

The Weather
Forecast: Fair tonight and Saturday but with morning fogs. No change in temperature.
Temperature
Highest yesterday 71
Lowest this morning 37

GET THE HABIT
Of following Frank Watanabe's entertaining Oh So! feature which will appear daily on the first page of the Mall Tribune. You'll like this delightfully humorous Japanese character.

PEACE PARLEYS GET UNDERWAY



News Behind The News
By PAUL MALLON
(Copyright, 1935, by Paul Mallon)
WASHINGTON, Oct. 18.—Those who are wisest in the ways of war feel that Mussolini is in a very bad fix in Ethiopia.

His smart General de Bono is sending out glamorous tales of victories to keep the Rome fires burning, but these can not conceal his dangerous predicament from the wary eyes of those in the know here.

The kind of victories de Bono has been winning against thin air may be all right for the crowds at the bulletin boards in Rome, but the plain inside fact of the matter is that his unopposed advance will soon cost Mussolini far more than the whole of Ethiopia is worth.

The wise ones believe also that the advance to Addis Ababa will require weeks, if not months, and that the war will not really start until Mussolini gets there. Then his lines of communications (for food) will be stretched out more than 800 miles in two directions and Haile Selassie's raiding guerrillas will really go to work on them.

In fact, the whole campaign sounds like such a foolhardy venture that the smartest here suspect it is only a little stage prologue to get things going for a bigger drama to come in Europe.

One thing which strengthens this suspicion is the fact that Mussolini has left all his good troops at home. Those in Ethiopia are second-string men with little training.

It may seem strange to contend anyone here could have worthwhile knowledge of what is going on in Ethiopia, but there are some who make it their private business to know. They do not know everything, but their studied deductions are about as good as anything you can get on the subject anywhere. You may suspect them as well grounded and authentic.

They see, for instance, the inside problem of de Bono. He first moved into Ethiopia twenty miles and set down, although there was no real opposition in his front. He had to sit down in order to build roads behind him. He has built plenty of them, three distinct routes, each about 100 miles, back to his seaport base at Massaua.

British Envoy And Mussolini In Conference

ROME, Oct. 18.—(Exchange Telegraph)—It was rumored that diplomatic conversations tonight had resulted in an agreement whereby Great Britain will withdraw part of its Mediterranean fleet and Italy in exchange will reduce her military forces in Libya.

ROME, Oct. 18.—(AP)—Well-informed sources disclosed tonight that peace talks with Premier Mussolini, directed toward ending the Italo-Ethiopian war, are under way. These sources said that Premier Mussolini and Premier Laval of France were carrying on conversations with the ambassadors of Great Britain, France and Italy.

Diplomatic circles, admitting that only the scantiest information was available on the peace situation, said the progress reached was of the greatest importance.

It Duce engaged in a long conversation today with Sir Eric Drummond, the British ambassador to Rome, but the substance of their talk was treated with the greatest secrecy.

From unofficial sources came word that the result might be the issuance of a special communique—after the wording is agreed upon between Rome and London.

An official Italian spokesman emphasized that Italy has been standing apart from the active efforts of Laval to reach a settlement through his talks at Paris.

(By the Associated Press)
The possibility of a naval blockade of Italy—which Mussolini has said would be tantamount to a declaration of war—was seriously discussed informally in League of Nations circles at Geneva today.

Some delegates saw in economic sanctions weapons too slow and perhaps too ineffectual to accomplish the "punishment" that the league has voted upon Italy as the "aggressor" in the war with Ethiopia—a war as yet never formally declared, but involving more than a million fighting men. A naval blockade, they said, is a "dangerous possibility."

Disagreement Grows
There were signs, too, of a growing disagreement between Great Britain and France—upon whose joint co-operation the league must depend for enforcement of its edicts if they are to succeed.

Premier Laval of France was represented as having virtually refused to "legalize" Britain's show of naval strength in the Mediterranean until the league has voted upon Italy as the aggressor.

(Continued on Page Seven)
LAMSON WILL SEEK NEW JURY VENIRE
SAN JOSE, Calif., Oct. 18.—(AP)—Attorneys for David A. Lamson served notice on District Attorney Fred L. Thomas today that a motion will be made in Superior Judge R. R. Syer's court Monday to have the jury venire for his trial tried on wife-murder charges discharged and a special venire called.

