasional rain tonight and Thursday. No change in temperature.
Highest yesterday 39
Lowest this morning 31

MEDFORD MAIL TRIBUNE

Watch the TRIBUNE'S
CLASSIFIED ADS...
Lots of good bargains
that mean genuine
savings.

Twenty-eighth Year

MEDFORD, OREGON, WEDNESDAY, JANUARY 10, 1934.

No. 248.

STATE RELIEF DIRECTOR RESIGNS



(By Paul Mallon)
Copyright, 1934, by Paul Mallon.
New Phase

WASHINGTON, Jan. 10.—Mr. Roosevelt is getting so cagey he even keeps his advisers from knowing exactly what he has in mind.

Nevertheless some of them have been able to put two and two together. They think they can perceive what he is trying to do.

They are convinced that the new deal is now entering its third distinct phase. And incidentally they are rather happier about the prospects for a successful conclusion of this stage than they were about the other two.

Billions
Here is the way they figure it out: The Warren theories are being filed away in the lower drawer of the presidential desk.

What is in front of the president's eyes now is a project of pouring billions of government money into the hands of the people to accomplish the same objects his other experiments failed to produce—higher price levels and renewed business activity.

He is using relief as a vehicle for stimulation.

This suspicion is fairly well bolstered by the fact that he has asked congress to appropriate about six billion dollars and failed to tell congress what the money is for.

Vagueness
He lumped four billions of proposed expenditures under the RFC. His agents explain that indifference by saying the RFC is making a lot of commitments on preferred bank stock and such things. No one else in Washington thinks they need half that much for commitments thus far apparent. (He also neglects to count around \$700,000,000 repayments—the RFC expects in 6 months).

In addition he has called on congress for \$1,148,000,000 more for this year and \$2,000,000,000 more for next year, and refrained from lumping these sums under any heading.

The agents explain that by saying he wants to take care of odds and ends in his various relief agencies.

So you can figure that he will have around six billion dollars for uncommitted odds and ends. The oddity of it is apparent to all who know about budgets, and so is the end.

Purposes
There is only one other thing Mr. Roosevelt could be planning to spend these dollars for, aside from passing them out to people. That is to inaugurate a free gold market.

No well informed insider here believes that is advisable in view of the experience so far with the Warren theory.

They see other strong inner evidence that Mr. Roosevelt is NOT intending to embark on such a serious step. For instance there are indications that Prof. James Markey Rogers' theory of a managed currency along the lines advocated by John Maynard Keynes is making more and more of an impression at the White House. It calls NOT for the Warren commodity dollar or bidding up the gold price but for stabilization.

Hints
Mr. Roosevelt himself hinted at a change of heart in his congressional message. He spoke of an ultimate dollar which "will have over the years less variable purchasing and debt paying power."

Up to now Mr. Roosevelt has been talking about a dollar which would have exactly the same purchasing and debt paying power from generation to generation. This was the commodity dollar.

Another hint is the way we are going after foreign trade. Creation of the Peake bureau in the state department certainly shows the period of trade isolation through unsettled exchange policies must be nearing a conclusion.

Strategy
These deductions suggest Mr. Roosevelt may evolve his strategy along the following general lines:
1—Get his budget through congress and then get rid of congress.
2—Feed out his money here during an expected spring rise, so as to bring a strong resumption of trade.
3—Devalue and stabilize the currency in six months or so through an agreement with Great Britain.
4—He can pay for part of the money fed out with profits from devaluation, but he would have to sacrifice something to get an agreement with Britain. He might have to go back to the old exchange level of \$4.86.

Conservative
That is a far more conservative program than has been expected. It is basically different in theory from what has been attempted so far.

The first phase of the new deal was to go off the gold standard and capitalize monetary uncertainty to stimulate trade. The second was the adding up of gold prices to stimulate prices. Both were artificial devices which did not fit in snugly with the domestic reform efforts through the NRA, FWA et al.

