

The Weather
Forecast
Partly cloudy tonight and Saturday; cooler Saturday.
Temperature
Highest yesterday —93
Lowest this morning —83

Time To Prepare
Another Friday has rolled round which should remind you that it is time to prepare that Classified Ad. for the Sunday morning edition. Advs. accepted until 8 p. m. Saturday.

Thirty-Third Year

The Capital Parade

By Joseph Alsop and Robert Kintner

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SEC ECONOMIST URGES INDUSTRY UNDERWRITING
SEEKS TO RAISE STEEL AUTO MATERIAL OUTPUT
BOOST IN NATIONAL INCOME IS GOAL
SPEND-LEND PROGRAM REGARDED AS STOP-GAP

WASHINGTON, June 24—A remarkable memorandum, suggesting that the government underwrite a 50 per cent increase in steel, automobile and building material production has been laid on the president's desk by Dr. Paul Goussich, chief economist of the securities and exchange commission.

The purpose of this revolutionary proposal is to raise the total national income by one-half. Obviously, the proposal forethadows no immediate action, yet it has vast significance as an indication of the current mental temperature of the New Deal.

Dr. Goussich himself is a high authority, a recognized expert on railroads, whose former employment as Kuhn Loeb and company's economist attests the respect for his abilities in circles infinitely distant from Washington. That such a responsible official should make such a proposal is interesting enough. And more important still, although proposed as revolutionary, it is not so very different from other plans now being longingly discussed at the federal reserve board and elsewhere.

In fact, the Goussich proposal means two things. First, the economic thinkers of the New Deal are increasingly despairing of recovery. Second, they are now all but unanimous in recognizing the spending-lending program as a mere stop-gap, and are therefore casting about for new approaches to the economic problem.

The statement that spending is a mere stop-gap is the point of departure for the Goussich argument. Dr. Goussich states that a fundamental solution to the economic problem is the present crying need, and, as such, a solution, he offers his plan.

Banker underwriting, he says, permits business to expand its facilities. Why, then, should not government underwriting permit business to expand its production, in periods when confidence and demand are low? Business will be willing to produce more goods, and make more profits, if the government stands ready to take possible losses by absorbing surplus goods produced. And, since the additional production will send new energy coursing through the entire

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MOE, WESTLAND IN FIRST ROUND LEAD

PORTLAND, June 24—(AP)—Donald N. Moe of Portland and Jack Westland, Everett, Wash., both former Walker cup players, took leads today over their opponents in the semifinals of the Pacific Northwest Golf association tournament.

Moe, who has held virtually every major title in this section but the Northwest association, blazed home with a 7 under par performance on the first 18, leading Roy Wiggins, Portland, 7 up. He shot a 33 on his first nine and 33 on the back stretch for a 65 total.

Westland was 2 up on Seely Allen, Seattle, after 18 holes. The Everett star produced a par 72.

SIDE GLANCES
by TRIBUNE REPORTERS

Velma Severson declaring she wants to be a pilot after operating the controls on her first airplane ride.

Emil Mohr drinking more than a normal amount of ice water.

WAG Gates treating his winning softball team to confectioins, the losing team and a number of kababizers boning in on the treat and making a noticeable dent in WAG's bankroll.

Eina Stecher advising a group she would just as soon be a lady rasser if she could wear a becoming mask of red, her favorite color.

Clarice Wright, barefooted, looking for some lost keys.

F. R. WILL REVEAL SPECIAL SESSION DECISION TONIGHT

'Fireside' Broadcast to Answer Burning Question—Is Expected to Review Pump-Priming Campaign

NEW YORK, June 24—(AP)—A full complement of network stations, the number will run close to 325, augmented by at least seven short wave units for world-wide transmission, will be connected into the White House tonight for President Roosevelt's "fireside chat," the twelfth since he took office in 1933.

The broadcast stations comprise the NBC, CBS and MBS chains. The president is to begin speaking at 9:30 (E. S. T.) (6:30 p. m., Pacific Coast time).

WASHINGTON, June 24—(AP)—President Roosevelt's "fireside chat" tonight will give the country a report on whether a special session of congress is likely.

The president, asked at his press conference whether a special session was probable, told reporters that they would get the answer from his address to the nation this evening.

The chief executive talked to the newsmen soon after returning to the White House after a seven-day absence.

