

**The Weather**  
 Forecast: Cloudy tonight and Friday.  
 Probably with light rains. Moderate temperature.  
 Highest yesterday 58  
 Lowest this morning 43

# MEDFORD MAIL TRIBUNE

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Twenty-eighth Year MEDFORD, OREGON, THURSDAY, FEBRUARY 15, 1934. No. 279.

## MEDFORD TO LOSE AIR MAIL LINK



By PAUL MALLON  
 (Copyright, 1934, by Paul Mallon)  
 Falling Out.

WASHINGTON, Feb. 15.—There was a rather serious row in the inner circle about the export-import bank matter.

It may lead to the retirement of George Peek as presidential adviser on foreign trade.

Apparently Mr. Peek sold Mr. Roosevelt the scheme for making the bank a great credit pool, lending money to foreign nations to buy our goods. The Hull-Roper faction objected strenuously. They want to promote foreign trade through tariff bargaining.

Because of their objections, Mr. Roosevelt recalled his executive order creating the bank and radically limited its field of operations. He gave it only eleven million dollars instead of a hundred million and decreed that it should extend credits only to Russia.

**Consequences.**

The Hull crowd is whispering the word around that Mr. Roosevelt will keep the bank confined to Russia. They assert the president is definitely against the general policy of lending more money abroad for any purpose. He regards the Russian situation as exceptional.

That undoubtedly means State Secretary Hull and Commerce Secretary Roper will run the foreign trade policy, which leaves Mr. Peek out in the cold.

Incidentally, Mr. Peek never established his office in the state department building. He is still down at his agriculture office. The state department people have a fixed policy of ignoring him. They have more or less resented his intrusion in what they consider to be their own business and insist they do not even know Mr. Peek has been working on foreign trade.

**Boys.**

Jesse Jones has a peculiar technique for handling the business giants with whom he does business through the RFC.

Recently he called a conference of the heads of all companies in one of the largest industries. One of the companies wanted a loan from the RFC to save it from bankruptcy. Jones did not want to make the loan, but he wanted to save the company. When he got the industrialists around a table, Jones started off the conference by saying:

"When I was a little boy, the dog of one of my playmates died. And my boy felt awfully bad about it and we wanted to do something for him. Another kid came forward and said: 'I feel sorry 25 cents worth' and put down a quarter. Another kid did the same thing, and soon we had enough to buy a new dog."

Jones looked around the table, raised his eyebrows and awaited the response. Soon one big shot mumbled: "All right, I feel sorry \$100,000 worth." The others chipped in similarly.

**Wits.**

On another occasion, Jones was having trouble getting his associates to see an issue his way. Again he began:

"When I was a little boy, there was a family living near ours that had as many children as we had. One day we all went to visit them. Each of us had to play with the kid nearest his own age. The kid nearest my age was a half-wit.

"A couple of weeks later this family returned the visit and again I had to play with the half-wit.

"'Good heavens,' I thought, 'will I always have to be with half-wits?'"

**Financing.**

Treasury Secretary Morgenthau is handling his financing in a shrewd way. Instead of waiting until he needs the money, he is leading out his new securities on a time schedule. It calls for issuance of about a billion dollars a month until the end of the fiscal year.

Under that system Morgenthau is always ahead of the game and no one knows exactly what his need for money is. His interest rate probably will be boosted slightly on the next issue.

**Form.**

The statement of Assistant War Secretary Woodring which drew the wrath of the White House down upon his head was:

"We do not desire to make soldiers out of the CCC boys against their will, but we do desire to help direct and develop this great experiment in long range social economics and in physical training. If the army were so directed, it could organize the veterans of the world war, the CCC men and through them the emergency troops into a system of economic storm troops that could support the government's efforts to smash the depression."

That sort of talk has been going around on the inside for some time. It is quite possible that something along that line might be attempted if the need for it should develop.

