

# MATTERN FORCED DOWN IN SIBERIA

## Hope Increases for Compromise on Vet Cut

### F. D., Demos Spend Day in Consultation

### Leaders Split Among Themselves as Rift Grows

WASHINGTON, June 7 (AP)—In numerous conferences at the White House and on Capitol Hill, President Roosevelt and Democratic leaders today sought an agreement in the veterans compensation dispute that leaders feared might bring a rejection in the house of the presidential compromise and an upset in the plans for early adjournment of the special session.

With the tumult still rising among house insurgents and leaders themselves divided in support of the modified regulation proposed by the president as a compromise for the senate amendment, hope was expressed at the White House that a compromise would be found.

**Amendments**  
The senate amendments imposed a 25 per cent limitation upon the compensation cuts that might be given service connected disabilities.

The presidential compromise was said to average 18 per cent but would leave to the government the determination of whether a disability was directly attributable to the service. The senate proposal was estimated to cost \$170,000,000; that of the president \$60,000,000.

Democratic leaders delayed action on the independent offices appropriation bill to give President Roosevelt time to submit the concrete compromise proposal to the senate veterans committee.

**House May Accept**  
In the face of administration hopes that a satisfactory agreement would be worked out that would meet the approval of a majority of the house, leaders in both parties frankly predicted that before the bill is sent to conference the house would accept the senate amendment.

The president was described as (Turn to page 8)

### RAIL CZARS AT MORGAN PROBE



Mantis J. Van Sweringen (left) and his brother, Orin P. Van Sweringen, railroad owners of Cleveland, Ohio, are pictured as they appeared while testifying before the senate banking committee. The railroad magnates were questioned on loans they had received from the House of Morgan.

## Senate Probe Reveals How Morgan Built Up Special Corporations for Evasion

### Used Legal Means of Escape in Railroad Transactions

WASHINGTON, June 7 (AP)—Creation of special corporations to avoid income taxes on huge stock transfers designed to promote formation of the Van Sweringen railroad realm was disclosed today in a senate committee that already was planning to ask full authority to examine J. P. Morgan & Co., partners on their tax-affecting transactions.

In his third day on the stand, O. P. Van Sweringen agreed with Ferdinand Pecora, banking committee counsel, that using intermediate corporations to transfer stocks "took the least dollars" and legally sidestepped taxes in building the vast railroad structure that started on \$1,000,000 in 1916.

**Van Sweringen's Share**  
The O. P. and M. J. Van Sweringen share of this \$1,000,000 was \$500,000.

J. P. Morgan and his partners listened to the rail operator tell at one point how he had paid their firm and the Guaranty company of New York a \$240,000 bonus for floating an issue of Chesapeake & Ohio bonds, at a time Van Sweringen interests owed Morgan & Co., \$35,000,000.

The investigating committee has agreed upon the terms of a resolution in which it will ask the senate for full authority to inquire into stock sales of Morgan partners in years when the firm paid little or no taxes.

**Resolution**  
Chairman Fletcher said the resolution, when approved by the senate, would empower the committee to go into "all transactions with reference to sale or other disposal of securities" relating to income tax returns. But John W. Davis, Morgan counsel, was ready to challenge again the legal authority to make tax returns public.

Two special transfer corporations were stressed by Pecora in his questioning of Van Sweringen. One was the General Securities Corporation, which was used to transfer thousands of Chesapeake & Ohio railroad shares from the Vaness company to the Chesapeake corporation, a holding company.

The other was the Geneva Securities corporation, which performed a similar function when the Allegheny corporation, another holding group, was created.

Morgan and company aided in the (Turn to page 3)

**Kills Self**  
DYERSVILLE (AP)—Joseph A. Westermeyer, 73, ended his life by hanging himself.

## Will Release Public Funds in Iowa Banks

### N. Y. Firm Tied-Up to Free Tied-Up Money

DES MOINES, June 7 (AP)—The state of Iowa took steps today to reimburse governmental subdivisions for about \$20,000,000 tied up in closed banks and banks under receivership.

Action of the state executive council approved a loan of \$20,000,000 to the state, authorized the issuance of public fund bonds for that amount, and provided for an additional one-mill tax levy for 1933-34.

**Bonds as Security**  
Under the plans completed the state will turn over the bonds to Lehmann Brothers company of New York as security for the loan from the company. Receipts from the one-mill tax and other income of the state sinking fund will be used for redemption and interest.

State officials pointed out that the action will effect the release of public moneys to hundreds of school, county, township and municipal taxing districts, making it unnecessary for them to make additional levies to meet the deficits.

**State Sinking Fund**  
Claims against the state sinking or Brookhart-Lovrein fund total about \$17,000,000 and in addition to paying these the state will use the money obtained to take up about \$2,700,000 in anticipatory warrants now outstanding.

Negotiations for the loan have been carried on by State Treasurer Leo J. Wegman, who recently conferred with Lehmann Brothers in New York. The transaction will be handled through the Carleton D. Beh company of Des Moines.

The executive council's action was taken under provisions made by the recent state legislature in S. F. 487, which authorizes the obtaining of the loan and the levying of a one-mill general property tax.

It is estimated that upwards of (Turn to page 3)

## Disclose New Testimony in Mitchell Trial

NEW YORK, June 7 (AP)—Seeking to enlarge on the theme of his cross examination—that Charles E. Mitchell purchased 28,300 shares of National City bank stock at the time of the market crash from selfish and not altruistic motives—U. S. Attorney Medalle brought out today that 10,000 shares were sold at a profit less than two weeks afterward.

The disposition of the remaining 18,300 shares is one of the points on which the government charges Mitchell with evading \$850,000 income taxes in 1929 and 1930. The banker claims he sold the stock to his wife at such a loss his net income was wiped out. The prosecution says the sale was a fake.

Mitchell's third day of testimony showed that the stock was bought in 1929 at an average of \$367 a share and sold to friends within 10 days at around \$450.

Medalle strove to show by this testimony that Mitchell considered the stock had hit bottom and made the large purchases in the expectation of selling at a profit. The former chairman of the bank has declared his intention was to hold the price at \$450 for purposes of a projected merger with the Corn Exchange bank.

The 10,000 shares were not offered in the open market but were sold by officers of the National City company. The buyers were the late John Dorrance of Philadelphia, canned soup magnate, who took 5,000 shares; the late J. H. Black, then president of the United States Realty and Improvement corporation, 3,000; Harrison Winthrop, 1,000; and George A. Fuller, 1,000.

**Dies Suddenly**  
HARLAN (AP)—Mrs. George Huebner, 40, living near Portsmouth, died suddenly tonight while working in her garden. Death was caused by a heart attack brought on by the hot weather. Her husband and six children survive.

**Former City Manager Dies**  
IOWA FALLS (AP)—Death claimed James Otis Gregg, 66, for many years city manager of Iowa Falls. He had been ill for several years.

**WEATHER**  
IOWA—Thunderstorms, coolers in east and south portions Thursday, Friday partly cloudy, preceded by showers in extreme west portion.

## Prof. Miller Says Proposed Rail Coordination Will Fail

Railroad coordination, a plan already nearing passage in the United States congress, will fall short of bringing about the better economic conditions expected of it, Sidney L. Miller, professor of railroad transportation in the college of commerce, said in an interview last night. Proponents of the bill hope to effect economies and to strengthen the position of the railroads.

The proposed law fails to accomplish what any good legislation should accomplish, Professor Miller declared. It does not reach the basis of the present difficulties in the field of railroading and general problems of transportation, he believes.

**"Minor Problems"**  
"The bill, as far as it goes, deals with minor problems. It does nothing about the control of inland waterway traffic, or motor carriers, which have become important rivals of the railroad."

"The real problem is to work out a general transportation plan, and to assign to each of these agencies a particular place in the whole scheme."

Three essential features are contained in the bill, Professor Miller explained. These are the provision for a federal coordinator, whose main duties will be to bring about a reduction in competitive wastes and eliminate duplications of service during the next two years; provision for the repeal of the recapture clause of 1920, thereby cancelling \$361,000,000 in government claims against the railroads for excess profits; and provision for placing railroad holding companies under the control of the interstate commerce commission.

**"Disappointed"**  
"The results of elimination of waste by the federal coordinator will be disappointing, according to Professor Miller. The amount of duplication which could be eliminated has been greatly exaggerated."

"There is undoubtedly competitive waste in railroading," he admitted.

(Turn to page 2)

## Debt Talk at White House

### No Revisions in Sight as France, U. S. Confer

WASHINGTON, June 7 (AP)—France brought the war debt problem directly to the White House today, but as its ambassador—Andre De Laboulaye—left President Roosevelt's office, aides reported that the situation remained unchanged, with no offers for revision received and none made by the United States.