The defense alleges a fair and impartial jury cannot be selected from the 200 name venire because it includes the names of 60 or more persons called and examined as jurors at the first and second Lamson trials.

BOLGER RETURNS FROM PENNEY STORE CONFAB
W. S. Bolger, manager of the J. C. Penney department store here, accompanied by Mrs. Bolger, last night returned from a conference with store officials in Portland, where he has been for several days. While on their way home, the Bolgers visited with friends in Eugene.

Postpone Party—W. W. G. of the First Baptist church has indefinitely postponed the party scheduled for October 18.

Italian Forces Moving Up



Led by white Italian officers, these Italian colonial troops—Aaskaris—are shown as they moved up from the base camp at Asmara to the front, ready for the drive into Ethiopia. These official pictures were released by Rome. (Associated Press Photos from Paramount News)

LONDON, Oct. 18.—(AP)—British officials tonight expressed pessimism concerning reports an early termination of the Italo-Ethiopian war was in sight, despite apparently reliable reports from Paris that France had agreed to Great Britain's demand for naval support in the Mediterranean in the event of an Italian attack.

In political circles, the opinion was expressed that Mussolini has not given the slightest sign of letting up in his campaign.

Officials were inclined to refrain from indicating any attitude concerning France, pending confirmation of various reports.

JACKSON DRIVERS WORST IN STATE
According to statistics received today by Justice of the Peace William R. Coleman from the secretary of State, Jackson county, during the month of September, leads all the other counties of the state, including Multnomah, in convictions for motor law violations.

The statistics indicate that the motor laws are more rigidly enforced here, or the remainder of the state has a price lot of careful drivers.

There were 46 motor law convictions in Jackson county last month and 39 arrests each in Marion and Multnomah counties, where abides the bulk of the population.

In the neighboring county of Josephine, there were six and in Klamath county there were 20 convictions.

AIR BASE TOURERS ARRIVE SPOKANE
SPOKANE, Oct. 18.—(AP)—Three members of the house military affairs committee, headed by Rep. John J. McSwain (D. S. Car.), and Joseph Smith (D. Conn.) Whether the party would proceed to Seattle after an inspection of Fort George Wright and proposed army airbase here this afternoon depended upon weather conditions west of here. Adverse flying weather was reported at noon.

Notice of a meeting of all legal voters of School District 49, to be held at City School Superintendent E. H. Hedrick's office in the city hall on Wednesday, Oct. 30, was made public today. The meeting has been called. Hedrick stated, for the purpose of discussing the school budget for the approaching fiscal year.

Estimated receipts for the year were \$72,096, coming from such items as the county school fund, the elementary school fund, the state irreducible school fund, state and federal funds for vocational education, tuition for non-high school district pupils, and tuition in the same category in the elementary grades, from interest on deposits and the sinking fund, and other sources.

Estimated expenses for the year total \$256,912, leaving a balance to be raised by a district tax of \$193,226.

Set Death Penalty
TELLURIDE, Colo., Oct. 18.—(AP)—The death penalty was imposed today upon 30 year old Otis McDaniel for the slaying of Sheriff W. W. Dunlap of Montezuma county but his 18 year old brother, Herbert, was sentenced to a life term in prison.

FOREIGN MONEY FLOODING INTO WALL ST. BANKS

Gold Imports Since Labor Day Exceed \$350,000,000—European Capitalists Fear War, Indication.

By Claude A. Jagger
Associated Press Financial Editor
NEW YORK, Oct. 18.—(AP)—Large Wall street banks are being deluged with foreign funds.

Exact figures on the influx are lacking, but the fact that gold imports since Labor day have exceeded \$350,000,000 provides a fair indicator.

While most international banking quarters express the firm opinion that a major war in Europe in the immediate future is unlikely, they acknowledge that the piling up of foreign funds in New York, is quite a clear indication that European capitalists are fearful.

Investments Lure
Of course, this inflow of foreign capital is not due solely to war fears. Part of it represents the sending of money here for investment by foreign capitalists who think recovery prospects in the United States are brighter than elsewhere.

Part of it represents funds from gold standard countries sent here in fear of currency devaluation at home.