He already had arranged a busy day of conferences with administration officials and also was expected to devote a considerable part of the day to completing the radio address. It will be broadcast over the NBC, CBS and Mutual networks at 9:30 p. m., eastern standard time.

The speech will be his twelfth "fireside chat" since he took office in 1933. It will give him his first opportunity since the start of the \$3,753,000,000 spending-lending program to discuss formally the prospects for early gains in business and industry.

He probably will review the administration "pump-priming" campaign, which got actively under way this week with approval of several batches of public works projects. PWA allocated \$61,342,346 yesterday in loans and grants to states and municipalities, bringing total allotments to \$139,155,974.

Secretary Ickes, resuming his duties as PWA administrator after a European honeymoon, proposed that the agency be made permanent.

"The way we have started this program convinces me that we should always have a backlog of projects," he said, declaring it would permit quick action in any future depression.

Busy Summer Ahead
Tonight's speech will mark the beginning of a busy summer season for Mr. Roosevelt. In the next two weeks he is to make four out-of-town addresses and complete arrangements for a politically significant journey across the continent to San Francisco.

Meanwhile he must sign or disapprove 175 bills which congress passed last week. He also must complete the organization of such newly authorized agencies as the wage-hour division of the labor department and the independent civil aeronautics authority.

He may make more than 30 major appointments. The wage-hour bill created an administrator's post which is yet to be filled. The aeronautics bill, which Mr. Roosevelt signed late yesterday, calls for a five-member commission and an administrator, and 20 district and circuit judgeships are vacant.

President Receives Check for Million



President Roosevelt received a check for one million, ten thousand dollars from the Committee for the Celebration of the President's Birthday. Shown with him on the porch of his Hyde Park, N. Y., home are the members of the committee (left to right): George E. Allen, Nicholas M. Schenck, Basil O'Connor, Averill Hartman, Dr. Leroy Hubbard, Clay Williams, and, presenting the check, Keith Morgan, chairman.

FARMERS QUIT HOMES BEFORE ONSLAUGHT OF MONTANA CLOUDBURST

HAVRE, Mont., June 24—(AP)—Homeless farmers, beleaguered by flood waters in the valley flats of the Milk river in north-central Montana, braced today against the onrushing tide that has taken nine lives left one mauling and damaged thousands of dollars worth of property.

The flood waters were rushing toward Malta, east of Havre, on the swollen Milk river where flood stage is expected today.

Farmers save up their homes yesterday in the valley flats as the cloudburst-widened river struck at Harlem, 60 miles above Malta.

Rain ranging to cloudburst proportions has pounded over every section of Montana in 24 hours, creating "flash floods" similar to the Custer creek flood that weakened a trestle through which a Milwaukee railroad train plunged early Sunday, killing an estimated 45.

REGATTA COURSE, New London, Conn., June 24.—(AP)—Harvard's undefeated varsity eight defeated Yale by three-quarters of a length in their 76th duel on the Thames tonight.

The Crimson's triumph, gained after the hardest kind of a battle throughout the four-mile test, gave Harvard its first clean sweep in this regatta since 1915.

The Crimson captured this morning's freshman race by two and one-half lengths, and the junior varsity by about a length.

SAMS VALLEY YOUTHS TO APPEAR IN COURT
"John Doe" Bishop and "Richard Roe" Bishop, Sams Valley district youths, charged with assault and battery in a complaint signed by State Policeman Paul Williams, were scheduled to appear in justice court today.

Connelly, a member of the senate finance committee, said the increase would be necessary because of the mounting government debt. These middle brackets, he pointed out, provide the great bulk of income tax revenue.

Corporation income taxes might be raised along with those of individuals, the Texas said, and a total of between \$500,000,000 and \$750,000,000 could be added to federal revenues.

A flat 20 per cent tax might replace the present corporation levy of between 15 and 19 per cent, he suggested. The rate of the existing levy depends on the amount of

Crazed Farm Worker Gives Josephine Officers Battle

GRANTS PASS, June 24—(AP)—Six men required 15 minutes and the aid of a tear gas bomb to get Ralph Rowdin, 24-year-old farm worker who had suddenly gone berserk, from the courthouse yard into a cell of the Josephine county jail today.