(Continued on Page Six)

### SERVICE TO END MONDAY NIGHT IS POSTOFFICE WORD

Flying of Mail by Army Pilots Will Cut City Off Route—San Francisco-Portland Service Via Salt Lake City

The city of Medford will not be on the airmail route after midnight February 19, next Monday—that is the announcement from Postmaster General James A. Farley, released today by Frank DeSouza, Medford's postmaster, listing this city among those to face "practical isolation" (in the words of the Chamber of Commerce) as a result of the cancellation of contracts following the senate investigation.

The mail will not fly to or through this city after the cancellation of contracts with private carriers becomes effective, was the news received with a storm of protest from business interests throughout the valley, where, notified. As the United States army picks up the mail at an early hour Tuesday morning, Medford will be off the map, and with it Fresno and Bakersfield on the coast.

Immediate action to urge restoration of this direct post route was taken today by the Chamber of Commerce, A. H. Banwell, manager, announced this afternoon, and Postmaster DeSouza also expressed the hope that Medford will not be deprived of airmail service for long.

**Hope Is Held**

The official announcement received by Postmaster General Farley, Mr. DeSouza explained this morning, also stated that other services would be announced from time to time. In those words Medford has placed great hope of renewed service.

The Chamber of Commerce is communicating today with Senators Chas. L. McNary and Frederick Steiwer and Congressman James W. Mott, asking them to present Medford's case. The co-operation of the Portland, Seattle, Tacoma, San Francisco and Los Angeles chambers of commerce is also being asked in the campaign for restoration of the airmail.

The co-operation of all local organizations and individuals is being urged by the Chamber of Commerce in stressing the importance of airmail service to Medford. Mr. Banwell asked this afternoon that all persons possible contact the Oregon delegation in congress regarding the matter at once.

Under the ruling received, Mr. DeSouza stated all mail going out by plane next Monday must reach a plane stop point before midnight. He asked patrons of the postoffice to bear that fact in mind when mailing.

**Leave By Train**

Medford people will still be able to send letters by airmail, but they will have to travel by train over the first stretch, which will increase the mailing time from Portland to Seattle by 24 hours, and from Portland to Los Angeles by six hours.

From Portland, letters sent out from Medford will go to Salt Lake City and on to San Francisco. Another line will go from Salt Lake to Los Angeles and San Diego.

(Continued on Page Four.)

### FARMERS' CREDIT DIRECTORS MEET

Directors of the Producers' Credit Association for Coos, Curry, Douglas, Josephine and Jackson counties, are meeting today in the courthouse auditorium for the purpose of perfecting their organization. The association is intended to take the place of the Regional Credit bank.

No definite action was taken at the morning session, which was devoted largely to the discussion of details.

The directors were chosen at a meeting held in the courthouse a month ago and represent all lines of farm activity.

### Governor's "Accounting" Promised Near Future

By CLAYTON V. BERNHARD (Associated Press Staff Writer)  
 SALEM, Feb. 15.—(AP)—A review of the present administration in Oregon in "carrying out another plank of his election platform," will be given the people of Oregon by Governor Julius L. Meier within the next week or ten days, it was learned here today.

The address, now being prepared, will neither be a "swan song" nor the opening gun for re-election, persons close to the administration declared. While many would interpret the talk as an indication Meier would run for another four-year term, informative sources state that the governor had not yet made up his mind as to his plans, but that this talk was promised the people in his original program of what he would do if elected.

In his platform the governor declared he would "give an accounting" of his promises near the close of the term. He is now gathering data from the various departments which will show, it was declared, that he fulfilled his platform and had added additional achievements. These will be related in the address.

As soon as the information has been assembled the date of the talk will be made known, and the executive department today stated it would be "very soon."

### Sea Serpent Seen In Bloody Battle Against Sea Lions

TILLAMOOK, Ore., Feb. 15.—(AP) Has the notorious and much publicized "sea serpent" of the Canadian coast visited the Oregon shore?

Two Tillamook men say they believe so. They are Everett Condit and Claude Myers.

