

Herald subscribers who fail to receive their paper by 6:30 p. m. are requested to call the Herald business office, phone 1000, and a paper will be sent by special carrier.

Unsettled; warmer. High 36; Low 25. OREGON: Cloudy; stormy south winds.



Editorials On the Day's News

By FRANK JENKINS THE value of the American dollar, it now seems safe to assume, is to be reduced by about half.

That is to say, the amount of gold back of the paper dollar is to be decreased by 50 per cent. So, since it is the gold back of it that gives value to the paper dollar, it is expected that the purchasing power of the dollar will fall.

The purpose back of this reduction of the gold content of the dollar is to cause prices to rise.

WHY will reduction of the gold content of the dollar cause prices to rise?

The answer to that question is quite simple. If the value of the money is LESS, people will feel that they must have MORE of it in return for what they have to sell. Those who can may be expected to raise their prices at once. Others will follow as rapidly as competitive conditions will permit.

WILL that help? Well, if the dollar of tomorrow is to be worth only HALF as much as the dollar of today, it will presumably take two dollars tomorrow to do the work that ONE does today.

So, you see, if you are to benefit, you will have to scheme out some way to get two of these cheaper dollars to take the place of the one dearer dollar you now have.

THOSE who can, as already stated, will get the two dollars by doubling their prices.

Those who can double the price of what they sell before prices of what they have to BUY are doubled will benefit. Anybody can see that.

Those who CAN'T double the price of what they sell before prices of what they have to buy are doubled will be hurt.

That is equally obvious.

SOME prices will go up immediately. The stock market, for example, rises at once in response to the mere PROSPECT that money is to be cheaper.

Stock prices are extremely liquid, and rise and fall easily.

Other prices will rise very slowly, because of competitive conditions. If you raise your price and your competitor DOESN'T, he will get the business and all you will get will be grief.

This business of raising prices by lowering the value of the money isn't as simple as it looks.

AMONG the prices that will rise most slowly is the price of labor. Increased wages have to be secured by a process of negotiation, and that takes time.

In any form of inflation, those (Continued on Page Four)

WILL ROGERS says: BEVERLY HILLS, Jan. 16. —Editor The Evening Herald: Touble with us is we had the tax on liquor at the wrong time. We should have had it on from 1919 to 1933, when people were drinking. A prospect in the heart of Death Valley is not as lonesome looking as a salesman in a liquor store.

That Japanese admiral that declared war on America got a lot of publicity, but no war. In fact, all the writers and predictors haven't been able to produce a war as readily as they promised.

Every nation thinks they are getting ready for it quicker than the other, and if they each know that the other is ready there will be none.

Yours, Will Rogers.

REPUBLICAN FIGHT LOOMS

CANDIDATES OUTNUMBER JOB SUPPLY

Many Seek Position With State Liquor Control Plan.

3 ADMINISTRATORS NEEDED IN STATE

Post of CWA Disburser Carefully Eyed By Klamath Men.

By Malcolm Epley

Despite the fact that 1934 promises a record in the number of public jobs to be handed out here, there are no prospects that the demand for men for such work is going to equal the supply, not to speak of exceeding it.

Consider the growing list of candidates for jobs with the state liquor commission, which has announced it will go ahead with its organization despite the Klamath Falls legal test of the Knox law, now in the courts.

Candidates Numerous

W. E. Berry, William Barron, Frank Powers, Byron Hardenbrook, Leo Scroggin and Buford Morris are among local men said by their friends to be qualified for, and receptive to offers for the more important liquor administration jobs. These men have been mentioned particularly in local gossip for liquor administrator for Klamath county.

Word comes from Portland, however, that only three administrators for the state are planned, these to be appointed on the basis of congressional districts. That limits the possibilities of a Klamath man getting the job. On the other hand, there are going to be auditors, field agents, store managers, store help and what not under the liquor set-up. If all we hear is true, and the commission may yet decide to appoint deputy administrators for each county.

No More Applications

The commission has announced it will receive no more applications for jobs. Just how many of the men mentioned above actually applied for jobs, or how many others did before the gate was closed, is no certain, but (Continued on Page Eight)

DOLLAR BUOYANT ABROAD TUESDAY

(By the Associated Press)

The dollar was buoyant against non-gold currencies in foreign exchange markets today and held a more steady position against gold standards.