As far as the gold movement is concerned, it is an immediate reflection of exchange operations. When the London gold price, or the ratio of gold standard currencies to dollars, makes it profitable to import gold and sell it to the U. S. treasury, banking houses automatically undertake these transactions.

Much From France
But behind the rates which make these gold transactions profitable, is a movement of capital, not always easy to trace.

Much of the gold is coming from France. The British equalization fund has had to support the pound sterling against a movement of funds out of London.

It has done this by selling French francs and buying pounds in the open market. This has depressed the franc, and tended to swell the flow.

(Continued on Page Five)
HUNTER TO SPEAK AT DADS BANQUET
EUGENE, Ore., Oct. 18.—(AP)—Dr. Frederick M. Hunter, new chancellor of higher education in Oregon, will be the principal speaker at the Dads' day banquet here Saturday night at 8 p. m.

A large number of dads from Portland and other towns on the coast are planning to attend the annual Dads' day program and the Oregon-Idaho football game, according to advice from the Oregon Dads' president, Earl Wellington of Portland.

President C. V. Boyer of the university will address a mass meeting at 10 a. m. The football game comes at 2 p. m., followed by the banquet. A student "hello" dance will be given Saturday night.

Hunters Swagger Home With Limit; Bought On Farms

PORTLAND, Ore., Oct. 18.—(AP)—Pheasant hunters of the Portland area have been swaggering home with full bags, but the secret is out now.

Pheasant farms here have been doing a thriving business selling male birds up to \$2 each. It isn't hard for the hunters to spray a few shot into the birds.

BANKS CLEMENCY HOPES DASHED BY GOVERNOR MARTIN
SALEM, Oct. 18.—(AP)—L. A. Bank's charges of obtaining a pardon from the state penitentiary during the administration of Governor Martin were virtually gone today, following the announcement by the governor late Thursday that he had declined to remit the life-term sentence of the former Medford publisher.

Banks was convicted in Lane county more than three years ago for the slaying of a police officer, George Prescott in Medford, during the ballot theft controversy in Jackson county.

The governor conducted a hearing a short time ago on petitions asking for an investigation of Banks.

(Continued on Page Seven)
CHAIN STORE TAX TO BUILD CAPITOL IS LATEST NOTION
PORTLAND, Ore., Oct. 18.—(AP)—A new chain store tax with a graduated sales tax feature as well as graduated license, was proposed today by "protectors of Oregon communities," a group formed recently at Salem.

Proponents claim the tax plan would yield sufficient funds to construct a new capitol, to finance old age pensions and social security demands generally and to leave some for general purposes.

The proposal, drafted in bill shape for introduction at the special session of the legislature if some legislator will oblige, is being mailed to all members of the legislature.

The letterhead of the organization lists Paul Bloch of Salem as its president, M. J. Reasoner of Salem, secretary and treasurer, and W. R. Biddle of Grants Pass as vice-president.

ASTORIA ELK CLUB TARGET FOR RAID
ASTORIA, Ore., Oct. 18.—(AP)—Sheriff J. V. Burns said today that in a raid late last night on the fashionable Astoria Elk club, he had seized two bulging slot machines, closed down a high-stake poker game, and ordered the steward to discontinue the sale of liquor. No arrests were made.

Sheriff Burns said the club had no license to serve or sell liquor. "A man who told me he couldn't pay his taxes on business property was sitting down at a poker game," Burns declared.

WM. GREEN RE-ELECTED PRESIDENT OF A. F. L.
ATLANTIC CITY, N. J., Oct. 18.—(AP)—William Green was re-elected president of the American Federation of Labor by acclamation today at the federation convention.

MARTIN TO URGE BRIEF DURATION SPECIAL SESSION

Temporary Chambers In Armory And Hotel Ready For Convening Monday—Message Slated For Noon

PORTLAND, Ore., Oct. 18.—(AP)—The public works committee of the state planning board favors the Willamette university campus above all other sites for a new capitol group. It was made clear today by Jameson Parker, committee chairman.

"The committee's first recommendation is for the Willamette site with the second choice for the Candalaria Heights location," Parker said.

It was erroneously reported yesterday that the hill site was given preference.

