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The Klamath News is covered by Associated Press, United Press, News Enterprise Association and McClung-Patterson Syndicate. County coverage by staff writers and correspondents.

Vol. 8, No. 222—Price Five Cents

KLAMATH FALLS, ORE., THURSDAY, JUNE 29, 1933

(Every Morning Except Monday)

Editorials

—on the—
Day's News

By FRANK JENKINS

WEST VIRGINIA and California vote for repeal of the 18th amendment, joining the 14 states that had preceded them, and bringing up to 16 the total of the states voting against constitutional prohibition.

CALIFORNIA'S vote, incidentally, means nothing, because California was expected to go for repeal.

West Virginia's vote is significant. West Virginia was dry long before national prohibition. It is a border state, affected somewhat by the South's fear of the negro and liquor.

It was considered possible that West Virginia might go against repeal, and the dry people made a hard fight to carry it.

BUT IT didn't go against repeal. Instead, on the face of figures available as these words are written, it went FOR repeal by a majority of about two to one.

Evidence continues to pile up that within a short time, possibly this year, thirty-six states will vote for the repeal of the prohibition amendment.

AFTER prohibition, what? Return to the old saloon? Never! Orgies of drunkenness all (Continued on Page Four)

Crane Creek Camp Dedicated; Hundreds Watch Ceremonies

WILLOW RANCH, Cal.—Hundreds of people from Modoc county, California and Lake county, Oregon, thronged the Crane Creek camp Sunday when it was dedicated as a part of the president's Civilian Conservation Corps. Led by the Alturas town band, 200 youngsters in olive drab marched up to the flag pole on which a brand new Old Glory was hoisted to the strains of the "Star Spangled Banner."

Miss Meta C. Boutin, secretary of the Crane Creek Camp, whose firm has donated half a million dollars worth of equipment to the use of the Civilian Conservation Corps, was decorated with the silver eagle by Capt. Chas. D. Welcker, camp commander, signifying her elevation to the rank of honorary colonel of the local company.

Tue-of-war contests between units of the camp teams took the command "Go jump into the lake" literally and plunged into the camp swimming pool, erstwhile company mill pond nearby.

The program also included eight boxing bouts between men of the camp. Boy Scouts from New Pine Creek, Oregon, also had a prominent place on the program.

German President Dangerously Sick

STRASBOURG, June 28 (AP)—A report that President Paul von Hindenburg, aged chief executive of Germany, is dangerously ill at his summer villa at Neudeck was printed today in the newspaper *Derniere Nouvelles*. He will be 86 in October.

The dispatch, printed under a Berlin dateline, said physicians attending von Hindenburg were worried over his condition. He was reported to have suffered a heart attack resulting in a three day period in which he was only semi-conscious. He was able to take a few steps today, however, the report added.

Will Rogers Says:

SANTA MONICA, June 28.—Editor The Klamath News: Did you read this fellow Hugh Johnson's statement in today's paper? He is the dictator of this new "recovery act."

It sounded awful good, and it made sense. Instead of letting a big concern take all the money they make and build a bigger factory, why just give the workers a little more, the stockholders a little more and let the factory you have.

I have heard a lot of this fellow Johnson, Barney Barnuch thinks he is one of our most able men. He must be on the right track. I see where some of the "big industrialists" are kicking on him already.

Well, the President could not have appointed a wet nurse for any more needy group of people than the "big ones." Yours,

Will Rogers.

18 MILLION OF FEDERAL FUND STATE'S SHARE

First Allocation Made Under Industrial Recovery and Relief Acts

Raymond B. Wilcox of State Advisory Board Returns From Capital

PORTLAND, Ore., June 28 (AP)—The state of Oregon should receive an initial allocation of \$18,000,000 under the industrial recovery and unemployment relief acts, Raymond B. Wilcox, chairman of the state reconstruction advisory board, said tonight on return from Washington, D. C.

A complete program is being formulated in the national capital and will be put under way when President Roosevelt returns from his vacation about July 5.