The president was represented anew today to be ready to give friendly attention to any official request that the debt obligations be eased. But it was indicated also that he was holding fast to the view that installments due next week should be met.

Ambassador De Laboulaye told newspapermen as he left the executive offices that his talk of war debts had been centered mainly upon ascertaining the attitude of the United States toward the question. France defaulted on its \$19,000,000 due last December, and its approaching installment totals around \$40,000,000.

Mr. Roosevelt is handling the debt question almost single handed. And to him some of the owning nations have made known informally that they cannot see their way clear to paying the sums, totaling \$144,179,674, due June 15. None of them, however, has submitted a formal request for revision of its pending agreements.

In the absence of such a request, Mr. Roosevelt considers that his course is clear. Congress is on record against reduction or cancellation. The debt agreements, until modified, are effective as they stand.

## Storm Kills Five in New York State

BUFFALO, N. Y., June 7 (AP)—The most violent wind, hail and electrical storm to strike western New York and nearby Ontario in years today killed five persons, injured at least 30 and caused damage running into the hundreds of thousands.

Most of the injured were children caught in the collapse of a school building near Milton, Ont.

## Brief Message Fails to Say Whether Flyer Was Injured or Plane Damaged by Fall



JIMMY MATTERN  
—Well on His Way

### News Clears Up Doubt as to Texan's Location

MOSCOW, June 8 (Thursday) (AP)—Jimmy Mattern was forced to land yesterday at Prokoplevsk, less than 600 miles beyond Omsk, Siberia, where he had taken off in the morning on another leg of his race around the world.

### BULLETIN LONDON, June 8 (Thursday) (AP)—Capt. James A. Mollison and his wife, Amy Johnson, crashed in their airplane as they attempted to take off today on a transatlantic flight to New York.

The accident occurred at Coryndon airport just after they started to rise from the field at 5:50 a.m. (11:50 p.m., eastern standard time Wednesday).

Neither of the noted flyers was injured. The Mollisons' machine traveled about 100 yards and topped over.

The brief message telling of his misfortune did not disclose whether he was injured or the plane damaged. The news cleared up long uncertainty as to his whereabouts. A search had been conducted all along the rugged route of the trans-Siberian railway almost to the Manchurian frontier.

### In Eastern Siberia Prokoplevsk is 168 miles south- east of Novo Sibirsk, the largest city in interior Siberia, where he was sighted three hours after his de- parture from Omsk. At that point he was only one hour and 43 minutes behind the pace set by Wiley Post and Harold Gatty when they hung up the world-circling record of eight days, 15 hours and 51 minutes.

An airplane, carrying an expert mechanic, was dispatched by Soviet officials from Novo Sibirsk to assist the Texas aviator. Urgent messages have been sent from Moscow to officials on the air line, which follows the railroad, to render every possible aid to Mattern.

**Time Not Given**  
The exact time and reason for his landing were not given in first brief advice reaching Moscow. He had been sighted at 4:10 a.m., Moscow time yesterday, (8:10 p.m., eastern standard time Thursday), over Novo Sibirsk, which had been one of the resting points for Post and Gatty.

Undoubtedly Mattern was forced down only an hour or so later. Prokoplevsk is a small coal mining center and, if it has any landing field at all, it is of an emergency nature. He mentioned his need of landing on a large field before he took off. This was because he had cracked a wing strut in landing at Omsk on the flight from Moscow.

**No Landing Field**  
Prokoplevsk is on the railroad but there is no regular air line landing field there. It is near Kuznetsk, a metallurgical center, and 200 miles south-southwest of Omsk.

At midnight, more than 22 hours had expired since he left Omsk without any word of his progress beyond his passage over Novo Sibirsk early in the morning three hours after leaving Omsk.

The right landing strut, which was cracked when the "Century of Progress" came down at Omsk yesterday, was giving the American record-breaker some concern as he took off for Chita yesterday.

**Broken Strut Repaired**  
Although the broken strut was repaired at the Omsk airport, Mattern obviously had it on his mind and said that because of it he would prefer to have a very large landing field for his next descent in case the strut did not function perfectly.

The Texan was several hours behind the previous round-the-world record schedule set by Wiley Post and Harold Gatty when he left Omsk, but for all that he was confident of improving the time made by his compatriots in 1931. He had enjoyed several hours good rest at Omsk and was all set for a long endurance test.

## Republicans Push for Tax

### Want Levy on Sales; Protest Relaxing of Anti-Trust Acts

WASHINGTON, June 7 (AP)—A vigorous Republican push for a 1-2 per cent sales tax and against the projected relaxation of the anti-trust laws was begun in the senate today against a Democratic front virtually united in favor of passing the administration's industrial recovery bill without any wholesale revision.

Leading the attack, after Republican regulars in party conference had decided to bring forward the sales tax to finance the \$3,300,000,000 public works program, Senator Borah of Idaho declared to suspend the Sherman law would bring about combines and concentration of wealth which that act was designed to prevent.

Senator Wagner (D., N. Y.) one of the authors of the measure, now greatly revised from the form in which it passed the house, defended it in a long opening speech.

He asserted suspension of the anti-trust laws to permit trade agreements covering minimum wages, maximum hours and production was directly intended to carry out the objectives which those laws failed to achieve.

Later, interrupting Borah's attack, the New Yorker declared that, before the codes of fair competition took effect, the president must find that they do not tend toward monopolies.

A the close of the first day's debate, an amendment by the Idahoan to eliminate the clause suspending the anti-trust laws was the pending question.

## Oregon Man Grows "Fruit Salad" Tree

GRANTS PASS, Ore. (AP)—If F. E. Jordan, nurseryman, former banker, could make nuts grow on a fruit tree he'd be happy.

So far his grafting experiments have resulted in peaches, plums, nectarines, plumcots, apricots and simoni pissardi dwelling happily on one tree, and have produced a maple containing three varieties of wood. On a blight-resistant Chinese pear he's made 108 grafts.

## Rent Your Rooms Now To Summer Students--

Registration for classes starts tomorrow  
DIAL 4191  
and place your "for rent" ad today

7 DAYS FOR THE 6  
PRICE OF

## Jailed Negro Faces Federal Authorities

Robert Johnson, Negro, of Tulsa, Okla., who is being held at the county jail after being arrested in Marshalltown recently driving an Iowa City car will be turned over to federal authorities.

He will be prosecuted under the Dyer act which prohibits the transportation of a stolen car from one state to another. Johnson drove a stolen De Soto car from Oklahoma City, Okla., to Iowa City, according to the sheriff's office.



# Society and Clubs

## Local Groups to Observe National Day for Shut-Ins

### Mrs. Addie Campbell Heads Committee as Civic Organizations Plan Program for Invalids Saturday

The scent of flowers and the out-of-doors will move into the rooms of Iowa City shut-ins Saturday when local organizations, cooperating with the Florists' Telegraph Delivery association, contribute their services and blossoms as the climax of the plan for National Shut-In Day.

Under the direction of Mrs. Addie Campbell, chairman of the project in connection with the Women's Relief corps, the assistance of many clubs and philanthropic groups has been enlisted to carry out the plans formed. Those clubs already designated as local sponsors are: American Legion, American Legion auxiliary, Veterans of Foreign Wars, and the auxiliary, Daughters and Sons of Union Veterans, Sons of Veterans auxiliary, city lunch clubs, Business and Professional Women's club, the Garden club, and Pythian sisters. Boy and Girl Scouts have been appointed in charge of the delivery of the floral donations.

The first bouquets given to invalids and shut-ins are to be received by T. D. Davis, 611 S. Clinton street, a veteran of the Civil war, and Mrs. M. Clark, 713 Burlington street, a widow of a veteran of the War of 1812.

Other organizations wishing to contribute their services and flowers are asked to call Mrs. Campbell. Each member of the sponsoring groups is asked to cut all the flowers they are able to spare and deliver them between 8 and 9 a.m. Saturday to the dining room of the American Legion Community building.

Hope is expressed that this National Shut-In day may be instituted as an annual project, to be under the auspices of a different local organization or group.

## Irene Shenhle Weds Washington Doctor at Nevada Church

The marriage vows of Irene Shenhle, daughter of Mr. and Mrs. E. F. Shenhle of Collins, and Dr. Wallace D. Hunt of Seattle, Wash., were exchanged Thursday, June 1, at St. Patrick's church in Nevada. The Rev. Michael Nicholls officiated. They plan to make their home in Seattle, where Dr. Hunt is practicing medicine.

Mrs. Hunt, a member of Zeta Tau Alpha sorority, received both B.A. and M.A. degrees from the University of Iowa, and has since been teaching in the public schools of Indiana.

Dr. Hunt is a graduate of the University of Washington and Northwestern Medical school in Chicago.