During the melee, County Judge Grant W. Matthews was knocked to the ground, stunned from a vicious blow to the chin delivered by the prisoner, and half a dozen others were in tears from the gas fumes.

Rowdin had been brought from his home in Elsie creek, just across the Jackson county line, by Joe Gray and Clarence Smith of Murphy and an unidentified man who said he had

been found talking in a very loud and meaningless manner.

At the prison courtyard, Rowdin announced loudly he would prevent any attempt to put him in jail. Five men tried unsuccessfully. When the county judge stepped into the light and received a jolting right to the jaw, Officer Carl Dallas fired a gas gun under the 180-pound prisoner's nose.

Subdued, Rowdin was led away to a cell, drowsing himself as he went. Inside, he wrecked the plumbing and flooded jail halls as County Judge Earl E. Day of Jackson county authorized Judge Matthews by telephone to sign insanity commitment papers.

SCHMELING GAINS RESTFUL NIGHT
NEW YORK, June 24—(AP)—Max Schmeling, who suffered back injuries in his losing heavyweight championship fight against Joe Louis, passed a good night. It was reported at the Polyclinic hospital.

A bulletin issued at 9 a. m. (E.S.T.) by the hospital read:
"Mr. Schmeling had a very comfortable night. His condition continues in a very satisfactory manner. His pulse and temperature are normal."

Joe Jacobs, manager of the stricken German challenger, was in a high dither today because Hospital Superintendent A. J. Jaller refused to give him X-ray photographs of Schmeling's injuries, so pictures of the best could be taken for the press. He wanted all the world to see the nature of the injuries. For a spell, Jacobs even threatened to remove Schmeling to another hospital.

"I think it is an insane thing to disturb a man's peace and health," said Superintendent Jaller, "but if Jacobs wants to move Max Schmeling, it is his business. Schmeling is receiving the attention of the best surgeons in the world in this hospital. We here are only interested in seeing Schmeling get well."

Yale Baseballers Win Rubber Game
NEW LONDON, Conn., June 24—Yale's baseball nine won the "rubber" game today, 7 to 6, in the series with Harvard.

M'CORMACK MISSING 3 DAYS ON HIKING JAUNT

New Mexico Governor Leads Searching Party Into Rugged Sandia Mountains in Hunt for Wealthy Youth

ALBUQUERQUE, N. M., June 24—(AP)—Searchers late today found the car driven by 21-year-old Medill McCormick, who disappeared three days ago on a mountain climbing trek with a companion. It was undamaged, apparently parked in Pecoswillow canyons at the bottom of the 7000-foot precipitous Sandia peak about 20 miles north of here.

ALBUQUERQUE, N. M., June 24—(AP)—Governor Clyde Tingley personally led a searching party into the rugged Sandia mountains east of Albuquerque today on a hunt for Medill McCormick, 21-year-old heir to the McCormick publishing fortunes, missing three days on a mountain climbing trip.

The governor was accompanied by 36 state police troopers, national guard officers and deputy sheriffs, and Albert Simms, the boy's stepfather. Searching parties spread from Tijeras to the peaks towering 7,000 feet over the mesa. Searchers were instructed to comb every inch of the area.

Young McCormick, son of Mrs. Ruth Hanna McCormick Simms and the late United States Senator Medill McCormick of Chicago, set out Wednesday morning on a hiking trip with a companion, Richard Whitmer, son of Mrs. T. E. Whitmer of Albuquerque, now in France.

The two drove to the mountains, expecting to leave their small auto in a mobile while they climbed the range's northernmost peak.

Poses of CCC enrollees, deputy sheriffs and state police, combing the jagged terrain, were unable to find any trace of the boys or their automobile.

An airplane search was equally fruitless.

"Naturally we are getting a little restless," said Mrs. Simms, keeping vigil late into the night at her country estate.

Both Mrs. Simms and her husband expressed belief the youths might have been caught in heavy rain which swept the mountains late Wednesday, and made camp in a sheltered canyon.

FOREST POACHING FEDERAL OFFENSE
Illegal possession of fish and game on national forest lands is made a federal offense for the first time in an amendment of regulation T-7, recently promulgated by H. A. Wallace, secretary of agriculture, it was emphasized today by Rogue River national forest headquarters.

Heretofore illegal possession of fish and game in the national forests was solely a state offense. It was pointed out by Karl J. Janouch, forest supervisor.

