

The Weather
Forecast: Fair Sunday and Monday; warmer Sunday.
Highest yesterday 96
Lowest yesterday 53.9

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News Behind The News

By PAUL MALLON.
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WASHINGTON, Aug. 10.—It may now be disclosed that a guaranteed formula for escaping political defeat has been found by that well-known invader of the people, Huey P. Long (the great) Long. The discovery has not yet been formally announced but is clearly indicated by the inside story of what happened the other day in the Mississippi primary.

Senator Long had an entry in the gubernatorial race, a Mr. Lester Franklin. At least Mr. Franklin wore the easy-living, wealth-sharing stable colors of the Louisiana. A few days before election, however, it became apparent that Mr. Franklin was running as if he were carrying Primo Carnera. Politicians realized that Messrs. Johnson, White and Murphy were going to finish one, two, three. The only reason Mr. Long's entry was not going to finish last was that there was a fifth horse in the race.

It is understood that Huey called a convention of his brain trust in a telephone booth at his hotel here to consider the question of buying roller skates for his lagging horse.

Two days later, a pair of Huey's skates did appear in Memphis, but, to all behold, they were under Mr. Johnson, the favorite, instead of Mr. Franklin.

Politicians here agree that Long's maneuver was the smartest trick of the budding political season. He did not officially announce that he was swapping horses, but just let the word sweep out through unofficial channels, so no one can prove where it came from.

Mr. Franklin denied it and so did friends of Mr. Johnson, but that made no difference to Huey. He took no official part in the primary. When Mr. Johnson finished neck and neck with Mr. White, it was a Long victory. Word was spread around here to that effect and people who rely on gossip for their information now believe it. You cannot out-Huey Huey.

The top circle is again discussing the advisability of revising the existing relief act. The Rhode Island election has accentuated a growing lack of confidence on the inside in the decentralized system centering around Messrs. Walker, Hopkins, Ickes and the allotment board.

That matter is understood to have been discussed when the three men met at the White House the other day at their usual weekly conference with the president.

Mr. Ickes favors centralized control. He used it in the old PWA. It slowed up the work considerably, but apparently the new balanced system, under which each of the three men is supposed to be a restraining balance against the other, has slowed matters even more.

You may find the existing set-up swerved quickly toward further centralization in the hands of Mr. Hopkins, even though no announcement is made about it.

Vice-President Garner has passed word confidentially along to the White House that congress will adjourn between Aug. 20 and 23. Also, he is understood to have made personal plans to leave town before Sept. 1 as the latest. This is the best possible tip on when you may expect the weary and wearisome legislators to go home.

It means that the administration is ready to accept any reasonable tax bill, that President Roosevelt is not going to insist on his original proposal. Furthermore, it indicates that much of the secondary legislation will be jettisoned.

All legislators know that Senator Glass must be handled with care, but few realize the extent to which Congressmen Steagall and Goldsborough have gone in developing their Glass-handling system.

Persons with more influence than Mr. Ben Cohen who have been unable to get into the secret conferences on the bank bill and similar legislation this session say that Messrs. Steagall and Goldsborough have adopted a system known in bridge as "the kick-under-the-table" informative bid.

Whenever Chairman Glass of the senate conferees and Chairman Steagall of the house conferees come to a disagreement on some point, Mr. Steagall's foot seems to be up and Mr. Glass's foot seems to be under the table. Thereupon Mr. Goldsborough files into Senator Glass, abuses the senate viewpoint and insists on the house position.

It is not difficult to irritate Mr. Glass and he ordinarily reacts after the fashion of a gasoline tank when hit by a lightning bolt. And in the same length of time, then, since Mr. Steagall steps in and pounces on the oil.

Observers say this procedure is repeated over and over again until the whole men are able to harness an agreement out of Glass on the things they most desire.

A naive republican contributor (familiarly known as Paul Con- (Continued on Page Eight)

INCOME TAX RATE BOOST ON SMALL TAXPAYER LOOMS

Exemptions Cut By Senate Finance Committee—Hits 'Swat-The-Rich' Plan Of President.