## University Alumna Married to Toledo Man Last Saturday

Dr. and Mrs. C. P. Seaburt of Tama have announced the marriage of their daughter, Janyce, to John Russell Wise, son of Mr. and Mrs. Arthur Wise of Toledo, last Saturday, at their home. The ceremony was performed in the presence of immediate relatives and friends by the Rev. Oliver Stevenson, pastor of the Presbyterian church at Toledo.

Attendants for the bridal couple were Jene Seaburt, sister of the bride, and Jack Stroud of Cedar Rapids.

Mr. Wise attended the University of Iowa and was a member of Alpha Xi Delta sorority. She has since been an instructor in the State Juvenile Home at Toledo.

## Women to Continue June Tournament

Women Golfers of the Iowa City Country club will continue their June team tournament tomorrow at the club. Mrs. Rudolph A. Kuever and Mrs. Paul M. Moore, Jr. will be hostesses for the morning of play and the luncheon following.

## K. of P. to Hold Meeting

Corinth lodge, No. 24, Knights of Pythias will hold its regular meeting at 7:30 o'clock this evening at the K.P. hall.

## Make This Model at Home

### The Iowan's Daily Pattern

### Dashing Sports Rig

#### Pattern 2661

By ANNE ADAMS

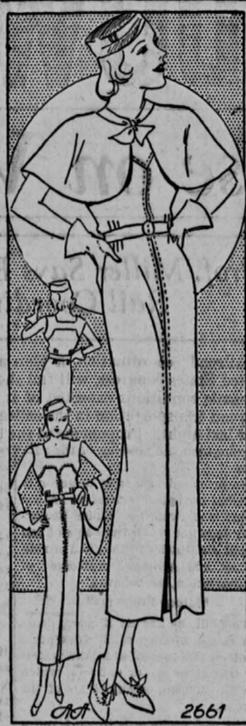
Don't envy the smart young things who are sporting cape ensembles everywhere... ten to one they made them. Here's a captivating rig for you! Doff the swagger cape... what a dashing sports frock it reveals! It notes tall, straight, slender seaming, a clever yoke and sunback... the simplest, cleverest details in all the world. How about white pique, linen or shantung? They top the mode.

Pattern 2661 may be ordered only in sizes 12, 14, 16, 18 and 20. Size 16 requires 3 5/8 yards 36 inch fabric. Illustrated step-by-step sewing instructions included with this pattern.

Send FIFTEEN CENTS (15c) in coins or stamps (coins preferred) for this Anne Adams pattern. Write plainly your name, address and style number. Be SURE TO STATE SIZE WANTED.

THE NEW SUMMER EDITION OF THE ANNE ADAMS PATTERN BOOK IS READY. Afternoon, sports, golf, tennis dresses, jumpers, house frocks, special beginners' patterns, styles for juniors, and cool clothes for youngsters, and instructions for making a chic sweater are among the fascinating items. SEND FOR YOUR COPY. PRICE OF CATALOG AND PATTERN TOGETHER TWENTY-FIVE CENTS.

Address all mail orders to The Daily Iowan Pattern Department,



243 West 17th Street, New York City.

## Three Professors' Wives Honor Iowa City Visitors

### Kuever Home, Garden Scene of Tea Yesterday

Honoring many of the visitors in Iowa City, Mrs. Rudolph A. Kuever, Mrs. Ernest Horn, and Mrs. Baldwin Maxwell were hostesses at the Kuever home, Melrose circle, yesterday afternoon, at a tea, for which both the gardens surrounding the home and flower-decorated interior formed the setting.

Those pouring during the afternoon in the dining room, where a table in green and white, this scheme accentuated by a centerpiece of white frills, was placed, were: Mrs. Charles Baker, Mrs. Rollin M. Perkins, Mrs. Fred E. Holmes, Mrs. Norman Foerster and Mrs. Dean M. Lerie. Punch was served in the garden. Many piano selections by Mrs. Jacob Van der Zee were enjoyed by the guests.

### Guests Honored

Guests in the city honored by the affair were Mrs. Charles S. Cornell of St. Petersburg, Fla., who is visiting at the home of her son and daughter-in-law, Mr. and Mrs. R. H. Fitzgerald; Mrs. Robert Tait of Baltimore, Md., the house guest of Mrs. Robert B. Gibson; Mrs. Fred W. Hanchett of Atlanta, Ga., daughter of Mr. and Mrs. C. W. Thompson, and sister of Mrs. Dean M. Lerie; and Mrs. Karl Hoaglin of Mt. Pleasant who arrived a short time ago to visit Professor and Mrs. Maxwell. They received with their hostesses.

### Assistant Hostesses

Assistant hostesses presiding in the parlors, decorated with yellow gladioli, were Mrs. Charles M. Dutcher, Mrs. Preston C. Coast, Mrs. Leigh H. Wallace, Mrs. Henry G. Walker, Mrs. B. J. Lambert, Mrs. Muriel Ward, Mrs. R. H. Fitzgerald, Mrs. Robert Gibson, Mrs. C. L. Robbins, Mrs. Fred M. Pownall, Mrs. Paul M. Moore, Jr., Mrs. W. F. Bristol, Mrs. Philip Mechem, Mrs. Allen C. Tester, Mrs. C. M. Updegraff, Mrs. A. Craig Baird, Mrs. Harlan R. Amen, Mrs. George D. Stoddard, Mrs. Henning Larsen, Mrs. Karl E. Leib, Mrs. Vance M. Morton and Mrs. William Byington.

## Women of Moose Elect Officials

Women of the Moose elected officers at their monthly meeting held Tuesday evening in Moose hall. Mrs. Ruth Herring was again honored as past regent; senior regent was designated as Mrs. Ida Seydel; junior regent, Mrs. Vera Hughes; chaplain, Mrs. Hazel Straley; treasurer, Mrs. Sue Wiese; recording secretary, Mrs. Catherine Roberts; and union recorder, Mrs. Anna Neider. Public installation of these officers takes place June 20, including the captain and appointive officers of the organization, yet to be selected.

## Sarah Hart Guild Has Picnic Supper

Thirty-five members of the Sarah Hart guild of the Christian church attended a lawn picnic supper Tuesday evening at the home of Irene Schuessler, lower Muscatine road. Following the picnic, a short business meeting was held and later devotions were led by Mrs. Lois Gray.

Assistant hostesses were Mrs. Charles Berry and Edith Hormel. B.P.O.E. Meet at Club House. Iowa City lodge No. 590, B.P.O. Elks held a routine business meeting at the club house last evening.

## Janice, Irma Phend Entertain at Shower for Vivian Sanger

Honoring Vivian Ratzlaff Sanger, bride of June 2, Irma and Janice Phend, 518 S. Van Buren street were hostesses at a miscellaneous shower last evening.

First prize in bunco played during the evening was taken by Mrs. Sanger, and consolation by Marcella Morford. Refreshments were served.

ed at the conclusion of the game. The guest list for the affair included: Marie Connell, Edna Loan, Marcella Morford, Juanita Morford, Ardis Sanger, Martha and LaVae Huffman, Flossie Schoetke, Velma Phend, Mrs. Edna Singelman, and Mrs. Sanger.

## King's Daughters Will Meet Today

King's Daughters will meet this afternoon at 1:30 with Mrs. W. F. Boiler, 1016 East College street, for election of officers and an afternoon of sewing for the juvenile home. Installation of officers chosen will be made at the next meeting in July, when reports of the various committees are also to be given.

## Modern Eight Bridge Club Will Meet

The Modern Eight bridge club will meet at the home of Mrs. Chester Ayres, 506 Second avenue, at 2 p.m. tomorrow. Mrs. A. P. Tesar will be assisting hostess.

## MILLER Says Railroad Plan Will Fall Short

(Continued from page 1)

ed that certain trains be eliminated on the Chicago to Omaha run. This might leave a good service between these points, say, by way of Waterloo. But if I take a train out of Chicago for Iowa City, I want to reach Iowa City, and a train going through Waterloo won't help me much.

Elimination of local services would mean the loss of millions of dollars invested in a great variety of business enterprises along the right-of-way.

"Some Gain" "There would be some gain through this program, of course," he said, "and we would be that much ahead. But it will be nowhere near the amount expected." From the point of view of admini-

tration by the interstate commerce commission, the repeal of the recapture clause is highly desirable, in Professor Miller's opinion. But as an emergency aid its value, he believes, is far below the common expectation.

"The companies which owe large sums to the federal treasury under the terms of the recapture clause are the strong ones—those which are in a sound position today. Thus repeal would benefit the railroads that do not need the benefit. The weak companies owe very little, and thus would gain little through repeal."

"It will be a benefit so far as administration is concerned, but as an emergency measure it will be of no great consequence. I believe firmly in the principle of the recapture clause."