Observing a great commotion among the sea lion herds at Seal Rocks while driving along the shore, the two turned field glasses on the rocks and saw, they declared, a sea serpent about 50 feet long. The green sea water was stained with red in the vicinity, they stated. A dead sea lion later was found on the shore.

### ELECTION BOARDS FOR YEAR NAMED BY COUNTY COURT

Election boards for the year were approved yesterday by the county court boards for 11 new precincts—nine in this city—were included. Women predominate on the election boards. There are a few changes in personnel due to former officials moving away from this section or being otherwise disqualified.

The selections for this city and Ashland precincts are printed here. Precincts designated by a star are the new ones. The first named person is the chairman, the second the judge, and the remaining three clerks. The officials are evenly divided between Republicans and Democrats, alternating three and two to a board.

**Medford, North Main**  
 Elizabeth Burbridge, MARY C. Graves, Marie E. Wilson, Edith N. Butler, Mrs. Frank Bellinger.

**Medford, North Riverside**  
 Belle Bennett, Annie J. Bateman, Maud M. Hockney, Stella Anderson, Myrtle Wilson.

**Medford, North**  
 Opal M. Brown, Emma Coghill, Lydia M. Goff, Mrs. Mary L. Harrold, Ora Manning.

**Medford, Oakdale**  
 Lida Applegate, Margaret Lewis, Leah Hutchinson, Mattie C. Schenck, Mary Chaney.

**Medford, Newtown**  
 Mrs. John Jennings, Geo. H. Luy.

(Continued on Page Two)

### LEPER DISCOVERED RUNNING AT LARGE

WARSAW, Feb. 15.—(AP)—Leizer Eshauer, a leprosy patient who was at large for several days, alarming the Jewish quarter, was found today and will probably be placed in a leprosarium in Esthonia.

Eshauer, a chauffeur, contracted the malady several years ago in Palestine. Unaware of his illness, doctors said, he returned to Poland and married. Now he has two healthy children.

His condition was discovered when he went to a clinic complaining of "eczema."

### HUMPHREY DIES RESULT STROKE

WASHINGTON, Feb. 15.—(AP)—A court challenge to the right of President Roosevelt to remove a member of the federal trade commission was ended today by the sudden death of William E. Humphrey.

The former trade commissioner, 71 years old, died as the result of a stroke at his home here. He had been in frail health for some time.

Humphrey had pending in federal court here a suit contesting his removal from the commission, charging that the president had acted contrary to law in taking away his post without charges of wrong doing or malfeasance.

### DEMobilIZATION LOOMS FOR CWA BY EARLY SPRING

Saturday Payday Assured, But Number of Weeks Remaining Problematical—South Break Ranks First

WASHINGTON, Feb. 15.—(AP)—CWA workers will be paid off as usual Saturday, thanks to congress' belated passage of the \$950,000,000 relief appropriation, but how many more weeks' work they will get remains problematical.

President Roosevelt is determined to get rid of the whole system as soon as possible. He hopes CWA will be a thing of the past by late spring. Demobilization already is underway, and the ranks will be cut as fast as relief officials find it possible.

Although nothing has been made public as to what form the demobilization will take, it was regarded as probable that each state would be instructed to reduce its CWA rolls by a fixed percentage each week for the 10 weeks between now and May 1. Details as to projects to be discontinued or cut down likely will be left to state and county administrators. Social service workers may be sent into communities by the state administrators to study the local situations and decide the best place to make the cuts.

**South Hit First.**

Demobilization will likely start in what is known as the deep south, where truck gardening and other farm work is already going full blast. A reduction of at least 10 per cent weekly in the number of workers is expected in these sections. Lesser reductions during the remainder of February and the first two weeks of March probably will prevail in the more northerly areas with gradual larger cuts until May 1.

WASHINGTON, Feb. 15.—(AP)—Tentative on the case for the stock market regulation bill, the senate investigating committee today dug behind dealings in alcohol stocks last summer to Commercial Alcohol corporation profited from sales of its shares to a market operator at below-market prices.