Data Prepared

The Oregon advisory board has complete data on 32 projects which will be submitted to Wilcox at a meeting in Portland tomorrow.

Under the national plans, each state will have a state administrator, a committee of three, a technician and legal and engineering advisors. About 50 per cent of the Oregon allotment will be spent in Multnomah county, Wilcox said, in line with the policy of spending the funds where unemployment is direct.

Money would be spent on small projects rather than large, Wilcox declared, to spread unemployment benefits around.

Methodists Planning Farewell for Pastor On Friday Evening

Rev. and Mrs. Melville T. Wire will be given a farewell reception Friday evening at the Methodist Episcopal church by members of the church and friends.

Members of the committee in charge of the reception have announced that the affair will be informal. A musical program will be presented. The reception will begin at 8 o'clock.

Coast Baseball

Oakland	R. H. E.
Portland	7 12 10
Portland	15 15 2
Ludolph, Walsh and Raimondi; Bowman and McKay.	
Sacramento	R. H. E.
Seattle	3 10 0
Vinyl and Wirtz; Page and Bradbury.	
San Francisco	R. H. E.
Los Angeles	5 9 2
(Ten innings); Thomas and Cronin.	
Hollywood	R. H. E.
Mission	5 9 1
Shellenback and Bassler; Johnson and Fitzpatrick.	

Connie Must Tell About Big Salary

LOS ANGELES, June 28 (AP)—Connie Bennett must tell about her famous \$10,000 a week salary in connection with a \$15,000 agents' suit, it was ordered in superior court today when the actress failed to appear to defend the case.

Censuring the screen star's attorney for failing to have her in court, Judge Emmet H. Wilson decreed Miss Bennett must give a deposition Saturday before attorneys for her former business agents, Frank Joyce-Myron Seidnick, Inc., the plaintiffs.

Two Automobiles In Minor Accident

A minor automobile accident caused by the wet pavement during Tuesday's storm has been reported at police bureau by Oscar Peyton.

Peyton's car skidded into a truck driven by Mr. Webb of the state fish hatchery at Crooked Creek, at the intersection of Market and Oak streets. The bumper and a headlight on the Peyton car, were broken and the frame of the machine bent. The truck was undamaged.

Rotary Club Picks Canadian President

BOSTON, June 28 (AP)—John Nelson of Montreal was elected unanimously president of Rotary International today at the organization's 21th annual convention.

His name was placed in nomination unopposed. He succeeds Clinton P. Anderson of Albuquerque, N. M. Nelson is chairman of the aims and objects committee.

Labor A's 6 Hour Day v. American Industry

STOKES

WASHINGTON, June 28 (AP)—Displaying a new militancy, the American Federation of Labor today demanded the six hour day and five day week in all industry.

William Green, president of the federation, who presented labor's program to President Roosevelt's national recovery administration, was told flatly by General Hugh S. Johnson, recovery act administrator, that this schedule is "impossible" under the emergency program, especially if combined with Green's proposal for unlimited work shifts.

Ideas Differ

Green's position on the number of shifts differs with that of industry, the recovery administration and other labor leaders.

Green presented determined opposition to the cotton textile industrial code, demanding a minimum weekly wage of between \$14 and \$16 for that industry instead of the \$10 and \$11 which the code provides.

The code would fix a 40 hour maximum work week.

Abolition of child labor, which the federation head also demanded, was settled today as far as the cotton textile industry is concerned when leaders consented to write into its code a band against employment of persons under 16 years of age.

Before Green appeared, a dramatic and fervid plea for the 30 hour week was made by Senator Hugh Black, democrat, Alabama, original sponsor of the five day week, six hour day bill in congress which was the basis for the national recovery act. The Alabama senator said that not more than a million men would get jobs under a 40 hour week. He appealed for a shorter day to make the program really effective.

"I sincerely hope we will never adopt a wage of \$10 a week for a man who works in America," he shouted. The huge audience which crowded the huge auditorium applauded loudly.