For many years, regulation of railroad holding companies has been advocated, and this, Professor Miller believes, would be of benefit to the general economic conditions. But here again, he said, the benefits to be derived are not such as to make it an effective emergency economic relief measure.

The bill, which passed the senate some time ago, was passed without a record vote in the house Monday.

## Altrusa Club Elects Officers at Meeting

Twenty members of the Altrusa club attended a luncheon and business meeting held yesterday on the porch of Iowa Union, Clara Brennan presiding. Election of officers comprised the business session of the meeting, and those honored by selection were: president, Mrs. Mabel Evans; vice president, Addie Shaff; secretary, Mrs. Mary Russell; and Mary Strub was re-elected for the office of treasurer.

BIJUR OIL Dial 9951 PYROIL

Penn State Motor Oil, 2 gal. in can, \$1.50. 100 per cent pure Pennsylvania.

## Attention

SAM WILSON former BRAKE EXPERT with Skelly Oil Co., will examine your brakes FREE OF CHARGE for the next two weeks.

Storage Rates, \$2 and \$3 per month. Cars washed clean—50c.

## Pickering Auto Inn

317 E. Bloomington

# Fool The Weather Man Keep Cool

Now you can make your porch an outdoor living room with little expense. Plan for it now at these prices, based on stock purchased before recent market advances.

## Cool Smart Ready-to-Hang Awnings

Made by world's largest manufacturer of canvas products at prices based on stock purchased before the 10 per cent price advance of May 15th.

### SUN FAST PAINT COLORS

Closely woven, LONG WEARING FABRICS, WEATHER PROOFED HARDWARE, in a choice of three smart color combina- \$1.19 - \$1.29 - \$1.39 - \$1.49

tions and 30, 36, 42 or 48 inch widths; each. These sunfast 7 1/2 oz. painted stripe ready to hang awnings keep their color and beauty just as long as the most expensive awnings (two years) and they cost one-third as much. New improved eyelets make it possible to install or take down in a few minutes.

### Exclusive Wide and Narrow Stripes



## GOLMOR Porch Shades

Available in two-tone green, gray or brown, or ivory and green combination; 3 to 12 ft. widths and 6 ft. and 7 ft. 6 in. lengths—

\$1.98 to \$10.85

Make Cool, Private Porches or Even Extra Sleeping Rooms At Trifling Expense

## PORCH RUGS

Just Arrived—A Splendid Assortment of Conventional and Floral Porch Rugs

SEA GRASS —and— STENCILED FIBRE

Weatherproof; they rival spring flowers in gay colors.

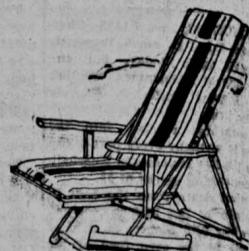
4x7 Ft. 6x9 Ft. \$2.95 \$7.95

## DECK CHAIRS

For Porch or Lawn

Genuine solid oak frames; formed arm rests; heavily varnished natural finish; seat and back made from one-piece heavy twill in beautiful fast color patterns in orange, green, and yellow.

\$1.10 Leg rest to match available at 50c extra.



# STRUB'S

Wise Shoppers Are Saving EAGLE STAMPS... for they're the means to acquiring many a luxury that might otherwise be ill-afforded. TRY THIS THRIFTY PLAN

For Over 50 Years We Have Served the Faculty and Students of the University

**Book Store**  
30 CLINTON ST.

**SUMMER SESSION TEXT BOOKS**  
(NEW AND USED)  
AND SUPPLIES FOR ALL COLLEGES

**Ries' Iowa Book Store**  
30 South Clinton St.

# MILK

(Pasteurized)

## Routes to all parts of the city

Phone 2101 or Stop our Driver

### Complete line of Dairy Products

MILK, SPECIAL GUERNSEY MILK, CREAM, WHIPPING CREAM, COTTAGE CHEESE, BUTTER, BUTTERMILK, CHOCOLATE MILK.

Pasteurized for your Protection

# SIDWELL'S

"Of Course"

# Rock Island Lines Seek Aid of Court

## Seeks Surcease From Debts Under New Bankruptcy Act

CHICAGO, June 7 (AP)—The Rock Island lines, a major unit in the transportation scheme of the middle west, sought surcease from maturing debts today under the new federal bankruptcy act.

The Railroad Credit corporation, the interstate commerce commission and the Reconstruction Finance corporation all had pulled the purse strings tight when the Rock Island solicited loans that would have averted receivership.

**Directors Meet**  
Directors of the \$340 million line, meeting at New York, found no other way out of its difficulties and authorized the filing of a voluntary petition in U. S. district court. It was filed here, shortly afterward, asking the court to give it the shelter of the new bankruptcy act and sanction a reorganization without actually adjudicating the railroad a bankrupt.

This was the second large carrier to petition the Chicago federal court under the new law. The Chicago and Eastern Illinois railroad instituted voluntary proceedings April 18 and in other federal courts five other railroads have availed themselves of the opportunity to reorganize under federal court chaperonage—the Missouri Pacific and the New Orleans, Texas and Mexico; and the International Great Northern; the Akron, Canton and Youngstown; and the Minarets and Western.

**Reorganized Before**  
The Rock Island had gone through a reorganization period 18 years ago, emerging from federal receivership in 1917. It was founded in 1880 as an amalgamation of small western lines and now operates in 14 states from Illinois to Louisiana and New Mexico to South Dakota.

The immediate maturities to be met were principal and interest totaling \$2,100,000 due July 1, and other payments due October and January. The Reconstruction Finance corporation has loaned \$13,718,000 on collateral the Rock Island said was worth \$40,302,465. The R.F.C. refused to grant any further loan.

Federal Judge Wilkerson instructed the line to open a new set of books beginning tomorrow, to file its complete statement of assets and liabilities by Aug. 31 and to make regular periodic financial reports to him.

# Jury Awards Damages to V. R. Miller

Verdict for \$11,000 was returned by a district court jury yesterday in favor of V. R. Miller, administrator of the estate of Don L. King, against Edwin J. Driscoll. Mr. Miller was suing for \$25,000.

The jury delivered a sealed verdict at midnight Tuesday after deliberating for nine hours. It was read in court yesterday morning by District Judge Harold D. Evans.

The damage action was the result of an automobile accident Aug. 9, 1931 in which Don King was fatally injured. King was riding in Driscoll's car when it left the road.

Jurors in the case were: Maude K. Coast, Agnes F. Wickes, Sarah Yanda, Joseph Vecerka, Everett Hopp, Robert R. Vogt, Orpha B. Ohl, Roy Light, George Kuebrich, Myrtle Probst, W. R. Griffith, and Tona Taylor.

Messer and Nolan represented V. R. Miller in the law suit and Don Barnes and E. H. Wadsworth of Cedar Rapids defended Driscoll.

# PUBLIC FUNDS To Be Freed From Closed Banks

(Continued from page 1)

\$5,000,000 will be available annually for the bond redemption and interest, this amount including \$1,000,000 in interest on deposits, \$3,000,000 from the one-mill tax, and about \$750,000,000 from beer permits.

In addition the state would have available funds from the liquidation of closed banks, as it would acquire title to the public funds on deposit by reimbursing the taxing subdivisions.

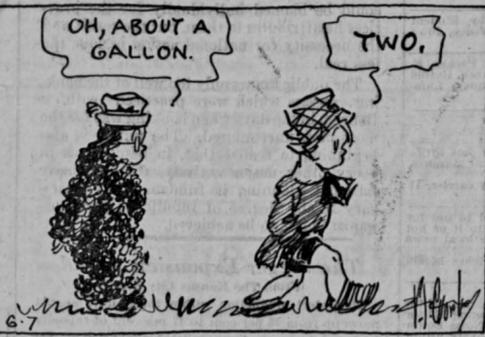
**\$1,000 Denominations**  
The bonds will be issued in \$1,000 denomination, bearing five per cent interest. Redemption will not begin for two and a half years but in the meantime the state will be drawing interest on the claims in the state sinking fund.

Gov. Clyde Herring said he considered the action taken by the executive council really a tax saving measure, declaring that although it authorizes a one mill state levy it will reduce local levies.

**Unsuccessful Before**  
"Had the state not been able to float this issue it undoubtedly would become necessary to make a general state levy of at least two mills to make up the deficit caused by the loss of funds in closed banks," the governor said.

Iowa last year sought unsuccessfully for a \$20,000,000 loan from the Reconstruction Finance corporation to replenish the sinking fund.

# SKIPPY-



# Plan Hearing for Saturday

Hearing on the application of L. A. Andrew, receiver of the Johnson County Savings bank, asking permission to install an elevator in the Johnson County bank building at a cost of \$8,000, will be held at 9 a.m. Saturday.