Further airing of the airmail contract cancellation cases was assured, meanwhile, by a house committee decision to invite testimony from Walter F. Brown, Hoover postmaster-general, Charles A. Lindbergh and officials of the affected companies.

(Continued on Page Four)

### PLOT TO KIDNAP CARTOONIST BARED

DES MOINES, Feb. 15.—(AP)—An apparent plot to kidnap Jay N. Darling, nationally known cartoonist and member of President Roosevelt's wild life and game commission, was disclosed by federal officials here today.

Officers first learned of the purported plot while Darling was en route to his home from Washington.

Federal officers provided him with a guard when he reached Chicago. Iowa investigators took over the guard at the state border.

Darling returned Wednesday, but officers have since kept his whereabouts secret in their effort to protect him.

### PNEUMONIA FATAL FOR M. A. TRAYLOR

CHICAGO, Feb. 15.—(AP)—Death has closed the career of Melvin A. Traylor, the banker who rose from a humble beginning in a Kentucky log cabin to become an international figure in banking and a national power in politics.

His heart weakened by a 35 days siege of pneumonia, the 55-year-old president of the First National bank—a \$900,000,000 institution died late last night at his home.

Mrs. Traylor, who was the former Dorothy Arnold Yerby of Hillsboro, Texas, and the couple's two children, Melvin Alvah, Jr., and Nancy, were with Mr. Traylor, who had been unconscious for several hours when death occurred.

### 100,000 LBS PRUNES SOLD BY ROSEBURG

ROSEBURG, Ore., Feb. 15.—(AP)—Sale of 100,000 pounds of prunes, the largest lot remaining in the possession of an individual grower in Douglas county, to Rosenberg Bros., California buyers, was reported here this morning. The prunes were sold by A. J. Young, Roseburg city councilman. He received 64 cents for 40-45s on the Italian variety, and the net proceeds brought 4 cents for 75-80s, can f. o. b. Roseburg.

### CZECHS GAVE AID TO RED UPRISING AUSTRIA CLAIMS

Socialists in Vienna Capitulante—Mercy Offered All Who Surrender Arms—Italian Troops On Border

(By the Associated Press)

After three days of grim warfare, socialists in Vienna today capitulated to forces of the government.

Fighting continued, however in some provinces. A small army of 2000 socialists surrendered on the outskirts of Vienna.

Government troops were sent to the aid of Prince Ernest Von Starhemberg, leader of the fascist Heimwehr, reported surrounded in Steyr. But the newspaper Tagblatt said fighting in that area had ceased and that Starhemberg would return to the capital today.

Chancellor Dollfus issued a "mercy offer" to socialists if they would surrender their arms. Many accepted it.

The newspapers Giornale D'Italia in Rome and the Magyarasz in Budapest charged the government of Czechoslovakia had supported the socialists in their rebellion against the Austrian government.

German newspapers bitterly attacked Dollfus' radio appeal for support, charging he was responsible for "murders" "filled with dead workmen."

Italy had 75,000 troops concentrated on the border of her little neighbor, prepared for possible action. The government said they were not there because of the Austrian situation.

Sir John Simon, British foreign secretary, indicated to the house of commons that his government would not interfere in the present situation.

Other European governments, with one eye fixed on their own internal affairs, watched Austria with the other eye today.

Workers in Czechoslovakia struck for five minutes in sympathy with the Austrian socialists. The Czechoslovakian government was cautious lest the workers' sympathies should develop into disturbances.

### IRRIGATION LOAN TOTALS \$405,379

Full amount of the loan to the Medford Irrigation district, approved yesterday by the Reconstruction Finance Corporation is \$405,379, according to a telegram received this morning by General Manager Olen Arnsperger. A telegram from Senator Steiwer yesterday said the amount was \$402,309. The district applied for \$420,000.

Close to a million dollars in federal money for local irrigation districts has been approved, according to Manager Arnsperger, and will require close to \$2,750,000 in irrigation bonds and indebtedness.