BUSINESS MAY FILL COFFERS

Higher Taxes, Increased Revenue From Industry to Aid Government

By RICHARD L. GRIDLEY, U. P. Financial Correspondent

WASHINGTON, June 28 (AP)—Increased taxes and heavier revenues from greater business activity were expected by government economists tonight to bolster the government's income in the new fiscal year beginning Saturday.

Revenues of federal government in the two year period ending this week reached new post-war low marks. This forced the government to borrow billions of dollars to carry on normal operations.

Income Small

Despite the billion dollar tax program enacted last July and beer revenue, the government's income for the year ending June 30, barely surpassed that of the preceding fiscal year which was the lowest in fifteen years.

On the eve of the new fiscal year, it was estimated the government's income in the past twelve months would be less than \$2,200,000,000 as compared with \$2,121,200,000 in the preceding fiscal year. Estimates of federal expenditures for the fiscal year now closing show expenditures of approximately \$3,950,000,000. This was \$1,750,000,000 in excess of receipts.

California to Rush Ratification of New Repeal Amendment

SAN FRANCISCO, June 28 (AP)—California, which yesterday ratified repeal of prohibition by a three to one majority, will formally ratify the 21st amendment within a month, Secretary of State Frank C. Jordan announced today.

The secretary of state said the ratification convention would be called as quickly as the official election returns could be certified. He predicted the convention would gather sometime between July 24 and 29.

United Press returns from 8562 of the state's 9347 precincts tonight gave: For repeal, 125,199; against repeal, 29,273. Nearly complete United Press returns from yesterday's special state election which showed voters of the state also had approved a \$200,000,000 bond issue for unemployment relief, and endorsed a new tax plan for the state. Proposals to issue \$55,000,000 in bonds for a statewide irrigation project, a private non-profit schools from taxation, and to divert state gasoline tax funds to general staff use were beaten.

Japan Starts Blood Brotherhood Trial

TOKIO, June 28 (AP)—With the courtroom heavily guarded to prevent untoward incidents from the huge throngs which gathered, the public trial of the assassin of Premier Inukai in a terroristic outbreak here May 17, 1932, began today.

The long deferred trial of the 20 young men, members of a dread group organized by a priest named Nichiro Inouye, roused widespread interest. Hundreds of gendarmes were needed to handle the crowds which sought to attend the trial.

Wisconsin Man to Head Kiwanis Club

LOS ANGELES, June 28 (AP)—Kiwanis International today elected Joshua L. Johns, Appleton, Wis., attorney, as its new president to succeed Carl E. Endicott of Huntington, Ind.

Johns was elected unanimously by the 100 delegates to the 19th annual convention of the organization, which was held here May 17, 1932, began today.

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Kahn Escapes Paying Income Tax 3 Years

Financial Leader "Hopes" to Contribute to Government Next Year

By HARRY FERGUSON, U. P. Staff Correspondent

WASHINGTON, June 28 (AP)—Otto H. Kahn, whose private banking firm of Kahn, Loeb & Co. moved millions of dollars back and forth across the checker board of continents in the intricate game of international finance, admitted today before the senate investigating committee that he had not paid income tax for 1930, 1931 and 1932.

J. P. Morgan, sitting in the same chair, revealed recently that he too had not contributed a cent in income taxes during those same lean years.

Audience Stirred

Spectators who had sat patiently through a long exposition of how Kahn, Loeb & Co. had helped float Chilean bonds in this country strengthened in their seats as the information for which they had been waiting arrived in the middle of this drowsy afternoon.

Kahn gave it out casually, just as casually as he handed out \$2 a few minutes before to purchase tickets to a baseball game for the benefit of wounded veterans.

He said he had paid a "very substantial" income tax in 1925 and 1929, but nothing in the three succeeding years.

"But I hope I will be a different picture in 1933," he added.

Ferdinand Pecora, committee counsel, leaned across the table and pointed a long yellow pencil at Kahn.

