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Is Klamath County's  
Industrial Payroll

# The Evening Herald

Equal Rights, Equal  
Justice, are the Twin  
Pillars of Democracy

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## DRAG HARDING'S NAME INTO OIL LEASE SCANDAL

### Sale of Marion Star For \$500,000 Brought Up by Vanderlip

WASHINGTON, Feb. 13.—The prediction that public opinion will force President Coolidge to remove every official connected with oil reserve leases was made today by Senator Robinson, democratic leader, replying to the president's refusal to accept the senate's advice and immediately ask for Denby's resignation.

WASHINGTON, D. C., Feb. 13.—The name of the late President Harding and circumstances surrounding the sale of the Marion Star were brought into the oil lease scandal today by Frank A. Vanderlip, New York banker. Vanderlip was summoned before the committee tomorrow to explain his speech last night at Ossing, N. Y.

OSSING, N. Y., Feb. 13.—Frank Vanderlip, who in his speech said a "certain Marion" newspaper was bought by two young men of no financial standing for \$550,000, declared today his object was to encourage investigation of gossip concerning the dead president which is outrageous if untrue.

WASHINGTON, Feb. 13.—J. Leo Stack, Denver oil man, testified today before the senate oil committee that Pioneer Oil company officials told him confidentially a week before Teapot Dome was leased that Harry F. Sinclair was to get the lease.

Stack, who testified yesterday, was cross-examined today by Chairman Denroft.

Stack emphasized the danger of drainage of Teapot Dome by wells which would be opened on land surrounding the naval reserve under action which the interior department had taken in 1920, when rights to operate on such land had been sold at public auction.

"In 1920 it was common talk among oil men that the reserve was being drained," he said.

WASHINGTON, Feb. 13.—Earl C. Schuyler, Denver attorney, telegraphed Senator Walsh today "he has correspondence which he thought the senate oil committee should have" Walsh said he would be summoned.

At the same time Walsh received a telegram from D. F. Stackelback, of the Denver Post, saying he had good reason to believe the correspondence in Schuyler's possession was "sensational."

ST. LOUIS, Feb. 13.—William H. Johnston, president of the International Association of Machinists, today denied responsibility for the statement reported to have come from him, that William G. McAdoo's association with Doherty oil interests made his availability as presidential candidate doubtful. Johnston is president of the National Conference for Progressive Political Action which has been in session here.

WASHINGTON, Feb. 13.—The senate today adopted a resolution by Dill, Democrat, Washington, calling upon the state department for copies of all diplomatic correspondence in connection with the senate's ratification of the Colombian treaty, which was urged by former Secretary Fall.

A second resolution by Dill calling for similar reports from the state department as to communications concerning oil concessions or leases in nine other countries was also adopted.

WASHINGTON, Feb. 13.—Inquiry into charges of fraudulent land

### WAS TO GET LEASE?



Harry F. Sinclair, oil magnate prominent in the Teapot Dome scandal, whom J. Leo Stack, Denver oil man, today testified he had been told confidentially was to get the lease.

## IMMUNITY WAS NOT PROMISED SAYS DAUGHERTY

### Settlement in War Contract Cases is Denied by Attorney General

WASHINGTON, Feb. 13.—Attorney General Daugherty denied in a communication sent to the senate today that the department of justice made any settlement in war contract cases by which immunity from criminal prosecution was promised provided civil liability was met.

Many cases had been settled with out criminal prosecution, Daugherty said, but these involved over payments by the government through mistake of law or fact, and other contentions which would not warrant criminal prosecutions.

In settlement of civil liability, in matters and cases referred to, Daugherty wrote, there had been no agreement, direct or indirect by the department of justice not to prosecute for any criminal liability where there was such liability.

## U.S. GETS FOUR NEW CITIZENS

### Certificates Are Issued by Examiner Following Hearing Held Here

Certificates of citizenship were issued to four residents of Klamath county Monday afternoon following their examination by C. C. Welsh of the Portland naturalization board, who, with the aid of Circuit Judge A. L. Leavitt conducted the examinations. Six petitioning for citizenship were continued till the next hearing, some on the ground that they did not have witnesses to appear for them, and others because they were not sufficiently conversant with the constitution and history of the United States.