The new idea hits much better. It has the danger of over-responding but economists will certainly be more

WILCOX DECLARES PRIVATE BUSINESS NEEDS ATTENTION

Would Regret Any Political Interpretation of Action Is Word — Must Be No Let-down in Work He Says

PORTLAND, Ore., Jan. 10.—(AP)—After 18 months of intensive, vital service as general director of the state unemployment relief committee and the civil works administration program in Oregon, Raymond B. Wilcox has submitted his resignation to Governor Meier.

Wilcox, through whose hands about \$2,000,000 for unemployment for relief has passed, said the pressure of private business required that he resign. Governor Meier said: "This is a great shock to me." He gave no indication whether he would accept the resignation.

Action Unrevealed
There was, likewise, no immediate indication what action Harry Hopkins, national CWA director, would take.

"On account of pressure of private business," Wilcox wrote the governor. "I find it necessary to resign as chairman of the state relief committee, to take effect immediately."

"I have greatly enjoyed the work during the past year and a half, and particularly the recent organization of the civil works administration, and deeply appreciate the hearty support which I have had from you at all times."

"I have telegraphed Mr. Hopkins, federal civil works administrator, of my action in order that he may make necessary arrangements for continuance of the civil works administration in Oregon."

Regret Political Slant
"I would regret it exceedingly," Wilcox said today, "if any political interpretation were placed on my act of resigning. My reasons for resigning are stated fully and completely in my letter to Governor Meier."

"There can be no question of Governor Meier's accepting the resignation, as I have definitely stepped out."

"The splendid state relief and CWA organizations I have built up," Wilcox continued, "will run on their own momentum for a long time to come. Any changes made in the structure will be at the instigation of Governor Meier or his appointees."

"There should be absolutely no letup in relief work throughout the state, as the staff is very efficient. Any of them is at liberty to consult me at any time on knotty problems, and I will continue to render all the service to the state that lies within my power, but not in the position of chairman."

LINDBERGH GIVEN BLOCK OF STOCK

WASHINGTON, Jan. 10.—(AP)—How Transcontinental Air Transport Corporation, Inc. gave Charles A. Lindbergh 25,000 shares of the company's stock for his advisory services was explained to the senate air mail contract investigation committee today by D. M. Sheffer, chairman of the company's executive committee.

Sheffer termed Lindbergh's services "extremely valuable," and for them the famed aviator was presented with stock valued at \$250,000, and paid \$10,000 a year.

31 TRANSIENTS LISTED AT LOCAL QUARTERS

Registration of transients at the Medford transient relief station today at 31 today, G. R. Durham, manager, announced this afternoon.

Of this number 17 were remaining at the station. The others had traveled on to various points. There have been no men sent from the local station to the Talent camp to date, officials having not yet received authorization from Portland.

POMEROY TO FORE IN RIFLE COMPETITION

Medford Rifle club held their 4th postal match shoot Tuesday evening with the five high scores going to Spokane, Wash., in competition for the Pacific Northwest championship scores were as follows:

Pete Pomerooy	369
Ed Lull	350
E. H. Pomerooy	346
R. L. Edwards	340
H. E. Rinabarger	339
M. C. Glasen	339
Lex Lull	328
Al Perry	318
Ivan Wadwell	308

Slaying of Boy On City Street Deep Mystery

SEATTLE, Jan. 10.—(AP)—Mysteriously shot at a street intersection last night, 14-year-old Prescott Marion, son of Philip Marion, Seattle and San Francisco business man, died here early today.

Police were questioning youths who knew the boy, on the theory that he was accidentally shot by a friend. Powder burns were found on his shirt and necktie, indicating the shot was fired at close range. The boy died without explaining how he was shot.

OFFICERS NAMED FOR COMING YEAR BY LOCAL BANKS

Annual meetings were held yesterday by the First National bank and Medford National bank in this city with election of officers and board of directors of each bank.

Annual reports submitted to the stockholders were very encouraging, showing a substantial gain in business in each bank during the last half of the year.

Volume of business increased 15 per cent at the First National bank over the report for last March.

At Medford National bank a steady increase in deposits following organization of the new bank, which commenced business September 12, 1933, was revealed in the report.

