

The Weather  
Forecast: Unsettled with rain tonight and Thursday; moderate temperature.  
Highest yesterday 64  
Lowest this morning 42

# MEDFORD MAIL TRIBUNE

WINNER  
Pulitzer Award  
FOR 1934

Twenty-ninth Year

MEDFORD, OREGON, WEDNESDAY, FEBRUARY 20, 1934

No. 283.

# F. R. ASKS 2-YEAR EXTENSION NRA



By Paul Mallon  
(Copyright, 1933, by Paul Mallon)  
WASHINGTON, Feb. 20.—The lawyers will be arguing from now on about what the supreme court did in the gold case. The only thing they may agree on is that the court faced the facts in preference to the law. In other words, the decision was based on calm reasoning rather than cold constitutional words. At least this is what they are saying here now.

It places a lot of lawyers who have always believed that the letter-of-the-law has caused much injustice as well as justice. As they see it, the reasoning behind the court decision was quite simple. When the justices locked the door and got down to business, they did not call for copies of the constitution and thumb through it first. They merely asked themselves the question whether the people who were suing the government had actually been damaged because the new deal devalued the dollar.

Any fair-minded economist will tell you the answer. They had not. Liberty bond holders bought their bonds, say, in 1918 with the old 100-cent dollar of that period. (That was the year when most of the Liberties were sold by the government). If they sell those bonds now, they will get just as many of President Roosevelt's 50-cent dollars.

The only actual difference to them is that their bond would buy in 1918 and what it will buy now, not in gold, but in food, clothing and such things. If you dig back into the value of the dollar in 1918, you will find it was worth about 76 cents in purchasing power. That is, prices were then 24 per cent higher than what you could get only 76 cents worth of food and clothing for it.

Today the dollar will buy roughly \$1.33 in goods at the present lower price level. So if anyone owes anyone else in this matter, you Liberty bondholders would seem to owe the government about 57 cents. At least the dollars with which you bought your Liberties will buy that much more today.

The figures used are from the survey of wholesale prices conducted by the bureau of labor statistics. They are computed on a 1926 base, with prices that year being considered to furnish 100 cents purchasing power for the dollar. The average purchasing power of the dollar in all commodities for 1918 was exactly .762 and for 1934 it was exactly \$1.33, as shown in this recently issued survey. The gold prices for the two comparative periods are beside the point, because no American citizen now owns his gold with his Liberty bonds or his dollars.

There was one trick in the decision. The reasoning implies that the court might hold differently in a case of foreigners, who have suffered actual damages on their Liberty bond investments as a direct result of devaluation. For instance, a Frenchman who paid 10,000 francs for a Liberty bond will find it worth only about 5,000 francs now.

His interest is worth that much less also, when he converts it from devalued dollars into gold francs. If some Frenchman purchased Liberties and set them aside to meet some international balance, he might have a good chance of collecting if he sued the U. S. government. No doubt some will try.

Certain good authorities suspect the court might consider other facts, such as whether the claim of the Frenchman should logically be made against his own government for not devaluing also. A flock of rumors have been flying around suggesting that Mr. Roosevelt might use this encouraging opportunity to devalue the dollar further. He could squeeze nine more cents of gold out of it if he wanted to.

There is no indication that he will. Every well-informed authority here seems to be convinced that he will not. For one thing there is no advantage he could possibly gain by it, except to remove that minor uncertainty about his final action. The truth seems to be that he likes this minor uncertainty and will keep it in reserve until the time comes to stabilize with foreign countries.

## RETURN OF CHAOS SEEN IF PROGRAM IS ABANDONED NOW

Message From President Meets Senatorial Determination to Investigate Code Structure of Law

WASHINGTON, Feb. 20.—(AP)—President Roosevelt today signed the bill authorizing \$50,000,000 for loans to farmers for purchasing seed and proposed that the fund be taken from the \$80,000,000 relief amount in the work and relief bill now pending in congress.

WASHINGTON, Feb. 20.—(AP)—A presidential message recommending a two-year extension of NRA with fundamental principles renewed met a senatorial determination today to investigate the recovery law's vast code structure.

"The fundamental purposes and principles of the act are sound," the president told congress. "To abandon them is unthinkable. It would spell the return of industrial and labor chaos."