Those admitted were John Daniel O'Connor, Enoch Arvid Oblom, Governor Minard and Emil Polivka. Following the examination the examiner commented upon the splendid showing of Emil Polivka.

Another hearing will be held in about six months and those who do not receive final papers were advised to study for the next examination.

### MARKET REPORT

PORTLAND, Feb. 13.—Livestock steady; eggs two to three cents lower, 25c to 27c; butter steady.

operations in Texas was ordered today by the senate in adopting a resolution by Heflin, democrat, Alabama.

## ISSUES OF 1924 CAMPAIGN HELD AS THREE FOLD

### Questions Before Voters Pointed Out by Former Governor of Iowa

DENVER, Colo., Feb. 13.—(By the Associated Press.)—Abraham Lincoln led the United States through a civil war to establish the principle that this is a nation of states and not a group of independent states. W. L. Harding, former governor of Iowa, said in an address before Colorado republicans at a Lincoln day dinner here last night.

"And now," Harding continued, "we must guard against a trend to the other extreme, federalization of all our activities."

Set Forth Issues. In his address Harding set forth the issues and perpetuation of the coming political campaign as three-fold, involving maintenance and perpetuation of a representative form of government; solution of domestic problems and the disposition of problems arising from our foreign relations. At the outset he paid tribute to Lincoln.

"There is," said Harding, "no problem of this time or the future growing out of the relation of man to man, that cannot be solved through and under our form of government as interpreted by Lincoln. He understood that neither an autocracy nor an extreme democracy was the correct principle of government on which to form a lasting and desirable state."

Tendency to Nationalize. The great history of the development of this nation under republican rule has been marked by the dominance of individualism, and it is vitally important now to get back to conditions in harmony with our form of government. The tendency just now is to nationalize everything. We fought in Lincoln's day to maintain a representative form of government in our own country. And representative government starts from the locality. We must keep in mind that the least government is the best government; the local government must not be supplanted by federal or bureaucratic government.

The big issues of the campaign, the speaker predicted, will be nationalism as against internationalism. The republican party, he said, "stands for America first—big enough, strong enough, rich enough and good enough that no nation on earth, or all combined, will question its rights."

Anxious to Help World. "We are not only willing but are anxious to help the world," Harding continued. "But we insist that we give willingly and in our own way rather than be pushed into the whirlpool of European politics. The best market place in the world is in the United States. Our people get better wages and better prices for their products. If we keep the American market for the American people we can be assured of general prosperity. We should keep the tariff fence just high enough to protect that market. Sell abroad, yes, but let us not trade a real market for one where they cannot pay their bills."

The solution of the farm problem, Harding said, lies not in legislation but "in sound government and the operation of economic rules that are national and not international. Farmers of the country, he said, received \$2,000,000,000 more for the 1923 crop than for the 1921 crop. He declared the limit of taxation has been reached and that the administration, "if not too much molested, can make additional reductions."

## CARTER CLOSES TOMB IN ANGER

LUXOR, Feb. 13.—Howard Carter announced today that because of the discourtesy of the Egyptian public works department in refusing permission to wives of the excavators to visit the tomb, he had closed Tutankhamen's tomb and abandoned operations.

## Senate Resolution Asking For Denby's Resignation

PRESIDENT COOLIDGE was advised by the Senate Monday to ask for the resignation of Edwin Denby as Secretary of the Navy.

A resolution declaring the secretary's retirement should be requested "immediately" was adopted, 47 to 24, and sent to the White House by special messenger within the hour.