B. E. Harder was re-elected president of the First National; Eugene Thordicke, vice-president; Oria Crawford, cashier, and O. D. France and R. E. Sweeney, assistant cashiers. Elected to the board of directors were Mr. Harder, Mr. Crawford, John R. Tomlin, H. S. Deuel, of Medford, and George W. Dunn, of Astoria.

J. A. Perry was re-elected president of Medford National; A. C. Hubbard, vice-president; George Perry, cashier, and Clara Wood, assistant cashier. Directors chosen were: Messrs. Perry and George Roberts, J. F. Wortman, C. W. Ashpole and A. C. Hubbard.

The Farmers and Fruitgrowers bank will hold annual meeting of stockholders tomorrow.

FAMOUS CHINESE ARMY GOES RED

(By the Associated Press.)
The most famous fighting unit in all China—the 19th route army which defended Shanghai from the Japanese in 1932—has turned rebel.

The 19th is fighting fiercely in Fukien province against the combined forces of General Chiang Kai-shek, for whom they battled just as fiercely two years ago.

Originally, the 19th was a Cantonese outfit. It received its name from the fact that it was given a certain territory or "route" to defend.

During Japanese hostilities, it was hurled into the main defense task and stood the brunt of the battle of Shanghai.

NAVY PLANES HOP OFF FOR HAWAII

Uncle Sam has aimed six of his newest seaplanes at a record—the greatest non-stop flight in history by seaplanes in formation—over the 2,150 nautical mile route from San Francisco to Pearl Harbor. Here, against the background of sister ships, one of the "flying cruisers" makes a landing.

SAN FRANCISCO, Jan. 10.—(AP)—The massed flight of six huge navy planes began at 2:22 p. m. (P.S.T.) today, the ships heading out of the Golden Gate on their 2400 land mile flight to Honolulu after their start had been delayed more than two hours by lack of wind.

Although the first ship took the air at 12:11 p. m., the five other planes were forced to make numerous attempts to get into the air, the last one finally going aloft at 2:13 p. m.

"We expect to go through on schedule and eat pineapples in Honolulu tomorrow," declared Lieut. Com. Kneifer McGinnis, commander of the history-making flight, just before he boarded his flagship.

GERMANS BEHEAD DUTCH YOUTH FOR REICHSTAG BLAZE

Van Der Lubbe Stolid in Last Minutes — Popular Indignation Flares in Holland — Action Is Surprise

AMSTERDAM, Holland, Jan. 10.—(AP)—Popular indignation flared in various sections of the population today at the news of the execution of Marinus Van Der Lubbe, 24-year-old Dutch stonemason, who was beheaded today for firing the German reichstag building.

The citizenry appeared surprised, since it had been thought that President von Hindenburg would commute the Dutchman's death sentence because of the representations of the Dutch government.

By JOHN A. BOUMAN
Associated Press Foreign Staff
LEIPZIG, Germany, Jan. 10.—(AP)—Marinus Van Der Lubbe, 24-year-old Dutch stonemason, was beheaded today for firing the German reichstag building in Berlin last February.

He had repeatedly confessed setting the fire, but steadfastly refused to divulge any information as to whether he had any accomplices.

Van Der Lubbe had been under sentence of death since December 23 when the supreme court convicted him and acquitted four co-defendants.

Merely Denied
Steps through which the Dutch government sought to gain a lighter sentence for the young Hollander were unavailing.

Late last night Van Der Lubbe was informed by the Leipzig prison governor that justice must take its course, but the announcement failed to arouse him from the stupor in which he remained virtually throughout the long trial.

Van Der Lubbe did not reply to questions of whether he wanted a lawyer to attend him on the last walk to the guillotine—nor did he express any special wish.

Bell Tolls Doom
At 7:23 o'clock this morning, a few strokes of the prison bell announced to the outer world that a man was paying the extreme penalty.

Few realized, however, that it was Van Der Lubbe—probably the most talked-of criminal in recent years.

There had been no intimation until the last moment that President Paul von Hindenburg would decline to pardon the Dutchman.