WASHINGTON, Aug. 10.—(AP)—A progressive-conservative coalition took command of the senate finance committee today and voted to boost income taxes on even the smallest taxpayers, beginning at a new low level of \$800 a year.

In swift and startling ballots which ripped out major features of President Roosevelt's "wealth tax" plan, and raised some doubts of the whole bill's future, the senators cut the income tax exemption for a single person from \$1,000 to \$800 and for a married person from \$2,500 to \$2,000.

This change was calculated to bring new income groups into the federal tax fold, though experts were unable to estimate at once how many.

Also they substituted higher estate taxes for Mr. Roosevelt's requested inheritance taxes and made other changes estimated to increase the bill's revenue-raising power from the house's \$250,000,000 to more than \$400,000,000.

A bitter fight was predicted when the measure reaches the senate floor next week. Chairman Harrison (D., Minn.) said the revised bill "falls to carry out the president's suggestions, although it is a gesture in that direction."

A party spokesman, who did not wish to be quoted by name, said: "The senate's changes might be designed for the simple purpose of killing the bill. Some members of that committee didn't want the bill passed anyway."

President Roosevelt had confined his recent tax message to proposals for a "wider distribution of wealth" by higher levies on big incomes, big corporations and large inheritances.

A glance at what the senate finance committee income tax schedule means for the average taxpayer:

Q. How much tax-free income is a married man without children now allowed?
A. \$2,500.

Q. How much would he be allowed under the senate committee bill?
A. \$2,000.

Q. How much more in taxes would that mean?
A. The levy on that \$500 difference would be 4 per cent, or \$20.

Q. How about the single man?
A. The new schedule would reduce his exemption from \$1,000 to \$800. On \$2,000 of net income he would pay \$48 instead of \$40.

Q. How about the surtaxes?
A. The initial surtax rate would apply after \$3,000 of net income instead of \$4,000 as at present. That would make an extra \$1,000,000, or 10 per cent, on \$10,000,000 of net income.

Q. What is the difference between the normal income tax and surtaxes?
A. The normal 4 per cent tax applies to all income above the exemption level. The senate surtax schedule adds an extra 1 per cent on the first \$1,000 above \$3,000 of net income and mounts to 75 per cent on the excess of \$5,000,000 of income. It is in addition to the 4 per cent normal rate. Existing surtaxes start at 4 per cent above \$4,000 and mount to 50 per cent above \$10,000,000.

Q. What is the exemption for children?
A. For each child a \$400 deduction from net income is allowed. The senate bill would continue this until the child is 20 years old. The present law limits it to 18 years.

SESSION IMPAIRS SOLO'S HEALTH

WASHINGTON, Aug. 10.—(AP) One congressman's collapse and another's death brought renewed demands today for speedy adjournment.

"I believe at least 100 members of the house could be classified as ill," said Representative Maverick (D., Tex.). "We are being maimed politically and shot in health."

Following yesterday's sudden death of Representative Truax (D., Ohio), it was learned today that Representative Sutphin (D., N. J.) is in a hospital following a physical collapse. Mrs. Sutphin reported him resting comfortably.

RICH ORE STRIKE COLORADO MINE

DURAY, Colo., Aug. 10.—(AP)—A rich strike of gold and silver ore assaying nearly \$30,000 to the ton was reported from the old Revenue mine tonight by Jack DeLoe, vice-president and general manager of the Revenue Development company.

GLOBE GIRDLER AND HUMORIST HOP OFF FOR ALASKA



With Will Rogers, humorist and screen actor, in the last seat of the passenger cabin, Willy Post took off from Lake Washington, Seattle, on a flight to Juneau despite threatening weather. They landed safely in the Alaskan town. Post carried a passport for a "pleasure trip" to Siberia, but Rogers said Alaska would be far enough for him. At the last minute Mrs. Post decided not to make the trip by air to Juneau. (Associated Press Photo)

WASHINGTON, Aug. 10.—(AP)—Their immediate plans indefinite, Willy Post and Will Rogers rested here today after a three-hour and five-minute hop from Juneau, Alaska, yesterday afternoon. The round the world flier and his screen star passenger flew in Post's scarlet, pontoon-equipped monoplane via the Taku route, and did not stop at Skagway as Post had planned. Although Rogers insisted he does not plan to accompany Post on the flier's projected pleasure jaunt to Siberia, the fliers indicated Rogers will accompany Post as far as Nome, "jumping off place" for a Bering sea hop to Siberia. The noted visitors indicated that they will fly from here to Fairbanks, following the Yukon river, and then go to Nome.