The resolution follows:

Whereas the United States Senate did, on January 31, 1924, by a unanimous vote, adopt Senate joint resolution number 54, to procure the annulment of certain leases in the Naval oil reserves of the United States; and

"Whereas the said resolution, among other things, declared as follows:

"Whereas it appears from evidence taken by the committee on public lands and surveys of the United States Senate that certain lease of naval reserve number three, in the state of Wyoming, bearing date April 7, 1923, made in form by the government of the United States through Albert B. Fall, Secretary of the Interior, and Edwin Denby, Secretary of the Navy, as lessor, to the Pan-American Petroleum Company as lessee, were executed under circumstances indicating fraud and corruption; and

"Whereas the said leases and contracts were entered into without authority on the part of the officers purporting to act in the execution of the same for the United States and in violation of the laws of Congress; and

"Whereas such leases and contracts were made in defiance of the settled policy of the government adhered to through three successive administrations to maintain in the ground a great reserve supply of oil adequate to the needs of the Navy in any emergency threatening the national security;

"Therefore be it

"Resolved, that it is the sense of the United States that the President of the United States immediately request the resignation of Edwin Denby as Secretary of the Navy."

This measure was a substitute for the original resolution offered by Democratic Leader Robinson before the Senate adopted the Walsh resolution for the annulment of the oil leases.

## Credit Viewed As Heart of all Business Relations

Collections and credits, a subject which includes the heart of business relations, was discussed from six different angles by E. K. Knapp, credit manager for the Spalding Logging company of Portland, at the second lecture of the business lecture course in the Presbyterian church last night.

National prosperity depends on the stability of commerce and the stability of commerce always depends upon the soundness of credit. This, Knapp declared, is a truism all should realize. In other words civilization is based on credit.

Credit Defined. Credit, defined Knapp, is confidence in men, their methods, their character, institutions they represent, nations they live in. There is no business transaction where credit is not involved in some way.

It being admitted that credit is the butwork of commerce and hence of civilization, it is necessary, Knapp declared, to protect credit. Be as careful in protecting credit as a bank is in protecting the money in its vaults.

There are three "C's" in the theory of credit, Knapp pointed out—Character, capacity and capital. Of these three, character is by far the most important. Without character, capacity cannot survive, and capital and capacity will eventually fall also. Character in business will mean that the capital will eventually soon come to you.

Capacity in business is useless by itself but is a necessary adjunct to character.

Capital Requires Care. Capital requires wonderful care, Knapp stated. Failures in business are due to incompetence and inexperience or, in other words, poor handling of original capital. It is never safe to use credit to borrow capital unless capital turns over, such as in buying and selling. In other words it is all right for a grocer to borrow money to buy sugar

## WAR FINANCE LOAN POWER RESTRICTED

WASHINGTON, D. C., Feb. 13.—The house today passed a bill extending until December 31 next the power of the war finance corporation to make loans. The measure now goes to the president, who recommended the legislation.

## NORWAY RECOGNIZES SOVIET GOVERNMENT

MOSCOW, Feb. 13.—Norway has given the Russian soviet government recognition, De Jure, of the foreign office was informed today.

## WHEAT PRICES.

PORTLAND, Feb. 13.—Hard wheat, \$1.02; western red, 96c.

## NO SKY-SCRAPER HEELS ON WOMEN'S SHOES THIS YEAR

CHICAGO, Feb. 13.—This year's women's shoes will have no skyscraper heels, sharply pointed toes or stunted vamps, according to the styles committee of the National Shoe Retailer's association, which opened its annual convention and style review here yesterday.

New features, buckles and materials are introduced in the exhibit of 15,000 pairs of shoes on display. None but those conforming to the style committee's slogan, "freedom from foot hurts," has been accepted for exhibition.

"Such terms as 'French heels and 'French toes' are fast disappearing," said G. M. Shangler, secretary-treasurer of the convention. "Today most of the models originate in America and the growth of the industry in the United States has eliminated, to a great extent, the importation of ideas from France."

## 17 SHOT DOWN AS 2 BAVARIAN FACTIONS CLASH

### Separatists Barricaded in Building Are Burned Out by Crowd

BERLIN, Feb. 13.—Fighting between separatists and inhabitants of Pirmasens, in Bavarian Pfalz province, last night, resulted in the killing of 17 persons and the wounding of 20, according to dispatches today.

The casualties occurred during fighting for possession of a government building which was eventually set on fire. Of those killed 14 were separatists.