The amended regulation T-7 governs the occupancy, use, protection and administration of national forests. Authority to amend the regulation was vested in the secretary of agriculture by an act of congress.

DR. ROBINSON OF J'VILLE PASSES
Dr. James W. Robinson, 87, a pioneer-day doctor known and loved far and wide in the valley, died at 8 o'clock last night in a local hospital following an illness of almost a year. He had lived in Jackson county for about 60 years, and following his retirement from the practice of medicine he owned and operated a drug store in Jacksonville, where he spent most of his life.

A complete obituary will be published tomorrow. Funeral arrangements are in charge of the Perle funeral home.

ROGUE RIVER WOMAN DAV AUXILIARY HEAD
GRANTS PASS, June 24—(AP)—Mollie Dover of Rogue River was elected department commander of the auxiliary, Disabled American Veterans of the World War, and Ethel Yarbrough of Grants Pass was elected adjutant, returning delegates said today.

BASEBALL

National		R. H. E.	
Chicago	8	11	3
New York	8	9	1
Lee, Carleton and Hartnett; Castlemann, Melton, Coffman and Danning.			
Cincinnati	6	12	1
Philadelphia	6	13	0
R. Davis, Caccarella and Lombardi; Hershberger; Hollingsworth, LaMaster, Smith and V. Davis.			
St. Louis	2	9	1
Brooklyn	5	5	1
Henshaw, Macon and Bremser; Fitzsimmons, Hamlin and Phelps.			
American		R. H. E.	
New York	8	12	1
Detroit	12	16	2
Chandler, Andrews, Sunda and Dickey; Eisenstat, Wade and York.			
Boston	6	6	1
Cleveland	7	11	2
Bagby, McKain and Desautels; Humphries and Pytlak.			

ENLARGED SPY HUNT FOR ARMY AND NAVY IS FAVORED BY F. R.

WASHINGTON, June 24—(AP)—President Roosevelt said today he thought the army and navy should have more funds for running down spies in this country.

The president's comment, made in response to press conference questions, came after he had said that the question of publishing a series of newspaper articles on New York spy investigations involved both patriotism and ethics.

The articles, prepared by Leon G. Turrour, a former justice department agent, have not been published pending the outcome of a suit brought by the government to prevent their publication.

Asked whether recent disclosures regarding spy activities in this country would make it desirable to provide additional funds for counter-espionage by the army and navy intelligence services, Mr. Roosevelt replied in the affirmative.

Both the army and navy intelligence services have been held down pretty low in the matter of appropriations, the president said.

SHIRLEY AND F. R. TALK AS MORGENTHAU WAITS
WASHINGTON, June 24—(AP)—Shirley Temple and President Roosevelt talked about lamb chops today while Secretary Morgenthau cooled his heels in an anteroom.

The child actress, accompanied by her parents, Mr. and Mrs. George Temple, called at the White House for a chat with the chief executive.

As they came out, someone remarked that the visit had delayed Morgenthau's appointment.

"But what we were talking about," Shirley said, "was important."

The lamb chops, it turned out, were some Shirley had for luncheon earlier this week.

EX-OFFICER INDICTED IN DOCTOR'S MURDER
SOUTH PARIS, Me., June 24—(AP)—Former Deputy Sheriff Francis M. Carroll, 43, was indicted today for murder of Dr. James G. Littlefield, aged South Paris physician, for whose death Paul N. Dwyer, 18, is now serving a life sentence at Thomaston state prison.

Carroll had been under arrest for several weeks on a morals charge involving his 18-year old daughter, Barbara, formerly a friend of Dwyer. The indictment reopened the sensational double slaying of Dr. Littlefield and his wife last October.

ROSEBURG, Ore., June 24—(AP)—Arthur W. Metzger, resident of Sutherlin, employed in logging operations on Boomer Hill, near Myrtle Creek, was brought to Mercy Hospital here today suffering from severe injuries resulting when he was crushed under an overturned tractor. He suffered fracture of the jaw, right arm and head injuries.