1300 OREGONIANS HELD INVESTORS IN PONZI RACKET

Pair Nabbed at Portland and Three Sought for Claimed Mail Fraud of Colonial Trading Company.

PORTLAND, Ore., Aug. 10.—(AP)—J. T. Summerville, United States marshal, late today announced the arrest of two persons allegedly connected with the Colonial Trading Company, operating in 17 states, as a result of a federal indictment handed down in Nevada July 16 last, charging use of the United States mails to defraud.

Those arrested were A. D. Kenworthy and Nelson J. Sykes, both of Portland.

Removal complaints, based on the Nevada indictment, were issued today by Carl C. Donagh, United States district attorney, for Alvin Kost, Henry C. Prudhomme, S. G. Blakkott, Kenworthy and Sykes. The first three named had not been apprehended tonight.

The removal complaint alleged that the Colonial Trading company had accepted investment funds from 1000 persons in Portland and 300 more in the remainder of Oregon, and said that \$121,000 in securities had been sold in this state.

Headquarters for the company, Donagh said, are in Reno, Nev., with branch offices in Portland, Vancouver, Wash., Seattle, Tacoma, Wash., and New York City. The incident said operations were carried on in Oregon, Washington and California and 14 other states.

Kenworthy and Sykes were re-manded in the county jail in lieu of \$500 bail.

The removal complaint specifically alleged that officials of the Colonial Trading company used the United States mails to sell and offer to buy certain securities in order to defraud. It charged that at no time did the trading company have assets equal to the principal of investors' funds and was enabled to make refunds when requested to do so only by "embellishing principal funds contributed by other depositors."

The complain likened the company's transactions to the "Ponzi racket."

DEATH CALLS TO MRS. IDA H. PRAY

PORTLAND, Aug. 10.—(AP)—Funeral services will be held here Monday at 2 p. m. for Mrs. Ida H. Pray, wife of Charles P. Pray, superintendent of state police.

Mrs. Pray died early Saturday morning at her home in Forest Hills, near Oswego. She had been ill several weeks.

She was born in 1875 in Kansas and married Pray in that state in 1902. In 1907 he was appointed United States deputy marshal and three years later the couple came to Portland where Pray served as special agent of the bureau of investigation, Department of Justice.

Mrs. Pray was a member of Oswego chapter, Eastern Star.

Jayhawkers Fined

PORTLAND, Aug. 10.—(AP)—D. I. Short, president of the Kansas State Society of Oregon, said tonight he expected to return from all parts of the north-west to attend the annual picnic at Jantzen Beach here tomorrow. A program of speeches and sports has been arranged.

NEW RECORD SET BY 'CLIPPER' ON HOP TO HAWAII

Farley Predicts Pacific Air Mail Service to Be Established—Wake Islands Next Stop.

HONOLULU, Aug. 10.—(AP)—The Pan-American clipper plane sailed into Honolulu early today to set a new flight record from California, and moved Postmaster General James A. Farley, who witnessed the arrival, to predict establishment of a Pacific air mail route.

It was the plane's third trip here from its base at Alameda, Cal. Leaving yesterday at 3 p. m. it landed at the Pearl Harbor naval base here at 5:42 a. m. today (8:13 a. m. P. S. T.). The 17 hours and 12 minutes required for the flight was 33 minutes under the mark the plane established April 17.

"As soon as the deficiency bill is passed (by congress) we will advise for air mail service," Farley said, "and I am sure it will be established within a reasonable time."