"Do you remember in 1930," he asked, "establishing a loss of \$117,584 by the sale of 1000 shares of Electric Power and Light, 1000 shares of International Nickel, 500 shares of Manhattan Dearborn, 250 shares of Reynolds Metal and 500 shares of Tabac Chatterton?"

Pecora was referring to a method whereby establishment of a loss made it possible for wealthy persons to report their profits had been wiped out, leaving them with no taxable income.

"I'm afraid I don't recall it," Kahn replied.

"Do you recall owning those shares?"

"I there is one subject," Kahn (Continued on Page Two)

Battery D Returns From Summer Camp; Parade Held Here

Battery D of the 249th coast artillery, the Klamath Falls unit of the national guard, returned last night from two weeks of summer training at Fort Stevens.

The guard paraded downtown after leaving the train. The Seacout drum corps headed the parade.

Camp was broken Monday and the boys spent the day in Portland before returning to Klamath Falls. About 60 men attended camp this year.

Girls Orphaned by Automobile Crash

MINNIVILLE, Ore., June 28 (AP)—Two girls, 12 and 15 years old, were orphaned tonight following an automobile accident today in which their father, Mack Bauer, 36, Seattle laborer, was killed. Their mother died two weeks ago.

The girls, Ruth and Betty, the younger, are in Minnerville hospital gravely injured. Bauer was attempting to pass a car on the highway south of Amity. Seeing another car coming, he swerved back into his own lane.

The death car careened off the road into a ditch, skidded 300 feet and turned over four times. Bauer was instantly killed. Ruth has a fractured skull and the younger girl a broken shoulder.

Move to Defeat Recovery Plan on

GRAND RAPIDS, Mich., June 28 (AP)—Senator Arthur Capper told the Advertising Federation of America today that a widespread campaign already is under way to defeat the recovery program of President Roosevelt.

The Kansas republican said that despite such a campaign "we may be sure that business—big business and little business—will never again be exactly the same as it was in the booming '20's."

"Of one thing we may be sure," he said, "there will be—there already is—a sharp reaction to many of the plans and policies proposed. Many of the high hopes now entertained for the establishment of social justice doubtless will end in bitter disappointment."

EXTRA!

The only detailed picture of the championship fight between Jack Sharkey, Boston title holder, and Primo Carnera, the giant challenger, from Italy, will be brought to the people of Klamath Falls in a special edition of the Evening Herald Thursday night.

A colorful description of the great prize ring spectacle will be on the streets a few moments after the final blow.

Wheat Agreement Hope Revived At World Conference

By HERBERT MOORE, U. P. Staff Correspondent

LONDON, June 28 (AP)—A modified agreement on wheat acreage reductions for two years was believed in sight again tonight, after the receipt of new instructions by the Australian delegation to the international wheat conference.

The Australians kept the details of their instructions secret but it was understood they indicated Australia is now agreeable to acreage restrictions, with a few essential reservations and safeguards, and provided that the European wheat producing countries agree to limit their crops.

The last reservation apparently was aimed at Soviet Russia, the chief European wheat growing country.

Despite these cheering signs, Premier R. B. Bennett of Canada gave an equivocal answer when asked if it were true an agreement had been reached among the "Big Four"—the United States, Canada, Australia and Argentina.

"That would be putting it a bit strongly," he replied.

Passengers Escape From Burning Plane

GOODLAND, Kan., June 28 (AP)—A pilot and four passengers of a U. S. Airways plane escaped uninjured today when their plane caught fire and was destroyed.

Gordon Darnall, pilot of the craft, noticed the fire in time to make a forced landing in a field three miles from here and get all his passengers, mail and baggage safely out of the plane.

The ship, a Flamingo Express liner, was completely destroyed.

Man Injured When Struck by Auto

Gerald Alexander, 44, of Belingham, Wash., was received at the Klamath Valley hospital at 8 o'clock last night with a fractured leg, head cuts and bruises and possible internal injuries.

He was struck by an automobile while walking along the highway.

On Water Wagon! Oh Boy, and How!