At 6 o'clock the warden entered (Continued on Page Eight)

WHOLESALE BUYERS FLOCK TO GOTHAM

NEW YORK, Jan. 10.—(AP)—An influx of buyers to the local wholesale markets, setting a 4-year record and exceeding the same period of 1933 by 35 per cent, was reported by the New York Times today for the week ended yesterday.

Undergo Operations—Joy Moffet of Prospect underwent a major operation at the Community hospital today. Mrs. Fred Gardner of route 4, Medford, also underwent a major operation at the hospital.

VETERAN GAME OFFICER IS RESTORED TO DUTY

ASTORIA, Jan. 10.—(AP)—C. P. Smith, veteran Oregon state game officer who was dropped from the force several months ago with five others, for reasons of economy, has been restored to full authority in this district.

Sergeant C. A. Hearing, who was on duty here during Smith's absence.

Trailed In Slayings



Mrs. Edith Dilly McGinnis Christman (above) was sought by officers of Massillon, O., for questioning in the fatal shooting of her estranged husband and his invalid sister. (Associated Press Photo)

STAGE ROAD STILL SEIZED; TWO HELD FOR MOONSHINING

On the Old Stage Road, west of Central Point, state police and the sheriff's office last night located the third still seized in this section since repeal. In connection with its operation Leroy Wright, 46, farmer, and Phillip Price Hale, 29, CWA workman, were arrested.

Wright last night at the scene of operation and Hale this morning on the Jacksonville-Phoenix road, where he was at work on a CWA project. The two are held in the county jail.

Wright is charged with operation of the still and Hale is under arrest as an accomplice. The latter is understood to be the owner of the still, which was in operation on the Wright farm when officers arrived there last night. Wright offered no resistance, but invited the officers in, stating that "You've got me, all right."

The 15-gallon still, four gallons of moonshine whiskey and a quantity of mash were seized by the officers and are stored as evidence today at the state police station, which smelled loudly of the fumes this morning.

Numerous complaints have been brought to officials regarding the activities of Hale before he was arrested, state police stated today.

The two men will probably be arraigned tomorrow.

ROOSEVELT WILL ASK HUGE SUMS FOR RELIEF NEEDS

\$1,166,000,000 Additional Needed to Complete Current Year CWA and CCC — Tariff Proposals Wait

WASHINGTON, Jan. 10.—(AP)—President Roosevelt expects to submit shortly to congress a request for a \$1,166,000,000 additional appropriation to complete the budget for the current year.

Out of this, he expects to obtain funds necessary to continue the Civil Works Administration and the Civilian Conservation Corps.

Meanwhile, he said today at the White House, a final decision has not been reached on the allocation of the \$2,000,000,000 emergency recovery fund he has proposed for next year.

Money for the Reconstruction Corporation and the Public Works Administration will come out of this recovery fund.

Mr. Roosevelt said he would not submit his tariff proposals to congress until Secretary Hull returns from South America the last of this month.

WASHINGTON, Jan. 10.—(AP)—The appropriations committee asked the house today to appropriate \$566,435,000 to finance 16 independent federal agencies for the next fiscal year.

The committee estimates savings in "retainer" expenditures made under the economy act, at \$265,000,000.

It appended to the independent offices appropriation bill provisions to extend the economy act, estimating these would result in a "saving" of \$160,000,000 in the whole budget next year.

Proposed extended economy act provisions, which will meet opposition on the floor when the bill is taken up for amendment tomorrow, included:

A 10 per cent pay cut for federal employees for the year beginning July 1 and ending June 30, 1935.

Application of pay cut provisions to house members and senators, so that after July 1 they will be making \$9,000 instead of \$8,500 as at present as compared with their pre-cut salary of \$10,000.

A directive for the President to make reductions of living costs each six months, restoring the pay cut when they reach 1928 levels.

Permission for heads of the independent offices to incur deficits for salaries only if the cuts are restored by presidential order.

Continuation of the 25 per cent reduction in mileage and travel allowances for members of house and senate.

The Veterans' administration is to get most of the \$566,435,000 in the bill—a total of \$546,000,000.