The Talent Irrigation district was allotted \$377,300, on an application for \$500,000. The Gold Hill district was awarded approximately \$50,000, the Rogue River district \$89,800, and the Eagle Point Irrigation district seeks a \$109,900 loan.

Refunding plans with the bondholders are now in course of consummation.

Attorney Peter J. Neff, who has been in Washington, D. C., on behalf of the irrigation loans, is now en route home.

### MURREL RETURNING TO LIFE WITH ARMY

SAN ANTONIO, Tex., Feb. 15.—(AP)—Lieut. John H. Murrel, cleared of a criminal attack on Miss Blanche Hall, red-haired Alabama divorcee, said today he is going back to the army with a "clear conscience."

"I knew I would be acquitted," he said, "but I was sure I would be the ninth infantry officer said. "I suppose it was because by conscience was clear. The trial has not embittered me. I still have the same confidence I always have had in the womanhood of America and I am going back to the army to perform my duties in the same spirit as before."

### ELIHU ROOT MARKS 89 YEARS OF LIFE

NEW YORK, Feb. 15.—(AP)—Elihu Root, dean of America's "elder statesmen," is 89 years old today.

For some time the former secretary of state has declined to give interviews on his birthday and the rule will be observed this year.

Mr. Root's son and other members of the family will visit him and he is expected to spend the day quietly at his apartment.

### QUIZZED IN LOVE CULT INQUIRY



Mrs. Muriel Bertson Wallace, former chorus girl, was questioned by police in Los Angeles in an investigation of "spiritual love weddings" in the temple of a so-called cult. She denied she was about to be "spiritually married" as charged by her husband, William Wallace, of San Francisco and said she would seek a divorce. Her four children were held by juvenile authorities. Left to right: Claire, 7; Mrs. Wallace, holding Jacqueline, 2; Billie, 9, and Gloria, 4. (Associated Press Photo)

### RAILROADS SLASH PAY OF WORKERS FIFTEEN PER CENT

CHICAGO, Feb. 15.—(AP)—Formal notice of a 15 per cent reduction in basic rates of pay was served on all railroad labor union executives today by executives of western, eastern and southeastern lines.

The cut will substitute for a 10 per cent deduction from pay checks now in effect under an agreement made a year ago. It will amount to a five per cent additional cut. It will, if put into effect, be the first actual reduction in the basic rate schedules of rail employees' pay.

The notice of the intended reduction included a proposal for a conference to be held here March 1.

WASHINGTON, Feb. 15.—(AP)—Representatives of railway unions and brotherhoods expressed surprise here today when informed of the carriers' notice of a 15 per cent cut in basic wage rates.

A. E. Whittney, chairman of the Railway Labor Executives' association, said the news dispatches were the first word the brotherhoods have had of the cut and that until official notice was received they would have nothing to say.

Railroad men at present are working under a 10 per cent cut which expires on June 30.

### PEARSON FIELD AIRMAIL DEPOT

PORTLAND, Ore., Feb. 15.—(AP)—It was believed certain here today that the facilities at Pearson field, Vancouver, Wash., will be used by the army as the airmail base in this region when the army undertakes to fly the mail next week.

Bernard Hagemann, Portland postmaster said, Pearson field undoubtedly will be selected as the base, and Maj. C. T. Phillips, heading a scouting squadron of six planes, intimated yesterday that that army field had been designated.

"The army is well equipped to do all this work," Postmaster Hagemann said. He explained that the army will have charge of the mail from the postoffice to the flying field.

### Insull Permitted Stay In Greece for Health

ATHENS, Feb. 15.—(AP)—Premier Tsaldaris announced today that Samuel Insull, Sr., former American utilities operator, will be permitted to remain in Greece until his health improves.

Insull, wanted in the United States to face charges growing out of the collapse of his enterprises, originally was ordered to leave Greece January 31.

He appealed, however, on the grounds of illness.

Previously the 74-year-old fugitive had been victorious in Greek courts twice against efforts of the United States government to obtain his extradition.