LABOR FEDERATION PICKS EUGENE FOR NEXT CONVENTION

Medford Passed Up by Vote of 105 to 64—Peace and Quiet Prevail As State Meeting Comes to End

TILLAMOOK, Ore., June 24—(AP)—An Oregon State Labor Federation convention that was attended conspicuously by the dove of peace came to a close at noon today as the delegates selected Eugene for the 1939 convention and reelected Ben T. Osborne, Portland, as executive secretary-treasurer.

The conclusion, marked by lack of controversial issues and clashes of any sort, picked Eugene over Medford by 105 to 64 votes in a placid closing session. It also returned Paul E. Gurske, Portland, vice-president for five years to office.

Here for presidency, a race developed for the presidency, however, President Dell E. Nickerson, Portland, will face two opponents in the referendum vote. One is Phil J. Brady, president of the Portland Central Labor council and incumbent official; the other is Herbert E. Barker, Salem Central Labor council secretary.

In the nine federal districts races are in prospect for executive board places.

Incumbent A. Rice, Klamath Falls, will get opposition from Charles W. Towers, Medford, in No. 6.

Brady appealed for support for the striking culinary and hotel workers of Portland who are, he said, fighting with their backs to the wall.

A resolution was adopted today opposing any public school district until assurance was given that union wages will be paid and contracts made. Another condemned the anti-union activities of Associated Farmers of Oregon and Associated Employers of Oregon.

CHINESE AND FLOOD SLOW JAP INVASION OF HANKOW REGION

SHANGHAI, June 24—(AP)—The Japanese advance up the Yangtze river toward Hankow slowed to a snail's pace today as a result of severe fighting and an overflowing river.

Forces on the north bank of the Yangtze, fighting to attack obstructive booms across the river at Ma-towchen and Kiating, reached Yentang in Anhwei province. Since the capture of Tientshan a week ago, this unit had advanced nine miles and was approximately 70 miles from Kiating, 135 miles down river from Hankow, the provincial capital.

Chinese said two dominating hills on the south bank near Tzikang, 300 miles from Hankow, changed hands twice in the last two days.

Japanese finally took one hill by a bayonet charge, but Chinese repulsed attacks on the other.

REBEL ROTARIANS ELECT PRESIDENT
SAN FRANCISCO, June 24—(AP)—Rotary International moved toward the close of its 29th annual convention today by inaugurating an "insurgent" supported president, George C. Hager of Chicago.

Hager was elected over Allen Street of Oklahoma City by a delegate vote of 2,116 to 1,928 after his backers started a movement for revamping the election machinery of the big service club organization.

A part of the final plenary session of the convention was set aside to induct Hager into office as successor to Maurice Dupre of France.

Chicago Rotarians, changing a Rotary by former officials, sought to broaden the methods of nominating candidates.

CALLISON TRIAL SET ON DRUNKEN DRIVING

REDWOOD CITY, Calif., June 24—(AP)—Prince Callison, former University of Oregon head football coach, was ordered into court here July 13 for his jury trial on a drunk driving charge. He was arrested here June 3. The trial originally was set for yesterday, but was postponed when Callison was called out of the state to attend the funeral of a relative.

Owney J. Patton

Owney J. Patton, 70, passed away at 3:10 o'clock this afternoon after several weeks illness from cardiac renal disease. Mr. Patton, a resident of Medford for many years, had been serving as circuit court bailiff in recent years.

A complete obituary and funeral plans will be given in Sunday morning's paper.

Middle Bracket Incomes Seen Due for Tax Boost

WASHINGTON, June 24—(AP)—A prediction that the next congress will enact substantially higher taxes on incomes between \$5,000 and \$50,000 came today from Senator Connally (D. Tex.).

Connally, a member of the senate finance committee, said the increase would be necessary because of the mounting government debt. These middle brackets, he pointed out, provide the great bulk of income tax revenue.

Oregon Relief Spending Shows Increase in 1938

PORTLAND, June 24—(AP)—Comparable costs submitted to the state relief committee today by Elmer Goudy, administrator, showed 1938 expenses were higher than a year ago.

Goudy, in one of the first reports of this type the state has compiled, said the committee's total expenditures for April, 1938, were \$455,999 compared with \$345,536 last year, an increase of about 32 per cent. Old age assistance, not including administrative costs, amounted to \$359,417 in 1938 compared with \$266,358 and blind assistance \$11,028 compared with \$6,622. The mothers' aid work formerly ran about \$26,000, but last April it reached more than \$46,000.