In London the American unit finished 3 1/2 cents higher to the pound sterling at \$5.11, compared with an overnight quotation of \$5.14 1/2. In New York sterling sagged still further and was 5 cents lower at \$5.09.

In Paris the dollar closed 21 centimes lower at an equivalent of 6.38 cents after having opened at 6.43 cents. In New York the French unit was quoted at 6.32 1/2 cents, off .06 1/2 of a cent from yesterday.

In terms of the franc the dollar was valued at approximately \$1.97 per cent parity. Based on the new domestic gold price of \$34.45 an ounce, it had a theoretical value of 60 per cent of its former parity.

QUAKES CONTINUE; DEATH LIST 112

CALCUTTA, Jan. 16. (AP)—Earth shocks continued intermittently throughout India today as the total known dead in yesterday's big quake mounted to 112.

The total casualties probably will be revealed as considerably greater, since later reports show heavy damage was done north of the river Ganges. Several temples were destroyed in Turnea and in Bihar Province.

Two Brothers Die At Identical Hour

NEVADA CITY, Calif., Jan. 16. (AP)—At the same hour former Superior Judge Frank T. Nilon died yesterday, his younger brother, John C. Nilon, succumbed in Siskiyou county.

Outlaw Frees Five Convicts

TWO GUARDS WOUNDED IN TEXAS PRISON BREAK; MANHUNT STARTS

HUNTSVILLE, Tex., Jan. 16. (AP)—Two guards at the Eastham state prison farm were ambushed and wounded today by a machine gunner identified as Clyde Barrow, notorious southwestern outlaw, who effected the release of his pal, Raymond Hamilton, and four other convicts. Officers expressed belief that Barrow was aided by his woman companion, Bonnie Parker. The guards were ambushed as they took a squad of men out to work in the fields.

Bullets from a machine gun sprayed out from a ditch near the prison farm headquarters as the squad passed.

CWA MAY REPLACE SCHOOL BUILDING

Old Edifice May Be Removed for Playgrounds.

Replacement of the old high school building with a playground, construction of a historical museum and construction of underground railroad crossings, were among outstanding proposals for civil works projects discussed at a conference Tuesday by Will Baldwin, CWA manager, and the city planning commission.

Action on the high school project entails the necessity of getting this property in the hands of a public agency, it was pointed out. The property was acquired from the county by the Masonic lodge, but may revert to public ownership which would make it eligible for public or civil works.

Bosse Heads Committee

The suggested plan developed at the meeting called for razing the old building, developing a playground on the property, and using the materials for the construction of a historical museum on the hill site, but preferably on some other public property, such as the library grounds. R. H. Bosse was named head of the high school committee.

Undergrade crossings on Main street and Esplanade street, discussed some time ago as possible PWA projects, took a civil work turn at the conference, inasmuch as no application was made for them as public works projects. It was believed they would be eligible under the CWA. Elmer Balsiger heads the crossing committee.

Canal Considered

Playground development along the reclamation canal was suggested, and G. C. Lorenz, appointed chairman of a playground committee. The matter will be taken up with the reclamation service.

Consideration was given to the canal coverage project, now pending with the public works administration at Washington. An effort (Continued on Page Eight)

SUMMERVILLE NEW MARSHAL FOR U. S.

WASHINGTON, Jan. 16. (AP)—President Roosevelt today appointed John T. Summerville as United States marshal for Oregon.

PORTLAND, Jan. 16. (AP)—John T. Summerville, whose name was sent to the senate today by President Roosevelt for confirmation as United States marshal for Oregon, returned this morning from Washington, D. C. He expects to take office about Feb. 1, succeeding Jack L. Day, republican.

Wife of Noted Artist Passes

MORGES, Switzerland, Jan. 16. (AP)—Madame Helena Paderewski, wife of the noted pianist, Ignace Jan Paderewski, died at their villa here today. She was 74 years old.

Paderewski was with her when death came after an illness of more than two years.

WAREHOUSE DESTROYED

SALEM, Jan. 16. (AP)—Fire of an undetermined origin destroyed a large onion warehouse and contents on the Hayes Lash farm about nine miles north of Salem, at 4:30 o'clock Tuesday morning. There were 30 carloads of choice onions stored at the time.

BOARD NAMES 2 PRESIDENTS FOR SCHOOLS

Dr. C. V. Boyer Acting Executive for University.