After one medical examination by physicians appointed by the government, it was announced Insull had been found able to travel—provided ample precautions were taken.

Later, however, the premier expressed the belief it would be "murder" to deport him in his present physical condition.

Nevertheless, the case was left hanging fire until today.

Insull thus won a technically temporary, but really important victory in his fight to remain in Greece.

### MANNING MOTIVE IN KILLING HORAN REMAINS SECRET

Young Klamath Attorney Buried Today—Officers Busy Building Up Case Against Brilliant Lawyer

George M. Roberts, attorney of this city, returned yesterday from Klamath Falls, where he consulted with Attorney Horace M. Manning of that city, held in the Klamath county jail, awaiting trial for the death of his former law partner, Ralph W. Horan last Monday evening, in Manning's office. Attorney Roberts said he "would probably be retained to defend Mr. Manning." The veteran Klamath county criminal lawyer has indicated he will plead self-defense.

Attorney Manning is well known in this city and in Jacksonville and Ashland. According to local friends, he was born in Jacksonville, and his father was a stage driver out of that city, fifty years ago.

Manning when a boy of 16 years, worked in the Depot restaurant at Ashland, and went to school there. From his savings as a waiter he went to law school in Chicago. He returned to Ashland and a few months later started the practice of law in Klamath county. He rose to prominence rapidly.

Attorney Manning was a regular attendant here for years at the southern Oregon term of the federal court. Horan appeared at the term last year.

About ten years ago Manning made an appearance in the circuit court at Jacksonville as counsel for Henry Wilson, former chief of police of Klamath Falls who was charged with a violation of the law. Wilson, at the time residing on a Sams Valley ranch, was acquitted.

E. O. Heinrich of Berkeley, Calif., criminologist, who revealed vital evidence in the hunt and trial of the Siskiyou tunnel train robbery and quadruple murders, has been retained by Klamath county to make a study of the case.

KLAMATH FALLS, Ore., Feb. 15.—(AP)—Young Ralph Horan, one of the junior members of the house of representatives, went to his grave in Lankville cemetery this morning. In a cell in the county jail, Horace M. Manning, a veteran of thirty brilliant years of practice in the Oregon courts, was confronted by a first degree murder charge filed against him late yesterday.

The two attorneys, partners until three years ago, became involved in a sensational slaying here Monday night. Horan was shot twice and instantly killed. Manning, who was converted across a desk with Manning in the older man's law office.

Evidence Gathered

The decision to file murder charges came after the state, headed by Theodore Gillenwater, district attorney, and assisted by E. O. Heinrich, Berkeley, criminologist, conducted a close scrutiny over all evidence and facts gathered since Monday.

The prosecution said the state would proceed on the theory Manning fired all shots in the Underwood building on Main street. One gun was found in Horan's left hand.

(Continued on Page Four.)

### WILL ROGERS SAYS: SANTA BARBARA, Calif., Feb. 14.—Funny thing, just when I was reading about our great ship the Leviathan being tied up and rotting, why who drops in to my igloo to see me but my old friend Captain Hartley, who was the skipper of that ship during all its great years. He says that the excuse is that it is too big to operate, yet England and France both are building ones bigger.

Then Germany is waiting to see what they do, then she will build one still bigger, but ours is laid up because it's too big.

Well anyhow, what is there to worry over? Greta Garbo is not married, so cheer up. Everything is fine again.

What does it matter who carries the mail? There hasn't been an important letter written in years.

### WILL ROGERS SAYS: AIRWAYS INSPECTOR AGAIN SURVEYS PORT

E. L. Yuravitch, inspector of the airways division, United States department of commerce, is in Medford again today in the interests of the local airways department. With City Superintendent Fred Scheffel he was inspecting the Medford port again this morning.

Medford's application for CWA funds for improvement of the local airport has met with the approval of the Oregon officials and is now en route to Washington, Mr. Scheffel was informed yesterday.

### WILL ROGERS SAYS: INSULL PERMITTED STAY IN GREECE FOR HEALTH

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