District Judge Harold D. Evans postponed the hearing from yesterday morning because of several action suits now in court. Witnesses will have a chance to testify Saturday morning. Testimony will be taken as to the necessity of the expenditure of such a sum.

The application says the elevator has been in constant use since the building was erected and is in constant need of repairs. It also says that in connection with a modern office building the equipment is somewhat obsolete and the expense of maintenance is constantly increasing.

estate to relatives, naming his adopted daughter, Margaret F. Muldoon, residuary legatee, his will showed today.

# Finger Bowls for 'Aggies'

## Husky Farm Students at Oklahoma A. & M. Must Learn About Etiquet

STILLWATER, Okla., (AP)—You'd expect "Aggie" students to learn how to grow food—but here they also learn how to eat it. It's easy to picture a "lab" scene in one of the huge barns at Oklahoma A. & M. college—an eager group of overalled stalwarts grouped around a blue-ribbon mare.

But consider this: a formal dinner, crowning event of the semester in Dean Nora A. Talbot's course of home economics study for men, with gleaming shirt fronts, polite "table talk" and a baffling array of forks!

Dean Talbot started the course seven years ago because the boys wanted to arrive late and yet gracefully—all these are just the ABC of the course. It swings into nutrition values, meal planning and serving, economic and social standards, clothing selection, colors for house furnishings and appropriate gifts for the girl friend.

Once each semester comes the dinner. One must dress, even if it means renting the "soup and fish."

if invited to dinner only?  
3. How should pickles be eaten? Celery? Salted nuts? Potato chips? Duties of the host, the guest, how to arrive late and yet gracefully—all these are just the ABC of the course. It swings into nutrition values, meal planning and serving, economic and social standards, clothing selection, colors for house furnishings and appropriate gifts for the girl friend.

Once each semester comes the dinner. One must dress, even if it means renting the "soup and fish."

1. How should a napkin be placed in one's lap?  
2. When should the guest depart

# MORGAN PROBE Shows How Banker Evaded Taxes

(Continued from page 1)

financing of both the Chesapeake corporation and the Allegheny corporation.

Pecora brought out that 255,000 shares of Chesapeake and Ohio common were transferred from the Vaness company—a security company of the Van Swerincens and their associates—through the general securities company to the Chesapeake corporation at a time when its market value exceeded \$440,000,000. This was above the cost price but the witness could not say how much.

"If there had been a straight sale by the Vaness company to the Chesapeake corporation there would have been a big profit," demanded Pecora.

"That's like saying if the dog hadn't stopped running he would have caught the rabbit," Van Swerincen replied. "We didn't do it that way."

"That profit would have been a taxable profit?"

"If there had been a profit it would have been taxable."

"Now isn't it a fact that the purpose for the creation and use of the General Securities corporation in this transaction was to avoid—and avoid by lawful means—payment of a tax on such profit to the Vaness company?"

"It was the economical way of handling this matter lawfully from the tax standpoint."

**Economy Interest**  
"What economy interest to the Vaness company was served by that?"

"As between two routes, the one would have involved the expenditure of more dollars than the other. We chose the economical one, the one which took the least dollars."

"Why would the other have cost more?"

"That was because of the law on that subject, I suppose."

"Wasn't it because you would have had to pay a tax on the resultant profit to the Vaness company by the direct exchange?"

"Yes."

Van Swerincen said also that when the Allegheny corporation was formed with Morgan and the Geneva Securities corporation likewise was used "to avoid of income exemption provided by congress in connection with corporate reorganization."

Pecora told newspapermen that this testimony had "shown for the first time the advantage in effecting a transfer of stock through the medium of a third corporation."

"By this means the payment of taxes on profits is avoided," the investigator said. "It shows a weakness in the tax laws that congress may want to strengthen."

**Exchange Securities**  
Pecora said the previously discussed deal by which the United corporation, a Morgan utility holding company, and American Superpower exchanged securities through the Public Electric holding company was similar to the Van Swerincen exchange made to avoid tax payments.

Van Swerincen's answer to Pecora's question on how much he, his brother and associates had put of their own cash into their railroad domain brought the answer the counsel had sought for vainly during two days.

"I have read your question and am pleased it is in a form I can answer frankly," Van Swerincen said. "The amount of dollars was \$1,000,000 with which we started back in 1915."

"We were poor when we started out in life. I've never been reluctant to admit that."

**Economy Interest**  
"What economy interest to the Vaness company was served by that?"

"As between two routes, the one would have involved the expenditure of more dollars than the other. We chose the economical one, the one which took the least dollars."

"Why would the other have cost more?"

"That was because of the law on that subject, I suppose."

"Wasn't it because you would have had to pay a tax on the resultant profit to the Vaness company by the direct exchange?"

"Yes."

Van Swerincen said also that when the Allegheny corporation was formed with Morgan and the Geneva Securities corporation likewise was used "to avoid of income exemption provided by congress in connection with corporate reorganization."

Pecora told newspapermen that this testimony had "shown for the first time the advantage in effecting a transfer of stock through the medium of a third corporation."

"By this means the payment of taxes on profits is avoided," the investigator said. "It shows a weakness in the tax laws that congress may want to strengthen."

**Exchange Securities**  
Pecora said the previously discussed deal by which the United corporation, a Morgan utility holding company, and American Superpower exchanged securities through the Public Electric holding company was similar to the Van Swerincen exchange made to avoid tax payments.

Van Swerincen's answer to Pecora's question on how much he, his brother and associates had put of their own cash into their railroad domain brought the answer the counsel had sought for vainly during two days.

"I have read your question and am pleased it is in a form I can answer frankly," Van Swerincen said. "The amount of dollars was \$1,000,000 with which we started back in 1915."

"We were poor when we started out in life. I've never been reluctant to admit that."

**Economy Interest**  
"What economy interest to the Vaness company was served by that?"

"As between two routes, the one would have involved the expenditure of more dollars than the other. We chose the economical one, the one which took the least dollars."

"Why would the other have cost more?"

"That was because of the law on that subject, I suppose."

"Wasn't it because you would have had to pay a tax on the resultant profit to the Vaness company by the direct exchange?"

"Yes."

Van Swerincen said also that when the Allegheny corporation was formed with Morgan and the Geneva Securities corporation likewise was used "to avoid of income exemption provided by congress in connection with corporate reorganization."

Pecora told newspapermen that this testimony had "shown for the first time the advantage in effecting a transfer of stock through the medium of a third corporation."

"By this means the payment of taxes on profits is avoided," the investigator said. "It shows a weakness in the tax laws that congress may want to strengthen."

**Exchange Securities**  
Pecora said the previously discussed deal by which the United corporation, a Morgan utility holding company, and American Superpower exchanged securities through the Public Electric holding company was similar to the Van Swerincen exchange made to avoid tax payments.

Van Swerincen's answer to Pecora's question on how much he, his brother and associates had put of their own cash into their railroad domain brought the answer the counsel had sought for vainly during two days.

"I have read your question and am pleased it is in a form I can answer frankly," Van Swerincen said. "The amount of dollars was \$1,000,000 with which we started back in 1915."

"We were poor when we started out in life. I've never been reluctant to admit that."

**Economy Interest**  
"What economy interest to the Vaness company was served by that?"

"As between two routes, the one would have involved the expenditure of more dollars than the other. We chose the economical one, the one which took the least dollars."

"Why would the other have cost more?"

"That was because of the law on that subject, I suppose."

"Wasn't it because you would have had to pay a tax on the resultant profit to the Vaness company by the direct exchange?"

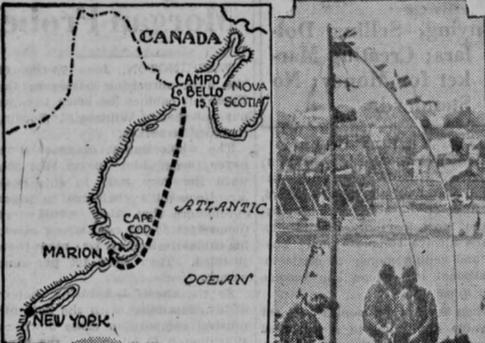
"Yes."

Van Swerincen said also that when the Allegheny corporation was formed with Morgan and the Geneva Securities corporation likewise was used "to avoid of income exemption provided by congress in connection with corporate reorganization."

Pecora told newspapermen that this testimony had "shown for the first time the advantage in effecting a transfer of stock through the medium of a third corporation."

"By this means the payment of taxes on profits is avoided," the investigator said. "It shows a weakness in the tax laws that congress may want to strengthen."