PEAVEY HEADS STATE COLLEGE

Educational Chiefs Drop Investigation Into Morse Charges.

PORTLAND, Jan. 16. (AP)—Dr. Clarence V. Boyer, dean of arts and letters at University of Oregon, is acting president of that institution, and Dr. George W. Peavey, dean of forestry at Oregon State college, will head that school in a similar capacity.

Election of these two men to the new positions was the major business accomplished by the state board of higher education at its Monday meeting here. The move was designed to insure greater harmony in administration of the two large institutions, lessening fears of partisanship of one school that that institution may not have adequate expression and opportunity. Under this plan there will be a directing head on each campus, the interest of which he will champion, and the affairs of which will be his responsibility.

The board abandoned its proposed investigation of activities of Dean Wayne L. Morse of the Oregon School of Law, whose attack on the chancellor created a furor several months ago, and whose heated debate with Roscoe C. Nelson, then chairman of the board of higher education, resulted in the resignation of the Portland man.

Faculty Warned

In dismissing the Morse investigation the board implied that the ax will fall swiftly and surely on any faculty member who might take such action in the future.

Willard Marks of Albany was elected chairman of the board of higher education, and C. A. Brand of Roseburg was elected vice chairman. It was believed Governor Meier will appoint a new member to the board soon. (Continued on Page Eight)

GRADE OF LIQUOR CLOSELY CHECKED

PORTLAND, Jan. 16. (AP)—George L. Sammis, administrator for the state liquor control board, said here today that "many complaints have been received at the office that an extremely poor grade of liquor is being sold by many Portland concerns."

He made the statement with receipt of a message from Joseph H. Choate Jr., director of the federal alcohol administration, stating that the government will deal harshly with all original purveyors of bad liquor.

Gold Policy Reaction

World Considers F. R. Pronouncements

WASHINGTON, Jan. 16. (AP)—Thorough approval of President Roosevelt's monetary program was expressed before the house coinage committee today by Frank A. Vanderlip, New York banker and financier.

He made his views known on the president's recommendations to congress yesterday after he had proposed creation of a new federal agency to have sole power of currency issue.

TOKYO, Jan. 16. (AP)—Rapid fluctuations without any definite trends in the foreign exchange market today showed that Japanese bankers and traders still are unable to foresee the results of President Roosevelt's monetary policy.

WASHINGTON, Jan. 16. (AP)—The reconstruction corporation ceased its gold purchases abroad at noon yesterday.

Jesse H. Jones, chairman, said today that all gold purchases initiated abroad prior to 12

Broken Nose Mae's Worry

ACTRESS TESTIFIES TO GIVING JEWELS FOR PROTECTION

LOS ANGELES, Jan. 16. (AP)—Mae West, dazzling movie siren, blonde of the provocative walk and the "come hither" voice, was more concerned with the horrors of a broken nose and the possible loss of a screen contract than with the \$3,400 in cash and the diamonds and jewelry she gave up when a robber held her up September 23, 1932.

Testifying today in the trial of Edward Friedman, who is charged with the robbery, the actress said she knew she could get her "property" back in quick time, but a new nose was something else again.

The actress' court bodyguard, consisting of police detectives and district attorney's special officers, closed in around her. The protective measure was taken because of threats of an unidentified man over the telephone that there would be trouble if she testified in Friedman's trial.

She was asked if she was frightened when the revolver was pushed against her body.

"Yes, I guess I was," she replied. "But that guy's hand was shaking like a leaf. I didn't know whether he was going to hit me in the face and maybe break my nose and knock a couple of teeth out or not. I was most afraid of that. I could make back that \$3,400 any time, but I couldn't get myself a new face. I was remembering my contract."

U. S. FILES SUIT AGAINST OIL FIRM

Company Charged With Violation of NRA Provisions.

WASHINGTON, Jan. 16. (AP)—The federal government filed suit today against the Standard Oil company of New Jersey charging violation of the oil code and asking an injunction against the company to prevent it from giving premiums.

The action was filed on behalf of Secretary Ickes, the oil administrator. Hearing on the suit was set for January 30 in District of Columbia supreme court.

The suit was the first to be filed against a major oil company for alleged violation of the code.

NEW YORK, Jan. 16. (AP)—Babe Ruth, batsman, is titular head of what the government today charged was an oil code violation on the part of the Standard Oil company of New Jersey.