There was some confusion as to whether the president's message recommended extension also of the second title of the recovery law—that setting up the public works administration. Informed sources said the PWA was taken care of in the pending \$4,800,000,000 relief bill, while the oil administration came under the NRA title of the law.

NRA Hearing Concluded  
As the message was received in the senate and house, NRA concluded the first of an expected series of hearings on charges of monopolistic conduct by code authorities in this instance the automatic sprinkler industry.

Before the house labor committee (Continued on Page Two)

## EX-GRANTS PASS SHARPSHOOTER IS PORTLAND SUICIDE

PORTLAND, Ore., Feb. 20.—(AP)—After writing a note to a police officer in which he stated his intentions, Lawrence C. Gentner, 25, of Portland, shot himself to death last night.

Gentner addressed the note to Patrolman Carl Shoemaker who is captain of a National Guard company of which Gentner was a member. Shoemaker hurried to the young man's home but Gentner already had fired the fatal shot. The note said ill health and financial difficulties prompted his act.

GRANTS PASS, Feb. 20.—(AP)—Lawrence C. (Larry) Gentner, 24, who died of self-inflicted wounds in Portland last night, was the first person west of the Rockies ever to win the famous Wimbledon trophy in the rifle sharpshooting matches conducted by the National American association.

In 1930 at Camp Perry, Ohio, Gentner hit the bullseye 20 times at 1000 yards, ten of the bullets striking dead center. For several years he was a member of the Oregon National Guard team, one of which won the National team championship.

Gentner then was a sergeant at Company C, National Guard at Grants Pass, where he made his home until recently. Gentner is survived by his parents, Mr. and Mrs. Carl F. Gentner of Grants Pass.

## TRIED FOR FIRST DEGREE MURDER



Mrs. Thelma Gostz, 28 (left), went to trial in Tucson, Ariz., charged with the slaying of Birtall W. Jones, 59. Her attorney, John L. Van Buskirk, is shown with her in court. (Associated Press Photo)

## A. T. & T. TO PAY \$2.25 DIVIDEND

NEW YORK, Feb. 20.—(AP)—American Telephone & Telegraph directors today ordered the usual quarterly dividend of \$2.25 on the capital stock. The dividend calls for a distribution of about \$42,000,000 among the stockholders.

The company has paid \$0 annually since 1921, and during the last few years it has been paid partly out of surplus.

Walter S. Gifford, president, in a recent letter to stockholders, estimated 1934 earnings at approximately \$5.85 a share against \$5.38 a share in 1933.

The dividend is payable April 15 to stock of record March 15.

## SENATORIAL DISTRICT CHANGE HELD INVALID

SALEM, Feb. 20.—(AP)—Attorney General I. H. Van Winkle today ruled that the two house measures designed to change senatorial districts were unconstitutional.

One, House Bill 143, would change the 17th district by taking out Klamath county and giving them one senator, by changing the 18th district by adding Morrow, changing the 19th district by taking out Morrow, Umatilla and Union and placing Klamath in that district.

House bill 330 proposes to change the 14th district by taking out Columbia and adding it to the 15th district, thus giving Clatsop one senator.

## FORD WILL GET MORE FEDERAL BUSINESS

WASHINGTON, Feb. 20.—(AP)—A violent attack on the administration \$4,800,000,000 relief bill was made in the senate today by Senator Byrd (D. Va.), who said its defeat would be a "direct assurance to the nation that the government is determined to maintain the credit of the United States above reproach."

## INDISCREET WIFE CLAIMS HUSBAND KNEW, APPROVED

One Angle of Los Angeles Quadrangle Divorce Suit Gives Startling Testimony—Husband Denies Charge

LOS ANGELES, Feb. 20.—(AP)—Mrs. Walter W. Emerson, one angle of a quadrangle divorce suit that involves herself, her husband, who is an actor and writer, and Mr. and Mrs. Barton Sewell, today testified that she had been indiscreet with Sewell, but insisted it was with her husband's knowledge and consent.

Her testimony, which was before Superior Judge Ben B. Lindsey, former Denver jurist and author of numerous books and articles on marital problems, came after a private detective had described a "raid" on the Emerson home during which Mrs. Emerson and Sewell were found in a bedroom together in the small hours of the morning.

Mrs. Emerson blushed as she described her relations with Sewell, rich Beverly Hills resident. She told of meeting Sewell at various hotels and at the home of a "mutual friend."