SALEM, Oct. 18.—(AP)—The temporary "Capitol" which will house the legislature for at least 20 days beginning Monday was virtually ready for occupancy today, with new mahogany desks and chairs in place for use of the members in the Armory and the main dining room of the Marion hotel adjoining.

While the house chamber, in the auditorium of the Armory, will have sufficient room for spectators on the second floor gallery, few will be able to crowd into the senate chamber. The state department announced all stationary and other equipment was in place for the assembly.

Message Prepared
In the meantime Governor Martin sent his address to the printer and announced his message to the special session would be ready for advance mailing late Saturday. He was scheduled to give the address about noon on Monday, providing organization of the house has been completed by that time.

The address, it was stated, will deal entirely with the proposals for a new capitol and additional grounds. He will also urge a brief session in the interests of economy. The address will be about 3,000 words in length.

This will be the first time since the construction of the old capitol building in 1873 that a governor has delivered a message to the legislature.

(Continued on Page Six)
MONTGOMERY WARD TO EXPAND IN PORTLAND
CHICAGO, Oct. 18.—(AP)—Plans to expand mail order and retail selling facilities of Montgomery Ward and company at Portland, Ore., have been approved formally by the board of directors, officials announced today.

A wing consisting of nine floors and a basement will be built next to a present building at a cost of \$750,000.

Oh So!
says
FRANK WATANABE
by
ED HOLDEN
American gent and lady asking me about HARA KIRI—they thinking it meaning to committing suicide. Such are not case please. Hara meaning—stomach, in Japanese. Kiri meaning—to cut. So you must look now it meaning "to cut stomach". But it must be your OWN stomach. Let me benude it to you more. For instant one reason for Hara Kiri are—just supposing you are a Japanese of very honor with a pumped up family name, and you are talking in a heated chain of verbs at a other Japanese—then of suddenly he speaking something which insult you to the roots of your shins and make you feeling very despicable. Here I use apologize. So to getting even and purify your family name—you zip out a knife and cut your stomach east and west first—then with next cut you sink your then and go down. Now when the insulter see you on the ground full of dead—that make him feeling very too cheap and he go walking round with a crustfallen face ever after. So sorry for him.
Thank you please.

SIDE GLANCES

by
TRIBUNE REPORTERS

A picture on the front page of today's Oregonian looking more like Chris Goodrich than Chris does. It was of Rep. J. J. Dempsey of New Mexico, pondering the Philippine question.

Tom Robinson, frked at suggestions that the city police station fly-sweater was not all it might be as a lethal weapon, purchasing another before he remembered that he was taking a heating, having also bought the original one, three years ago.

Herb Guenther and Ron DeVore trying to lure a reporter into joining the Elks so that they could beat him half to death at an "initiation." In retaliation for putting their names in this department because they look alike.

Yest! G. Walker, assistant county treasurer, taking one good listen to a radio that was developing a hacking cough, and diagnosing the trouble in no time at all. He spends most of his spare time experimenting with radios.

Maj. Butler Sees Peril In 'Sideshow' at Geneva

NEWTOWN SQUARE, Pa., Oct. 18.—(AP)—Major General Smedley D. Butler, calling Ethiopian warfare "sideshow maneuvers" compared to the statesmen's "rackets" at Geneva, declared today that League of Nations sanctions are dangerous.

"If it were not for the league sanctions program," the retired marine corps officer said in an interview, "there would be only two nations involved right now—Great Britain and Italy—instead of more than 59."

"The United States can't keep out of Europe works up to a general war and if Europe works up to a general war, it is fed to us."

Voicing fear that too much attention to war movement might arouse American fighting instincts, he said: "It takes a while to get the prior devil who has to be the dying worked up to, but propaganda can do the trick—just as it did in 1916 and 1917. We voted for peace when we elected Wilson for a second term, but we went to war four months later."

"Let our newspapers keep us informed on what the league diplomats are doing and we'll be able to see through the sham. There's more to it than what is going on in Ethiopia. Europe may maneuver around for two more years before it really gets started. They'll have to let Germany get better armed and her troops better trained. First, and the British, they've been talking peace so long they'll have to build up to it."

"There'll have to be a lot of 'incidents.' Italy may have to sink a British ship. Then the English will get in."

"England didn't object when Germany decided to rearm in violation of the Versailles treaty. She didn't say anything when Japan took Manchuria."

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