The contest inaugurated by the company is known as "Babe Ruth's Boy's club contest." Three times a week he goes on the air (Continued on Page Eight)

NEW PRESIDENT RULES IN CUBA

HAVANA, Jan. 16. (AP)—Carlos Hevia, 33-year-old secretary of agriculture, was given the oath of office as president of Cuba today by his father-in-law, Dr. Juan Federico Edelmann, president of the supreme court.

THIEVES ENTER KLAMATH HIGH

Thieves entered Klamath Union High school early Tuesday morning and pilfered a vending machine of approximately \$2.00 in nickels, according to a report filed at police bureau.

The petty robbers also entered a number of the study and classroom in the building, as well as the offices of Principal Paul T. Jackson. The principal's desk had been pried open with a screw driver, but apparently nothing taken.

Robbery of a dwelling at 2228 Siskiyou street, owned by Earl Sharp, has also been reported to headquarters. A set of new breakfast room furniture and a new mattress were taken from the house, as well as a number of smaller articles.

YOUTH FREED IN FATHER'S DEATH

ST. HELENS, Ore., Jan. 16. (AP)—A verdict of justifiable homicide was returned by a coroner's jury here, freeing Edward Wagner, 29, of Rainier, from responsibility for the fatal shooting of his father, Carl Wagner, 53, who was killed Sunday. The jury was told the elder Wagner had abused his wife and threatened her and the younger man's wife.

STATE BEGINS DR. WYNEKOOP DEATH STORY

Gruesome Tale Revealed in Murder Trial At Chicago.

BOARDER TAKES WITNESS STAND

Unopened Packages of Evidence Brought to Court.

CRIMINAL COURTS BUILDING, Chicago, Jan. 16. (AP)—The state today began its gruesome parade of evidence in the trial of Dr. Alice Lindsay Wynekoop, 52-year-old physician, charged with the murder of Rheta Gardner Wynekoop, Auburn-haired wife of her youngest son, Earle.

Three pictures of the scene of the homicide, one showing the body of the 23-year-old Rheta on the operating table in the basement of the Wynekoop home, were shown to Miss Enid Hennessey, school teacher-boarder at the Wynekoop home, for identification.

Sealed Articles Brought In. Other evidence hauled into court, but as yet unrepresented, included two wicker waste baskets, bearing stains which might have been blood, and several bulky packages wrapped in brown paper.

Before adjournment at noon the state completed its examination of Miss Hennessey and of Mrs. Vera Duncan, neighbor of the Wynekoops and the last person (Continued on Page Eight)

RUSSELL HAWKINS DIES AT CAPITAL

WASHINGTON, Jan. 16. (AP)—Russell Hawkins of the home loan bank board, died today in his hotel here.

Appointed to the board last June for a four-year term, he was a retired lumber man from Tillamook Bay, Oregon.

Hawkins is survived by a daughter, Mrs. H. O. Schmidt of York, Pa., and a son, Russell Hawkins Jr., of Portland, Ore. There are two grandchildren.

SOUTH AMERICAN TRADE PROMISED

S. S. SANTA BARBARA, AT SEA, Jan. 16. (AP)—Cordell Hull, secretary of state of the United States, said today he expected to set in motion, immediately upon his return to Washington, the machinery for negotiation of reciprocal trade treaties with all American republics.

WARD'S PAYS BIG DIVIDENDS

CHICAGO, Jan. 16. (AP)—Directors of Montgomery Ward and Company today voted to pay a dividend of \$5.25 a share on the company's Class A stock, representing the total amount accrued prior to January 1, 1933, on that issue.

SALEM, Jan. 16. (AP)—The public utilities commissioner today dismissed the investigation of the fares, methods and service of the Boyd's Dollar Line, bus company, today.

Roosevelt's New Dollar Opposed; Hearings Asked

Federal Reserve Recommends Program Undertaken by President; Radio Priest Warns of Revolution

WASHINGTON, Jan. 16. (AP)—The Rev. Charles E. Coughlin, Detroit priest, predicted today before the house coinage committee there would be revolution unless congress enacts the monetary legislation asked yesterday by President Roosevelt.

Earlier, Frank A. Vanderlip, New York banker and financier, gave full support to the Roosevelt monetary proposals and advocated creation of a new government agency with complete control over issuance of currency.