# READY FOR PRESIDENT'S CRUISE



Here is the little schooner Amberjack II on which President Roosevelt will spend a short vacation cruise, beginning June 10. At left is a map of the president's route. After a visit to Dr. William McDonald, an old friend, at Marion, Mass., the president will join the Amberjack and sail, with his boys, up the coast to Campobello Island, N. B.

be declared unconstitutional. Ray Nagle, attorney general of Montana, who presided over a conference of attorney generals and representatives from 12 of the 18 states, announced the interested parties had agreed to coordinate their efforts.

**-BE SMART**  
**keep cool**  
**WITH STRUB'S VALUES**

**FANS** Keep Cool \$2.98  
**Dainty** Brief Mesh Panties 39c

**Swim Suits** All Wool Ladies' and men's two piece swim suits; assortment of colors and styles—\$1.69  
**BOYS' AND GIRLS' SUITS** \$1.19  
**CHILDREN'S** 75c

**SUN SUITS** For the Kiddies 25c  
**Seersucker** Genuine Pomona cold water shrunk seersucker pants—\$1.39  
Others at \$1.00

**POP ON ICE** 5c  
**STRUB'S**  
COOLEST SPOT IN TOWN

# Hearing Today on Exhaust Steam Line

Public hearing on the proposed plans for an exhaust steam line to run from the power plant to the west side of the university campus will be held by the state board of education this afternoon at 1 o'clock in the office of A. A. Smith, superintendent

of the department of grounds and buildings. Estimated cost of the project is \$15,000. The steam line will run in the tunnel to the Quadrangle, the field house, and other points on the west campus.

WHITE PLAINS, N. Y., (AP)—William Muldoon left most of his

**Penney's SPOTLIGHT VALUES!**  
for Summer School Students

**MEN! Keep Cool in Cotton!**  
**DUCK or TWILL Trousers** 98c  
**Slack Models!** Washable. Fully shrunk. Set-on waistband. Bar-tacked. Full cuffs. Regulation bottoms. Side buckle straps. Sizes 29 to 42. **BOYS' SIZES 89c**

**AS GOOD AS EVER! AFTER 7 DAYS ON THE OPEN SEA!**  
**Broadcloth SHIRTS** 98c  
They were tied to the ship's mast! They returned in good condition. They did not shrink! In spite of wind, rain, or sun... Yours for 98c—white or solid color. Pre-shrunk, Vat-dyed.

**SPOTLIGHTED BY MEN'S FAVOR!!**  
**NOVELTY PAJAMAS** 98c  
Very comfortable  
Very smart  
Very durable

**Keep Cool! Everything's going to be!**  
**Sheer Cotton FROCKS** 98c  
Printed Voiles, Batistes, Flock Dot Voiles  
You can keep cool and trim... and still be highly decorative... in these 98c sheer wash frocks. Sizes range from 14 to 52!

**Fashion's New Pace-makers!**  
**WHITE BUCK CALFSKIN Oxfords** \$1.98  
Newest for summer—the oxford! Cut out! Stitched! In the grain that's all the rage! Black also.

**J. C. PENNEY CO. Inc.**  
118-120 E. College St.

- TURKISH TOWELS 17x29 5c ea.
- Children's PAJAMAS 49c to 79c
- Absorbent CHEESE CLOTH 5 yds. for 19c
- Ladies' PAJAMAS 2 for \$1.00
- Ladies' RAYON BLOOMERS 25c
- Ladies' CRINKLE GOWNS 49c
- Boys' PLAY SUITS Ages 2 to 8 59c
- Child's WASH SUITS 25c to 98c
- Blue BONNET BATISTE 10c per yd.
- Cotton SWEAT SHIRTS 49c
- Ladies' SILK HOSE 49c
- Two-Way STRETCH GIRDLES 98c
- Stevens Linen Crash TOWLING 5 yds. 49c

- MOSQUITO NETTING 8 yds. for 79c
- Nation-Wide SHEETS 81x99 59c
- Fancy Sheet BLANKETS 70x80 47c
- WASH CLOTHS 3 for 10c
- PILLOW CASES 42x36 10c
- Children's RAYON BLOOMERS 25c
- Men's WHITE SHIRTS 79c
- White FLANNEL TROUSERS \$2.98
- SEMI-DRESS STRAWS 49c
- Men's DRESS SHIRTS 49c
- Boys' CANVAS SHOES 49c
- Boys' White Duck TROUSERS 49c
- Ladies' PORCH FROCKS 2 for \$1.00

# The Daily Iowan

Published every morning except Monday by Student Publications Incorporated, at 126-130 Iowa avenue, Iowa City, Iowa. Fred M. Pownall, Director.

Board of Trustees: Frank L. Mott, Paul C. Packer, E. M. MacEwen, Sidney G. Winter, Phillip Michael, Harold W. Cassill, Ernest C. Cassill, Cherie McElhinney, Lumnund Wilcox.

Harry S. Bunker, General Manager  
William T. Hageboeck, Assistant General Manager

Entered as second class mail matter at the post office at Iowa City, Iowa, under the act of Congress of March 2, 1879.  
Subscription rates—By mail, \$5 per year; by carrier, 15 cents weekly, \$5 per year.

The Associated Press is exclusively entitled to use for publication of all news dispatches credited to it or otherwise credited in this paper and also the local news published herein.  
All rights of republication of special dispatches herein are also reserved.

**EDITORIAL DEPARTMENT**  
Donald J. Pryor, Editor  
Philip Newson, Managing Editor  
George Kalbach, News Editor  
Richard W. Fagan, City Editor  
Tom Yosef, Campus Editor  
Harry G. Burrell, Sports Editor  
Charles A. Graham, Assistant Sports Editor  
Illona Jane Cooley, Society Editor

**BUSINESS DEPARTMENT**  
Charles L. Johnston, Business Manager  
Ernest C. Cassill, Circulation Manager  
Agnes W. Schmidt, Accountant

DIAL 4191  
Branch exchange connecting all departments  
THURSDAY, JUNE 8, 1933

fied, there is much in Mr. Kraschel's outburst that is entirely correct. Few bankers could be blamed individually for the practices he attributes to them, but the result and the necessity for national action is none the less real.

The public knows only too well of the banking excesses which were practiced with a flourish in the days when banking was for the most part unregulated. The public is also beginning to realize that, in banking as in every other major activity, comprehensive national planning is fundamentally necessary if any degree of intelligent social organization is to be achieved.

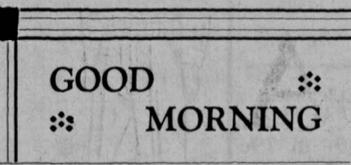
## The Bigger Expansion Ahead

(From The Kansas City Star)

That steel production within thirty days should move up from 33 per cent to 47 per cent of capacity is found to be an "unparalleled expansion." Yet production in the last three months has more than tripled. It has risen from 15 or less, early in March, and now compares with about 13 in midsummer of last year. While the gains have not been so impressive, there likewise have been notable advances in motor car production, in freight loadings, in electric power production and in other accepted indices of business conditions.

There have been encouraging reports of employment and of retail sales in many lines. Yet the re-absorption of idle labor, and the building up of purchasing power seem to be proceeding more slowly. They afford the more decisive tests of recovery progress. Better prices and wage increases are bound to count heavily, if there is not some unexpected setback, attributable to seasonal and other conditions. Chief reliance, of course, is in the national recovery measure, the public works-industrial control bill, which is expected to be enacted before the week is out, and then immediately made operative.

Altogether, that measure is calculated to advance and stabilize both wages and prices, along with industry itself, and to create a live demand for materials and for labor. Will it do the job? The initial test may come within another thirty days. It should then be apparent whether seasonal influences are to be reversed or offset, whether the designed master stroke from Washington is to bring the response expected by the administration and private industry.



The new Democratic administration is facing the first real crisis of its career. The outcome might well determine the success of the whole program of recovery.

So far President Roosevelt has had almost complete control of the legislative situation. Taking office in a time of national emergency, he set out once on a program for recovery conceived on so bold and gigantic a scale that it left the nation pleasantly gasping. This program included:

- 1) A balanced budget and complete control of government finances in the hands of the administration.
- 2) Reorganization of banks under stricter regulations to provide for closer central control and for a general reform of questionable banking practices.
- 3) Enforced honesty in the issuance of securities.
- 4) Indirect control of the utilities interests through development of Muscle Shoals, to be used as a yard stick in measurement of utility prices and as a huge experiment in regional planning.
- 5) Government regulation of all industry to insure justice to workers and consumers and to eliminate wasteful and injurious competition.
- 6) Reorganization of railroads under the guidance of the government.
- 7) Reduction of tariffs and resumption of world trade through the medium of international agreements.
- 8) Stabilization of currency by placing control in the hands of the government.
- 9) Reduction of employment and stimulation of industry through a giant program of public works financed by bond issues.
- 10) Agricultural relief both through the indirect—but very real—effect of the general program and through a measure of government supervision of production.