Accounts of the fight are somewhat conflicting, but it appears 40 separatists barricaded themselves in the government building, from which they fired their bombs against the crowd.

In attempting to eject them the crowd sprayed benzene on the building for the purpose of burning it. When the tower part was afire the separatists ceased shooting and begged for mercy.

One report says all separatists who left the building, including the leader, Schwab, were slain, but a later report says only 14 of those in the building were killed.

Latest advices reported the building still burning.

## SHEETS ESTATE WORTH \$20,000

In an order admitting the will of R. J. Sheets to probate, it was stated that the approximate value of his property, real and personal, was \$20,000. In his last will and testament made on February 19, 1919, \$2000 was left to his adopted daughter Vivian Sheets and the remainder of the estate, both real and personal, was willed to his wife.

## ZIEGFELD GIRL CLAIMS ROBBERY

CHICAGO, Feb. 13.—Gilda Gray, Ziegfeld Follies dancer, told the police she was robbed last night by three men of jewelry valued at \$150,000 and \$2,000 cash as she entered the apartment where she lives with her parents.

Miss Gray, who was married recently to Galliard T. Hoag, wealthy New York cabaret owner, had just left the theatre and had been driven home by her chauffeur, who witnessed the robbery.

## MELLON FORGOT WAR DEBT SAYS LEGION LEADER

### Quinn Attacks Tax Reduction Plan; Secretary Held Enemy of Veterans

WASHINGTON, D. C., Feb. 13.—Secretary Mellon has failed to consider in his estimates of anticipated revenue the sum of approximately \$160,000,000 annually accruing as interest on the British war debt, twice as much as is needed to pay the adjusted compensation bill, according to John R. Quinn, national commander of the American Legion. In making this declaration, Commander Quinn added that Secretary Mellon had also failed to take into account the estimated savings of \$220,000,000 to \$250,000,000 which economies of national administration will produce.

The statements were made at the all-day session of Legion's National Legislative committee held at the Hotel Washington when plans for a nation-wide demonstration by ex-service men were laid.

Mellon Called Enemy. "The secretary of the treasury is the greatest enemy of the ex-service men in this country," Commander Quinn told the delegates from forty-eight states. "Here stands a great administrative official of the government persistently lobbying to defeat a specific measure of legislation—a measure which the majority of duly elected legislators repeatedly have declared should be enacted into law."

"He has consistently altered the estimated cost of meeting adjusted compensation, but even his biggest estimates can be met out of the interest on the British war debt and the economies effected in administration."

"There is about \$160,000,000 a year paid on the debt and Mellon's latest cost estimate is \$475,000,000 for the first four years, an average of a little less than \$119,000,000 a year. It will not cost that much as Mellon undoubtedly knows, but meeting him on his own ground we have more than enough to pay the cost without inflating hardships on any class of people, and without hindering tax reduction. It can be seen that taxes can be reduced."

"I want them to be reduced and so does the Legion. And Mellon is insulting our intelligence when he says that there can be no tax reduction if the adjusted compensation bill is paid."

## LUMBER VESSEL BLOWN ASHORE

SAN FRANCISCO, Feb. 13.—The sailing vessel Renee, bound from Nagayo, Japan, to Astoria, Ore., was blown ashore, according to a report to L. K. West, who, with a group of associates, purchased the vessel some time ago from the Columbia River Packers' association. Several other boats were also blown ashore, according to West's advices. The Renee is now in the lumber trade.

GIBRALTAR, Feb. 13.—The crew of the five-masted auxiliary schooner Republic, which burned at sea, have been rescued by the Spanish steamship Romeu. The republic was a total loss.

## THE WEATHER

The Cyclo-Stormograph at the Underwood pharmacy has registered a steady, but slow, decrease in barometric pressure during the last 24 hours. A disturbance of considerable extent is approaching from the south.

Forecast for next 24 hours—Cloudy; continued warm, followed by unsettled weather. The Tycos recording thermometer registered maximum and minimum temperatures today as follows:

High	64
Low	27