Asserting that the president "prefers preservation of human rights to financial tradition," the priest added: "If congress refuses to follow through and give the president the legislation he asks, I predict a revolution that will make the French revolution look silly.

"Gentlemen, it's Roosevelt or ruin."

WASHINGTON, Jan. 16. (AP)—Hints of organized republican opposition to the new Roosevelt dollar, which is to have from 50 to 90 per cent of the old gold dollar content, were paralleled by the disclosure that the federal reserve board had recommended that the government take over all monetary gold.

Senate republicans at a caucus demanded "adequate" hearings on the monetary legislation asked by the president yesterday, but they deferred taking any position. Democrats of both branches spoke confidently of early enactment.

Opposition Softened

Governor Eugene Black of the reserve board made a statement revealing the board's recent action. The stand was expected to soften some congressional opposition to the federal government taking the profit resulting from dollar revaluation.

Support for the Roosevelt monetary program was voiced to the house coinage committee by Frank A. Vanderlip, New York banker, while Secretary Morgan, then prepared to appear later in the day before the senate banking committee to testify on the administration proposals.

Meeting Called

President Roosevelt called a meeting of his executive council which advised him on governmental plans—for this afternoon. Whether monetary policies would come under discussion was not disclosed.

The republicans took their action at a caucus, but deferred a decision on the Roosevelt revaluation proposal itself pending a study of the bill.

The reconstruction corporation announced it ceased gold purchases abroad at noon yesterday. Its gold will be turned over to the treasury.

Action Recommended

Governor Eugene Black of the federal reserve board said today it had recommended to President Roosevelt, the taking over by the government of all monetary gold, specific authority for which the (Continued on Page Eight)

SLANDER TRIAL NEAR VERDICT

Armstrong Case Expected to Reach Jury Late This Afternoon.

The case of Leo Armstrong versus Dan Liskey was expected to reach the jury late Tuesday at the close of the first slander trial held here in recent years.

Presentation of the plaintiff's case came to a close late Monday afternoon. Through nine witnesses, Attorney J. C. O'Neill sought to show that Armstrong had been accused of thievery by Liskey, prominent Tulakeia farmer.

Armstrong and others testified that the plaintiff and his wife were hired as cooks on Liskey's ranch, that they left shortly because of dissatisfaction with conditions there, and that Liskey later came to the place they were staying in Altamont and accused Armstrong of stealing supplies from the Liskey place.

A parade of more than a dozen defense witnesses went to the stand before the jury Tuesday. Attorney Ralph Horan, defense counsel, sought through defense evidence to show that Armstrong and his wife actually removed the supplies from the Liskey ranch, on the theory that his allegation that Armstrong was a thief, were substantiated by true (Continued on Page Eight)

WOOL INDUSTRY REPORT BRIGHT

SALT LAKE CITY, Jan. 16. (AP)—Favorable prospects for the sheep and wool industry during the coming season were outlined by F. R. Marshall of Salt Lake City, secretary of the National Wool Growers' association, at the opening session of its sixtieth annual convention here today.

Sheep men gathered here from many western states were told that in the matter of freight rates, grazing fees, market conditions, government financing and in other particulars, they seemed to have little to fear in the coming months.

Robbery of a dwelling at 2228 Siskiyou street, owned by Earl Sharp, has also been reported to headquarters. A set of new breakfast room furniture and a new mattress were taken from the house, as well as a number of smaller articles.

SOUTHEAST STORM WARNINGS POSTED

PORTLAND, Jan. 16. (AP)—Southeast storm warnings continued to fly on the Oregon and Washington coastline today for strong southerly winds, occasionally of gale force.

The weather bureau said that although temperatures were dropping rapidly east of the Rocky mountains this morning, it was much warmer over the north Pacific states except in southern Oregon and southern Idaho where it was slightly cooler.

Occasional rain for the northwest section of Oregon, and light rain or snow in the northeast part tonight and tomorrow was predicted.

LATE NEWS

WASHINGTON, Jan. 16. (AP)—The Jones bill guaranteeing the principal of \$2,000,000,000 worth of farm bonds was passed today by the house. It now goes to the senate.

WASHINGTON, Jan. 16. (AP)—Comptroller General J. H. McCarl has ruled that the government's action in setting up an emergency corporation was unconstitutional and as a result the corporation's activities have been brought to a standstill.