MADISON, Wis., June 28 (AP)—Arthur Dinden pleaded not guilty late today to one of the most unusual criminal charges in the history of Wisconsin police courts.

Rinden was charged with driving a waterwagon while intoxicated.

Press Time News Flashes

WASHINGTON, June 28 (AP)—The administration tonight hailed the prohibition repeal victory in West Virginia as an accurate forecast of the world economic conference, which opened today in three other southern states—Alabama, Arkansas and Tennessee.

LONDON, June 28 (AP)—A menacing communist demonstration against the German delegates attending the world economic conference, occurred tonight at the Dorchester hotel, where the Germans were dining in the open air.

VATICAN CITY, June 28 (AP)—A special message of hope for the success of President Roosevelt's program for world recovery was sent the chief executive today by Pope

Target of New Senate Inquiry!



The searchlight of the Senate investigating committee is now penetrating the stone facade of another great financial house, Kahn, Loeb & Company, whose imposing quarters in New York's financial district are pictured here. Second only to the House of Morgan in the private banking field, Kahn, Loeb & Company is regarded second to none in the field of railroad finance. Senate investigators have scrutinized the income tax returns of the firm's eleven partners.

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BRITAIN JOINS GOLD BLOC IN MONEY FIGHT

Tumbling of Dollar on Exchange Causes England to Take Action

By W. G. QUISENBERRY, U. P. Staff Correspondent

LONDON, June 28 (AP)—The British, spurred into action by the swiftly tumbling dollar, have thrown in their lot with the European gold standard bloc and agreed to peg the pound sterling with the French gold franc. It was reported in world economic conference quarters tonight.

This report was supported by word from trustworthy sources close to the Bank of England, who informed the United Press that the Bank of England and the Bank of France representatives, in a meeting tonight, agreed to peg sterling to the franc. The move was described as an effort to support gold currencies on the continent.

Britain Gives In

Word came during a day in which the falling dollar slowly forced the British to yield to pressure from the gold standard countries, led by France, demanding Britain join the continental "Gold Standard Defense League."

The dollar closed at \$4.32 1/2 to the pound, but continued to drop in late trading, and was quoted as low as \$4.33 to the pound—a record for their exchange rates since the British went off gold. Prior to America's abandoning the gold standard the pound-dollar rate was around \$3.40.

The Americans were seeking to prevent the British from joining the European gold bloc against the dollar, holding that Anglo-American cooperation in financial reform measures would work out to their mutual advantage. However, the British opposed the dropping of the dollar to a figure approaching the former \$4.85 to the pound, thereby eliminating their trade advantage against the gold standard, apparently felt that joining the gold bloc might force Washington now to agree to currency stabilization.

The agreement to peg the pound to the franc was understood to have been reached on (Continued on Page Two)

Sterilization of "Unfit" Planned By Adolf Hitler

By FREDERICK OECHSNER, U. P. Staff Correspondent

(Copyright, 1933, United Press)

BERLIN, June 28 (AP)—The government of Chancellor Adolf Hitler is drafting a bill calling for sterilization of the "hereditarily unfit," the United Press learned on high official authority today.

This unprecedented social experiment was proclaimed by Chancellor Hitler during the days of his phenomenal rise to power but revelation that the plan actually had progressed to the law drafting stage came as a shock, even in quarters close to drafting leaders here.

Drafting of the bill is in the hands of Minister of Interior Wilhelm Frick, who, it was understood, practically has decided the form it is to take. Under the dictatorial powers vested him by the reichstag, Chancellor Hitler, through his Nazi controlled cabinet, can put the law into effect by decree.

Eugene Man Hurt In 300-Foot Drop

PORTLAND, Ore., June 28 (AP)—Although his automobile was badly damaged when it went over the 300-foot drop from Terwilliger boulevard late today, R. C. Knox of Eugene escaped with severe hand and face lacerations.

Knox was on his way to Eugene when his car skidded on the wet pavement on a hairpin turn.

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