The postmaster general explained 90 days would be required for advertising for bids, and that it would be possible to start flying mail service on the Pacific 30 days after that time, if the company awarded the contract was prepared to start. The deficiency bill includes an appropriation for the Pacific air mail.

Capt. E. O. D. Sullivan, master of the big four-motored flying boat, said it would leave Pearl Harbor for Midway Island early next week, probably Tuesday, spend 10 or 12 hours there, and continue to Wake Island before returning here. It is 1,300 miles from Honolulu to Midway and 1,100 miles more to Wake.

The removal complaint specifically alleged that officials of the Colonial Trading company used the United States mails to sell and offer to buy certain securities in order to defraud. It charged that at no time did the trading company have assets equal to the principal of investors' funds and was enabled to make refunds when requested to do so only by "embellishing principal funds contributed by other depositors."

The complain likened the company's transactions to the "Ponzi racket."

FAMOUS SOPRANO SINGS AS DOCTOR REMOVES GOITRE

CHICAGO, Aug. 10.—(AP)—The golden voice of Amelia Galli-Church, world-famous operatic soprano, thrilled tonight over the operating room of Hennrich hospital today as surgeons successfully removed a six and a quarter ounce goitre.

Carefully, cautiously, as she sang, Dr. Arnold Kepel, former city health commissioner, cut away the "potato" which was thrusting against the artist's trachea, forcing her beautiful notes to detour around it.

While Dr. Kepel and G. Raphael Dunley worked, Kepel made a definite comment on the final outcome of the operation. They indicated they felt little doubt that the superb quality of her notes would be unimpaired.

The diva was calm as she entered the operating room for what one music critic termed a "magnificent adventure." She was given only a local anesthetic. After she had sung her notes and scales and the goitre, of adenomatous type, a tumor growing in the thyroid gland, was cut away she fell into a restful sleep.

"Grand" was the term Dr. Kepel used to describe the operation. He said it might even result in improvement of the incomparable voice.

'RAGTIME KID' OF SERVICE POEM AT SOURDOUGH MEET

Claude Myrick, Who Played Piano in 'Malamute Saloon' Has Lost Track Of 'Lady Known As Lou.'

SEATTLE, Aug. 10.—(AP)—The "Ragtime Kid" of Robert W. Service's famous poem of the Yukon "The Shooting of Dan McGrew," toyed with the keys of a piano in his home today as he looked back with a touch of sadness on the days when he was one of the "boys" who were "whooping it up in the Malamute saloon."

Maybe he was thinking about "the lady that's known as Lou" or perhaps about other incidents in the early days of the land of the midnight sun which inspired that now noted poem.

He has discarded the nickname of the "Ragtime Kid" this party said. "It goes something like this," he said as he drummed "Alexander's Ragtime Band" Yukon style, on his piano: "The Ragtime Kid was having a drink; there was no one else on the stool."

He paused apparently trying to peer into the past:

"I first met Robert Service when he was connected with the Bank of British North America up there—a jolly fine fellow, full of fun and he used to bear me playing the piano in the dance halls a lot of times."

"Yes," he continued, "I remember the girl he based his poem on. He didn't bother even to change her first name. He just called her Lou in the poem as we all did. She was a beautiful girl and everyone was crazy about her. I never did know what finally became of her."

OREGON LABOR TO FIGHT WPA, WAGE

PORTLAND, Aug. 10.—(AP)—Possibility that organized labor may come in conflict with the Oregon Works Progress Administration in the matter of wages loomed tonight when Ben T. Colborn, state labor president, assailed the present WPA wage and declared he would insist that prevailing wages be paid.

E. J. Griffin, state works progress administrator, said Colborn's suggestion was "impossible" because of limited funds.

The difference of opinion broke into the open on the eve of the state labor convention's annual convention, which opens here Monday.

DEAL DEFEAT RHODE ISLAND BEGETS 3RD PARTY

Sen. Nye Predicts Formation—Stress On "Recovery" Seen—Hoover's Silence Nettles G. O. P. Leaders.

WASHINGTON, Aug. 10.—(AP)—Third party talk has revived following the new deal defeat in Rhode Island this week and the questions it raised about future administration policy.