Asked by Milton Cohen, attorney for Emerson, if she had told her husband the "purpose" of the times she went away with Sewell, she replied: "Well, not in so many words. One doesn't do that."

But she insisted that her husband knew of and approved her meeting Sewell, including "twice this month."

Emerson, on his part, vigorously denied a blunt question asked by W. I. Gilbert, attorney for Mrs. Emerson, in the contested divorce proceedings.

"Didn't you tell your wife you would stop out of the picture if Sewell would pay you enough to let you make a trip to China and set you up in business there," he was asked.

"No," replied Emerson with vigor and heat.

## CHINA BOY TRIES EXTORTION ON DAD

SALEM, Feb. 20.—(AP)—Instead of having been kidnapped, Louis Lee, 19, half Chinese youth of St. Paul, Ore., had himself written a \$50,000 ransom letter to his father and taken a temporary residence at the G. A. Pickering farm near Salem.

Young Lee made the statement that he had written the ransom note and had signed it "H. B. G. and H. C. G."

The youth was taken into custody at the Pickering place today by Deputy Sheriff Newell Williams as the result of a direct clue furnished by a letter Young Lee wrote to Mrs. Nona White, county probation officer, dated February 18, the same date the kidnap letter was written. At the sheriff's office today Lee was quizzed by P. A. Grimsdal, federal department of justice agent from Portland.

He said Guilestan attended a dinner of the Sons of Veterans of the American Revolution at the University club, Boston, last night, and that his abandoned automobile was found in Trinity Place, Boston, near the club.

Under the present regulations, it was understood, Mrs. Dalley would receive \$20 a month. The senator said Dalley met his death heroically in the performance of his duty and his widow should not be left in need. Dalley's home was given in his personal papers as North Bend, Ore.

## FISHING GEAR BILL CAUSE OF HEATED DEBATE IN HOUSE

Attempts to Delay Consideration Fail—Senate Passes Jacksonville Water Works Loan Measure

SALEM, Feb. 20.—(AP)—While debate waxed warm on the bill to abolish fixed fishing gear in the Columbia river the motion to recess for noon delayed further consideration and vote on the proposal until the afternoon session of the house of the Oregon legislature.

The battle for passage of the bill was led by Representative Walter Norblad of Astoria, one of the co-signers of the measure, which had passed the senate under the leadership of Frank Francesovich, state senator from Astoria.

Various moves to kill consideration or to kill the bill were attempted during the morning debate, but all failed.

Governor Charles H. Martin today sent a special message to the legislature urging authorization for the board of control to set up a property control system. A bill accompanying the suggestion was introduced by Speaker John E. Cooter.

The request for such authority for the board carried the endorsement of Earl Snell, secretary of state and member of the board, who declared: "The economies which could be accomplished through such a plan would result in material savings to the state, and would enable the board to systematize the operations of the purchasing department and conserve and utilize surplus materials," said Snell.

"I think Governor Martin's estimate of possible savings of a quarter million dollars a year is conservative. The proposal is businesslike and constructive."

With the declaration that he intends to maintain law and order and preserve the peace in Oregon during strikes or at any other time, Governor Martin was today calling upon supporters of his program in the house to sustain the roll call by which the house late yesterday approved house bill 242.

The bill would remove the restriction contained in the act creating the department of state police which re-

## KIDNAPING THREAT IS CARRIED OUT

NEWTON, Feb. 20.—(AP)—Moses H. Guilestan, 71, former millionaire Boston and Newton realtor, threatened with kidnaping several years ago, was reported missing today by his son-in-law, James L. Beck, of Newton Center.

Beck said Guilestan had received no recent threats. He said he "did not know what to think" when asked if he suspected Guilestan had been kidnaped.

He said Guilestan attended a dinner of the Sons of Veterans of the American Revolution at the University club, Boston, last night, and that his abandoned automobile was found in Trinity Place, Boston, near the club.

Under the present regulations, it was understood, Mrs. Dalley would receive \$20 a month. The senator said Dalley met his death heroically in the performance of his duty and his widow should not be left in need. Dalley's home was given in his personal papers as North Bend, Ore.

WASHINGTON, Feb. 20.—(AP)—After seven months work, the Washington monument has been cleaned from top to bottom without a single workman getting hurt.