The first of these is by far the most important. It is the foundation upon which the entire structure must be erected. Success in the fulfillment of this one objective means a 100 to one chance that the remainder of the program will be achieved. Failure here means serious impairment of the whole scheme.

This point cannot be overemphasized. For a government to win the confidence of its own people and of the world its control of its own finances must be unquestioned. When that control is evident—when the budget is balanced and every appropriation is offset by income—then, and not until then, a government can proceed with no hesitation upon any program which it conceives to be in the public interest.

Thus the unreasoning stubbornness of the congress yesterday in refusing to accept the compromise offered by the president in the veterans' compensation controversy has within it sufficient explosive material to upset the entire administration apple cart.

If congress refuses either to accept the president's schedule of reductions in veterans' pay or to levy sufficient taxes to fill the resultant gap in the budget, much of the administration's program for recovery will have been rendered impotent. Such an outcome would be a near catastrophe to the United States. It would mean the stunting of the most promising child the American government has ever borne.

More than ever the nation depends in the next few days upon President Roosevelt. His position, from the standpoint of logic, justice and sanity, is impregnable. Both for his own good and for the good of the United States he must not yield to the demands of a politically scared congress. It is within the scope of his power to refuse to yield. The manner in which he meets the situation will be the measure of his leadership.

## OFFICIAL DAILY BULLETIN

Items in the UNIVERSITY CALENDAR are scheduled in the office of the president, Old Capitol. Items for the GENERAL NOTICES are deposited with the managing editor of The Daily Iowan, or may be placed in the box provided for their deposit in the offices of The Daily Iowan. GENERAL NOTICES must be at The Daily Iowan by 4:30 p.m. the day preceding first publication; notices will NOT be accepted by telephone, and must be TYPED or LEGIBLY WRITTEN, and SIGNED by a responsible person.  
Vol. IX, No. 214 June 8, 1933

**General Notices**  
Athletic Office Hours  
During the summer months, beginning June 5, the athletic office will be open from 7 a.m. to 4 p.m.  
EDWARD H. LAUER

## New Ideas in Economics

Buying, Selling Dollars; Creating Market for Money; No Standard.

By J. R. BRACKETT  
(Associated Press Business Writer)  
NEW YORK (AP)—With the United States off the gold standard, and most of the other nations only, at the most, partially maintaining it, the always complex job of buying and selling money to settle international obligations has become even more difficult.

When the world's monies were set in value according to a specified amount of gold, the dealers in monies and foreign trade could be confident that a forward contract for goods would cost the same amount of money no matter what the date of payment.

If an American owed an Englishman a thousand pounds, he would be sure that he could buy those pounds for the same number of dollars at any time. Without any standard, the American may find he has to put up more dollars to buy the pounds.

What does it mean to buy and sell money.

**Exchanging Monies**  
Suppose an Englishman buys \$5,000 worth of wheat from an American, proposing to pay for it in pounds. The Englishman has pounds in an English bank, and he authorizes the bank to place the necessary number of pounds to the American's credit.

The American, however, does not want pounds because only dollars may be spent in America. He wants to change the pounds into dollars and bring them home.

Suppose at the same time another American buys from another Englishman some woolen cloth worth \$5,000. He is in England and he wants to pay the Englishman in pounds. His problem is to find someone who wants to trade pounds for dollars.

He goes to a dealer in monies—a foreign exchange dealer. This dealer has a contact with the English bank, and finds that the bank has pounds which the English wheat buyer placed to the credit of the first American.

Suppose the dealer offers \$4 (to make it simple) for each pound, and the bank accepts the dollars for 1,250 pounds. The bank now has \$5,000 in dollars to the first American's credit, and the second American has pounds to pay for his woolen goods.

**Balances of Money**  
Thousands of transactions similar to this one are occurring all the time in pounds, dollars, francs and so on. They depend for their fulfillment on actual transactions in trade. In all major countries, therefore, there exist balances of various monies which may be traded—bought and sold—for other monies.

When governments are on the gold standard the traders know that the exchange value of one money for other always will be approximately the same, because the money can be exchanged for gold, which is always acceptable in all countries.

When off the gold standard, the exchange value of these monies will

## Woodin Again in Spotlight at Morgan Probe

WASHINGTON, June 7—One of the most surprising names in the Roosevelt cabinet list when it came out was that of William H. Woodin, treasury secretary.

The whole gamut of speculation never turned him up for that job until the very last. In this case Mr. Roosevelt's challenge to United States of the gold standard, and speculators that they would find themselves 80 per cent wrong about his cabinet selections was more than justified. They were 100 per cent wrong.

So the cheerful, bubbling, happy little industrialist with the flair for musical composition came down to Washington to bump into the bank smash head on. He was the busiest person in Washington except the president those first days. It all but wore him out. It did send him to bed for a time.

There can be no real question that Mr. Roosevelt's handling of that banking crisis was the springboard that alone made possible much of the swift development that followed, showing him a virtual emergency dictator by popular will.

Without that dramatic start on "the new deal," it might have shaped up in far different fashion. Mr. Woodin figured in all that. Yet hints of his impending resignation began to be published. They became so important that Woodin twice took special pains to deny them, once calling news writers to his sick room for that purpose.

No very clear statement of the reasons which might have prompted his resignation were given. True, he was at odds with Senator Glass over the bank bill, but that did not seem a serious enough matter to set up resignation rumors.

Then along came the House of Morgan hearing and the disclosure that Woodin's name was on the Morgan "insider" list of favored friends a while back. He got in at ground floor prices, a very old Wall street custom.

That was long before he or anybody else could possibly have thought of a public life career for him; but there it was.

The impression the bystander got was that somebody who knew of that insider list and what names were on it might have been responsible for the original Woodin resignation rumors.

fluctuate according to the supply of and demand for them.

The thousands of foreign traders make known to the foreign exchange dealers their various needs for money. The dealers, thus having money both to buy and sell, arrange the transactions.

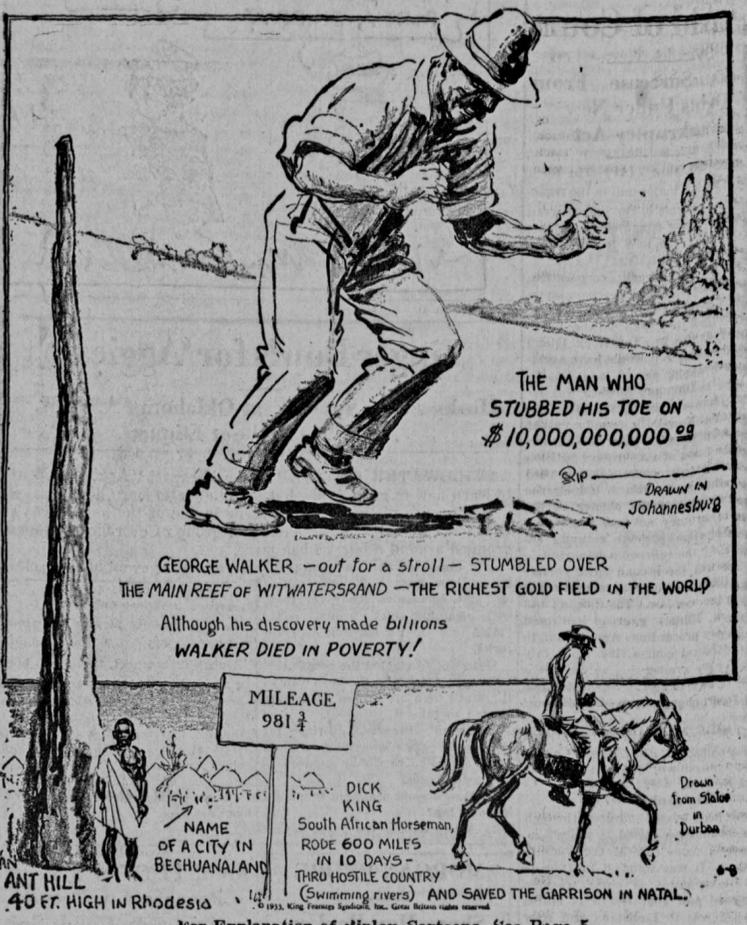
If pounds are heavily in demand it will take more dollars to buy them, fewer pounds to buy dollars and so on.

These prices are quoted on a tape so that all traders can see what the monies are bringing and base their own transactions accordingly. Practically always someone wants to buy or sell some nation's money, thus establishing a money market just as there are markets for wheat and stocks.

It is toward stabilizing this market by fixing the values of the different monies in terms of gold or some other standard that much of the world's effort is now directed.