Senator Nye (R., N. D.), brought it into the open today with a flat prediction "there will be a third party next year."

Some leading republican regulars, too, mentioned for presidential nomination, indicated in private conversations they had by no means dismissed the possibility. They seemingly hoped it would happen, evidently on the theory that the Roosevelt ticket would be the sufferer.

Diverse reactions in both parties to the Rhode Island results accounted for that of the speculation. One thing is certain. The administration course from now on will be examined in the light of this New England election for any approach to the conservative viewpoint.

Roosevelt's policy has been criticized as shuffling between "left" and "right." Considering this, and attacks on the pending tax bill as radical, some legislative quarters look for more emphasis on "recovery" than "reform" in months ahead.

In that connection, an exchange in the house this week was potentially significant. Representative Fiesinger (D., Ohio), asked "when is the budget likely to be balanced?"

"I firmly believe," replied Chairman Buchanan of the appropriations committee, "that next winter and in future congresses we can pass through without any additional taxation or without issuance on additional bonds, or increasing the national debt, except to cover appropriations heretofore made."

Former President Hoover, who celebrated his sixty-first birthday today, declined political comment in Utah on his way to New York.

His silence in that regard has created resentment among the party members. It cropped out at Columbus, Ohio, only today, when former Senator Roscoe C. McCulloch said the greatest service the ex-president could render republicanism "would be to announce at once that he would undertake no campaign for president, and that he will not seek to control the next national convention."

350 MEN BATTLE GRASS FIRE SOUTH FLANK ROXY ANN

A raging grass and brush fire, covering 1000 acres yesterday afternoon and evening being stubbornly battled by 350 men, mostly members of the CCC, in an effort to turn the blaze away from heavy timber land on the flanks and south side of Roxy Ann.

The fire, starting about 1 o'clock yesterday afternoon, apparently from a carelessly thrown cigarette, was eating toward "Oregon Switzerland" at 10:30 last night, but the fighters believed that they had it headed off. It had already swept through one corner of the old Western orchard and across the foothills above the Hillcrest orchards.

Six men from the state fire patrol headquarters were helping with the work, and District Warden Dwight Phillips was in charge. Although the fire was believed safely checked late last night, a sufficient crew to prevent a fresh outbreak into the timber was to be kept on duty all night.

About 10 o'clock yesterday morning a fire broke out in the brush and grass in Burns Valley just south of Beagle, spreading through 140 acres before being brought under control shortly before five o'clock yesterday afternoon. The smoke from the two fires produced a pall of smoke which hung over the valley.

Ohio 'Townsenders' Brew Revolt; Want More Dues at Home

CLEVELAND, Aug. 10.—(AP)—A revolt against Dr. P. E. Townsend, author of the Townsend old age pension plan was brewing in suburban Berea today.

Cooper said he objects to the fact that thousands of dollars are being poured into the Townsend plan headquarters in Los Angeles without any money returning to the local clubs for their work.

FDR. CHALLENGED TO MAKE UTILITY BILL ISSUE IN '36

Power Industry Would Welcome It Says Gadsden—Voting Strength Of Stockholders Cited To Solons.

WASHINGTON, Aug. 10.—(AP) The power industry tonight challenged President Roosevelt to make a 1936 campaign issue of the utilities bill and holding company abolition.

"We'd welcome it," said Philip H. Gadsden, who as chairman of the committee of public utility executives opposed the recent intensive campaign against such legislation.

Companies represented by his organization, he told newsmen, have 5,000,000 stockholders and "each one has two or more votes in his house for an average." "That," he added, "would give us some ten million votes on that issue alone."

Gadsden, asserting his organization came to Washington prepared to spend whatever amount might be needed to defeat the utilities legislation by legal methods, said the first undertaking was tabulation of 2,000,000 stockholders by congressional district.

Members of the house were informed of the number of stockholders among their constituents, he said, and were told that names and addresses would be furnished if requested.

"That is the thing President Roosevelt is going to run up against in the next campaign, especially if he makes an issue of the holding companies," Gadsden said. "We wish he would."