WASHINGTON, Jan. 10.—(AP)—In special messages, President Roosevelt recommended to congress today the guaranteeing by the government of principal as well as interest on farm mortgage refinancing bonds, and the rapid ratification by the senate of the disputed St. Lawrence waterway treaty with Canada.

Senate debate on the house liquor tax bill was interrupted for reading of the farm credit message. The house earlier had heard it, after receiving from its appropriations committee the first big money bill—over \$566,000,000 for independent federal agencies.

COMMUNICATIONS CONTROL FAVORED

WASHINGTON, Jan. 10.—(AP)—Chairman Dill of the senate interstate commerce committee said today the special committee appointed by Secretary Roper had approved plans for creation of a federal communications commission to regulate all radio, telephone and telegraph service.

Asked if this proposed a merger of communications systems, Dill replied that consideration of this would have to come later, but that "the administration is desirous that something be worked out along this line."

The proposed body, to be known as the federal communications commission, would have three divisions, for radio broadcasting, telephone, and telegraph services.

Wireless telephone and telegraph would be included under the last two divisions, respectively.

Goes to Rome.
PORTLAND, Jan. 10.—(AP)—The Most Rev. Edward D. Howard, Catholic archbishop of the Oregon province, will leave tonight on his "ad limina" visit to Rome. He will go by way of New York and will return through the Orient, the trip requiring about four months. He will be accompanied by bishop Edwin V. O'Hara of Great Falls, Mont., former rector of St. Mary's cathedral here.

WALLA WALLA, Jan. 10.—(AP)—Dillon D. Eary, 87, eastern Oregon pioneer who came west in the early twenties, died here at the veterans' hospital last night. He had been ill for some time.

Milk Blockade Against Chicago Delivery Lifted

CHICAGO, Jan. 10.—(AP)—The Chicago milk blockade was ended today on a truce reached between warring factions in a conference with Mayor Edward J. Kelly.

The mayor announced milk deliveries would be resumed this afternoon after five days of violence that had left Chicago almost milkless.

Arbitrators were named to assist farmers and dealers in agreeing upon a price to producers.

LOCAL POSTOFFICE ADDITION WAITING ACTION FROM PWA

Two telegrams of importance to Medford were received from Senator Charles L. McNary. It was reported by Chamber of Commerce officials this morning. Some time ago the Chamber of Commerce wrote Senator McNary asking the status of the \$85,000 allotment for the federal building and in reply received the following message:

"I regret to advise that Medford postoffice building has not yet been recommended by public works administration. Matter is still pending and am hopeful of action later."

The Chamber of Commerce, Fruitgrowers' league and Rogue River Valley Traffic association jointly sent the senator a message a few days ago urging that he oppose any further reductions in federal allotments for experiment stations and extension services.

It is believed that these reductions would do considerable harm in Oregon as a tremendous saving to the state can be attributed to their work.

Senator McNary replied as follows: "While I regretted fully in accord with position and will oppose budget cuts that cripple splendid work being performed through extension and experiment stations."

It is believed that these reductions would do considerable harm in Oregon as a tremendous saving to the state can be attributed to their work.

Senator McNary replied as follows: "While I regretted fully in accord with position and will oppose budget cuts that cripple splendid work being performed through extension and experiment stations."

Following a 45-minute delay in starting the proceedings to test the constitutionality of the act passed by the special session of the legislature, because of the failure of Judge Lewelling to arrive from his home in Albany on schedule, the court announced that Judge Leavitt of Klamath Falls, who was to assist Watkins in the arguments could not attend, but would be permitted to file his briefs. This was taken to indicate no decision would be handed down by Lewelling for several days.

FORD HAS RIGHT TO SELL U. S. AUTOS

WASHINGTON, Jan. 10.—(AP)—The automobile interests of Henry Ford were in possession of a second victory today in an effort to gain government contracts despite the refusal of the Detroit manufacturer to join the NRA.

A move by the interior department to turn down the low bid of a Ford company on the ground that "Ford is not a member of the NRA," was overruled late yesterday by J. R. McCare, the comptroller general.