## On Trial Again



David Lamson (above), former Stanford university press man and once convicted of slaying his wife at their campus home, was wife of acquittal as his second trial opened in San Jose, Cal. He was granted a new trial after being convicted and sentenced to death. (As sociated Press Photo)

## PAYROLL TAX FOR WORK INSURANCE COMMITTEE IDEA

WASHINGTON, Feb. 20.—(AP)—The house ways and means committee today decided to impose a flat federal payroll tax for unemployment insurance instead of basing the levy on business conditions.

That change was written into the pending social security bill, Chairman Doughton said, with the apparent approval of administration officials.

Under the committee's amendment the tax will be 1 per cent in the 1936 calendar year, 2 per cent in 1937 and 3 per cent—the proposed maximum—in 1938.

This level was the same amount presented to congress by the administration except for the elimination of fluctuations with business conditions.

The committee's decision was that a fluctuating tax would cause business uncertainty.

In its present form, the bill would have no effect upon taxes levied by states for unemployment insurance funds. The committee tentatively approved, however, a proviso permitting employers who donate to state funds to obtain a 90 per cent credit on their federal levies.

The senate finance committee, meanwhile, closed hearings on the social security program.

## ASK PENSION FOR 'SPARKS' WIDOW

WASHINGTON, Feb. 20.—(AP)—Senator Johnson (R. Calif.) today introduced a bill to pay a pension of \$100 a month to Mrs. Ernest Dalley, widow of the radio man who lost his life in the wreck of the airship Macon off Point Bar, February 12.

Under the present regulations, it was understood, Mrs. Dalley would receive \$20 a month. The senator said Dalley met his death heroically in the performance of his duty and his widow should not be left in need. Dalley's home was given in his personal papers as North Bend, Ore.

## COUNCIL ORDERS \$78,000 SEWAGE BOND ISSUANCE

Government Will Give \$22,000 Additional for Construction of New Plant—Engineer Here Friday

An ordinance authorizing the issuance and sale of sewage disposal bonds in the amount of \$78,000, for the construction of Medford's new sewage disposal plant was passed at its final reading last night before the city council. The bonds will be taken over by the government at four per cent interest, and together with a federal grant of \$22,000 will return a total of \$100,000 for immediate construction of the plant, upon which preliminary work is now underway.

Fred Scheffel, city superintendent, informed the council that Samuel A. Greeley, of Greeley and Hansen, Chicago engineers for the project, will be in Medford Friday and Saturday of this week to confer with local engineers and draw up final, detailed plans for the work.

Informal Meet Friday  
Enroute to Medford, Greeley will confer with C. C. Hockley, Oregon PWA engineer, and with Fred Stricker, state health officer, regarding the plant. The council voted to hold an informal meeting with Greeley Friday night.

While here, the Chicago engineer will inspect the test borings that have been dug at the plant site. Superintendent Scheffel said preliminary (Continued on Page Five)

## SQUIRREL POISON READY FOR DRIVE

The annual distribution of squirrel poison by the county agent's office is now underway, and a large amount of poison grain has been prepared. Some farmers and orchardists have started scattering the mixture.

The squirrels are just beginning to come out of their burrows, according to County Agent Robert G. Fowler, and are looking for something green and tender, after a long diet of nuts and dry roots. It is the intention to eradicate the squirrel, before spring vegetation becomes advanced.

The squirrels are reported quite plentiful in some sections and the county agent says he has received reports that the squirrels have been out of their holes all winter, being too busy to hibernate.

## HAVANA SCHOOLS LACK TEACHERS, STUDENTS

HAVANA, Feb. 20.—(AP)—Havana's schools still lacked teachers and students today as the strike against various conditions in the educational system continued.

From the teachers came demands for \$100 a month as minimum pay and 5,000 new classrooms. Demanding freedom from the "yoke of Yankee imperialism," university students asserted they would fight against the "control of Cuba, economically and politically," by United States Ambassador Jefferson Caffery.

## WILL ROGERS SAYS

SELIGMAN, Ariz., Feb. 19.—This is an open letter to Henry Ford. It goes to him first and if he don't pay any attention to it why then it goes to General Motors or any worth while automobile manufacturer.

What this country needs is a high centered automobile. You would be surprised at the amount of us that has not got a boulevard by their door. They are making cars so low that you can't run over a fellow without hurting him and if you want to drive out of town anywhere you got to use a span of mules. Come on, Mr. Ford; do something for the country folks.

(Continued on Page Eight)