Otherwise, Gadsden reiterated his assertions in a statement issued last night, that the activities of the senate lobby investigation committee constituted a "wicked example of government terrorism," and that Chairman Black (D., Ala.) was wrong in contending that the consumers of gas and electricity must, in the long run, pay the cost of the campaign against the utilities bill.

"It isn't so—or at least not all," Gadsden said.

"The very large part is being borne by the holding companies which get their revenues out of dividends, so it must come from the stockholders of the holding companies."

Asked about Black's prediction that the total cost of the campaign would run to \$5,000,000, Gadsden declined to make an estimate.

"There was over 900,000,000 worth of property at stake," he said.

WRITER OFFERS TO BE HUMAN ICICLE, THEN BE MARRIED

Hollywood Man Signs Contract To Try Refrigerated Death To Aid Science—Legal Angles Perplex.

HOLLYWOOD, Aug. 10.—(AP)—If the eccentric science of bio-chemistry is able to recall Stephen Simekhovitch, 34, from the refrigerated death, for which he has volunteered, he will be married, he said today.

"Well, if I don't come back, I'll at least have contributed something to the sum of human knowledge," Simekhovitch, husky Hollywood writer, said today. "And that's more than I can say for myself so far."

He has offered to become a "human icicle."

Several days ago, he walked into the dingy, cluttered little laboratory where Dr. Ralph Willard, a Russian scientist, has been performing his experiments in freezing guinea pigs and more recently, monkeys. Dr. Willard said he was working out a theory that certain malignant growths, and dangerous germs can be killed by freezing.

Since the report of that experiment, the scientist said, he has had more than 300 persons offer their lives to the same test.

"About half of them were afflicted with incurable diseases," he said. "They were willing to risk permanent death for the chance of relief."

"The other half were people who said they didn't care, in any case. With them, it would be merely a fancy way of committing suicide."

"I picked this Simekhovitch for two reasons: he is—what you call—robust. And he doesn't want to die, necessarily."

Simekhovitch said his mother is the widely-known social worker, Mrs. Mary K. Simekhovitch, administrator of Greenwich House, in New York, and his father is Dr. V. G. Simekhovitch, professor of economics at Columbia university. A cousin, he said, is vice-president of a large oil company.

"I've been everywhere I want to go, done everything I want to do, and as for people—I'm sick of people."

"I've been married and divorced. I worked in a munitions factory during the war, and in the Taff (Calif.) oil fields, I had my share of college."

"When I was three years old I had tuberculosis, and I've never been completely well since. So what? As for immortality, I said, 'I'm an agnostic and maybe I'll be able to prove things for myself, anyway.'"

He said he planned to be married—if he lives. His fiancée, he said, is entirely in accord with his dangerous project. He would not disclose her name.

Meanwhile, Dr. Willard, handsome, black-haired son of the Province of Georgia, Russia, said he anticipated so much opposition to his human experiment he might have to go to "Mexico or Germany" to avoid the laws that make suicide a crime.

AAA FARMERS TO WAR ON TARIFF

SIoux CITY, Iowa, Aug. 10.—(AP)—Directors of the League for Economic Equality, composed of AAA contract-signing farmers from four states, agreed at a meeting here today to seek a \$100,000 fund to finance a fight against industrial tariff laws if the AAA processing tax continues under fire.

The league was formed here a week ago by farmers from Iowa, South Dakota, Nebraska and Minnesota to campaign for continuance of farm benefits under the agricultural adjustment act.

WILL ROGERS SAYS:

JUNEAU, Alaska, Aug. 9.—This is Juneau, the capitol of the whole territory of Alaska. The governor is a nice fellow, a Democrat, but a gentleman. In their government there is 16 congressmen and eight senators. Fifteen of the congressmen are Democrats and all the senators. It's about the nearest to an ideal existence that you can get.

The chamber of commerce will shoot me for this, but I've been buying rain coats since early morning. We are going to Skagway now and see the famous Chilkoot pass. We will do it in 10 minutes and it took the pioneers two or three months.

Will Rogers.
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