He wrote Secretary Ickes that "appropriated monies" were not available to pay for other trucks already delivered to interior department agents at Casper, Wyoming, and Salt Lake City, on the ground that the units were offered by other than the low bidder for the contract.

SOLONS WILL EYE MONEY SITUATION

WASHINGTON, Jan. 10.—(AP)—The house coinage committee decided today to begin hearings soon on a general program to stabilize the dollar during which consideration will be given to silver.

Chairman Somers began preparing a list of prominent monetary experts who will be invited to testify. Among those committee members said they would like to hear were Bernard Baruch and Irving Fisher.

So far, committee men said, they had been unable to determine whether President Roosevelt would agree to an expansion of his present silver program.

PIONEER OREGON WOMAN PASSES

PORTLAND, Ore., Jan. 10.—(AP)—Mrs. Rocky P. Earhart, 90, who learned to walk as she crossed the plains to Oregon in an emigrant wagon, died at her home here Tuesday.

She married Rocky P. Earhart who was Oregon's secretary of state for eight years during the term of Governor Moody. He was one of the first Masons in Oregon to attain the 35th degree. He died 30 years ago.

Mrs. Earhart is survived by two daughters, Mrs. Eva T. Alliston and Mrs. Clara E. Koehler of Portland.

Funeral services will be held here tomorrow.

KLAMATH ARGUES LEGALITY OF KNOX LIQUOR MEASURE

Second Step in Campaign to Determine Validity Under Way in Marion County Court—Home Rule Crux

SALEM, Jan. 10.—(AP)—The constitutionality of the Knox liquor control bill was taken under advisement by Judge L. G. Lewelling this afternoon following completion of arguments by both sides of the case. Lewelling requested both counsels to present their court citations and briefs as soon as possible, but did not state when he would hand down his decision.

The second step in the legal campaign to determine the validity of the Knox liquor control bill in Oregon got under way here today in the Marion county circuit court when arguments were heard on the demurrer in the case filed by the city of Klamath Falls against the state liquor control commission.

Constitutionality of the act was challenged by the plaintiff on the grounds chiefly that it violated the home rule amendment, and this phase occupied the major portion of the time of counsel for both sides in the presentation before Judge L. G. Lewelling. The judge several weeks ago denied a motion by the plaintiff for a temporary restraining order, and arguments presented at that time were embellished today on the second hearing.

Intention Cited
Contention that the act should be interpreted for the fundamental purposes for which it was enacted and further that the intention of the legislature and the people in the passage of statutes and constitutional amendments be considered were presented as the main argument by Jay Bowerman, representing the liquor commission. He was assisted in his demurrer presentation by George Neuner, attorney for the commission.

Elton Watkins, representing the city of Klamath Falls based his argument on decisions of courts and opinions of the supreme court holding that under the constitution cities could legislate concurrently with the state, but not in conflict, and that the home rule amendment, known as section 2, article 11 has "always been a living thing, supreme and exclusive."

Following a 45-minute delay in starting the proceedings to test the constitutionality of the act passed by the special session of the legislature, because of the failure of Judge Lewelling to arrive from his home in Albany on schedule, the court announced that Judge Leavitt of Klamath Falls, who was to assist Watkins in the arguments could not attend, but would be permitted to file his briefs. This was taken to indicate no decision would be handed down by Lewelling for several days.

WILL ROGERS SAYS:

RIVERSIDE, Cal., Jan. 9.—Among the society notes of Rochester, Minn., I see where Dr. Cary Grayson of Washington, D. C., arrived at Mayos' road house. Admiral Grayson was President Wilson's private physician.

Seare him, Charley, but don't hurt him for he is the best-liked man in Washington, the best story teller, raises good horses and is personal physician to Senator Carter Glass's fighting roosters.

President Wilson used his sense of humor when he made the doctor an admiral. Doc has never been on any water bigger than Culpepper creek, and he forded it horseback on a possum hunt.

You Mayo boys get Doc to tell you about when he and Jesse Jones of the RFC got into Buckingham palace with President Wilson and Jesse took off his shoes in the reception hall and was warming his feet by the king's fireside.

Will Rogers

(Continued on Page Four.)