## BELIEVE IT OR NOT

(Reg. U. S. Patent Office) By Ripley



THE MAN WHO STUBBED HIS TOE ON \$10,000,000,000  
GEORGE WALKER—out for a stroll—STUMBLED OVER THE MAIN REEF OF WITWATERSRAND—THE RICHEST GOLD FIELD IN THE WORLD  
Although his discovery made billions WALKER DIED IN POVERTY!

For Explanation of Ripley Cartoons, See Page 5.

## THE OLD HOME TOWN

Registered U. S. Patent Office By STANLEY



THE HOOTSTOWN BUS DRIVER PICKED UP TWO PASSENGERS TO DAY WHEN STATION AGENT DAD KEYES DROPPED OFF INTO A HEAVY SLEEP  
© 1933 Lee W. Stanley Central Press 6-B-23

## BEHIND THE SCENES

— IN HOLLYWOOD —

By HARRISON CARROLL  
STUDIO GOSSIP FILM SCANDAL SCREEN COMMENT

HOLLYWOOD—In an unexpected move, Universal has failed to exercise the option of Boris Karloff, whose feats of makeup in "Frankenstein," "The Mummy," and other horror films have pointed to him as the logical successor to the late Lon Chaney.

The release of Karloff makes Universal lose three major players within a few weeks. Tala Birell and Lew Ayres were the other two. Since the salaries of all these players would have taken a jump with their next option, the move has obvious advantages in economy. Aside from that, studio officials claim that the Laemmle company now can concentrate on stories, casting them with the best available talent, instead of buying material to fit a group of expensive stars.

Universal now finds itself with only a slim list of contract players. Margaret Sullivan, June Knight, Paul Lukas, Andy Devine, Onslow Stevens, Tom Brown, Vince Barnett, Gloria Stuart, Slim Sumner, Zasu Pitts and Ken Maynard about name them.

First result of Karloff's loss will be a search for an actor to take the title role in H. G. Wells' "The Invisible Man."

It is Abe Lyman who tells the story of the yes-man who told a certain Hollywood producer that he was a genius.

The producer gestured impatiently. "I'm better than that," he said, "I'm ingenious."

HOLLYWOOD PARADE  
The Leslie Howard contract with Warners turns out to be for nine pictures instead of three. And if he stays out the whole term, he will receive a sizeable fortune for the last film.

They gave Abe Lyman a round greeting on his return to the Coconut Grove. Joan Crawford, Franck Tone, Helen Hayes, Bob Abbott, Elizabeth Allan and Adria were sitting at a ring-side table. The Harold Lloyds were at another. Some others who joined the festivities were Jean Harlow, Johnny Weissmuller, the Edward G. Robb, Rankin, Barbara Baroness and Bill Rankin.

## The Literary Guidepost

Keeping Up With the New Books

By JOHN SELBY

"An Indiscreet Itinerary," by Hendrik Willem van Loon; (Harcourt, Brace & Co., New York).

NEW YORK—Hendrik Willem van Loon confesses at the outset that the little guidebook to Holland which he publishes today began as a pamphlet for the Netherlands Railways. (In Europe the railways pay for good copy to put into their folders; it's a habit.)

But when it was finished it looked too long for a railroad pamphlet, whereupon he begged and was granted the privilege of publishing it as a guidebook, in the usual way. And although it is published in the usual way, it by no means the usual guidebook.

It really is a long essay, or a short book, on the people, places and temperament of the Dutch. There are only 117 pages, and they are so printed that the reader can get through them in an hour, if he wishes. But he probably will not, if only because there are two or three dozen of Mr. van Loon's illustrations to linger over.

The book begins (instead of with details about the money system) with how the Netherlands happened to be at all, a research that takes the reader back a good many thousand years.

Mr. van Loon creates Holland expeditiously, however, and before one knows it, one is sailing cautiously up to Rotterdam; cautiously because if the boat goes too fast it will slop water over the edge of the river, down upon the low lying farms and gardens.

## Kraschel Speaks His Mind

LIEUTENANT Governor Nelson G. Kraschel of Iowa, roused over attacks on the national banking laws by Paul Zimmerman, president of the Illinois Bankers' association, forgot a speech he had prepared for the organization Tuesday and told just what he thought of the bankers.

"The sins of the bankers themselves," he said, made necessary national banking legislation. This is his explanation:

"The bankers speeded up American industry to world market speed, and then attempted to hold it at the pace which was necessary during the war. They let these useless industries hang on, because they held the common stocks. Then tariffs, designed to protect industry and industry's selfish interests, wrecked our world trade. Now the one alternative is national planning.

"This reckless expansion was financed with the public's deposits, the bankers showing no sense of stewardship. Later they floated foreign loans for the purpose of selling the goods they were interested in, and then passed the worthless bonds on to the public."

Although this indictment of the bankers seems just a little bitter and not wholly just-

Heavy Buying Is Feature of Stock Market

NEW YORK, June 7 (AP)—Stocks rallied strongly in some departments today but were less aggressive in others. The 90 share composite made another new high since November, 1931.

Equities provided features in the day's active market.

Dollar exchange had a sharp fall, weakness being attributed to selling by foreign traders who were anticipating further moves toward depreciation of our currency.

Bonds Push Still Higher

NEW YORK, June 7 (AP)—Bonds climbed another rung on the ascending price ladder today despite the heaviness of several issues due to special circumstances.

Heaviness of Several Issues Fails to Hold Prices Down

NEW YORK, June 7 (AP)—Bonds climbed another rung on the ascending price ladder today despite the heaviness of several issues due to special circumstances.

State Fair Board to Hear Objections on Wild West Rodeos

DES MOINES, June 7 (AP)—Responding to protests of various humane societies, the Iowa state fair board agreed today to call a special meeting of its executive committee to hear objections to the wild west rodeo and stampeade at the fair.

Carroll County Men Released on Bonds

FT. DODGE, June 7 (AP)—Four Carroll county men recently indicted by a federal grand jury at Sioux City for conspiracy to violate the national prohibition act, posted bonds of \$2,500 each today and were released to await trial.

Smith and Ollie Webber, all of Templeton, and Frank Neppi of Carroll. They are alleged to be members of a ring active in manufacturing and distributing the so-called "Templeton Rye" whisky.

What is Your WANT

Classified Advertising Rates

Table with columns for No. of Words, Lines, One Day, Two Days, Three Days, Four Days, Five Days, Six Days. Includes rates for Special Cash Rates and Minimum charge.



Adapted by LEBBEUS MITCHELL

Yesterday's installment of "Hell Bound" left you with the discovery that the girl he loved, the daughter of the merchant, was married to a powerful British ace.

CHAPTER VIII KANGAROO! Knowlton walked resolutely, if almost unseeing, to his shore quarters. Arrived there he tossed off a glass or two of Scotch, sat despondently, hands on head, thinking things out.

The street carnival was still in progress. MacDougal and Ptoimaine, the cook, could not keep away from it. Late afternoon found them debouching into the carnival area from a town street, and Ptoimaine was still interested in the street.

"Aw, shut up," said MacDougal, weary of so much dental talk. "Jeeze, with you around a guy can't kiss his bl-cussids his own."

"I'll fight your kangaroo, Mister." "Come on!" said Ptoimaine, out of breath, as he joined his companion. "The elk hunt is on."

"You had no right to fall in love with me," he said. "I did, and that changes everything."

"Where do you suppose he could have went to?" asked Ptoimaine, looking about for the limy. MacDougal was more interested in the kangaroo. "Ain't that a funny looking animal though?"

"Huh! Looks like a jack-rabbit with a superiority complex." "What's the guy tryin' to do? Sell it?"

"Oh, non, signor," said an Italian standing nearby. "He say he give ten lira to who fight da kangaroo-oo."

"Ten lira, the guy said," remarked MacDougal looking at the cook. "I got an idea," said the latter. "You fight the kangaroo on account of us needin' ten lira."

"No, darlin', it's only just begun. He took her in his arms and hid her close, despite her attempt to resist."

"Thank you." "The Lieutenant poured out two stiff drinks and presented one to Toler. The latter raised the glass on a level with his eyes.

German obligations slumped 1 to 2 points following the filing of a petition by the company preliminary to capital reorganization, issues of some other roads advanced 1 to 2 points.

Industrial and utility favorites were up 1 to 2 points. Bonds of International Telephone, Chile Copper and Colon Oil lagged.

German obligations slumped 1 to 2 points following the filing of a petition by the company preliminary to capital reorganization, issues of some other roads advanced 1 to 2 points.

State Champ Working Hard

DES MOINES, June 7 (AP)—If Lucille Robinson doesn't go places in the women's Trans-Mississippi golf tournament next week it won't be for lack of practice.

The Des Moines girl, a member of the Golf and Country club, is doing all of her practicing this week on the Wakonda club course, the scene of the tournament which will pit her against the best of the Midwest's lady linksters.

After flirting with the course record of 83 on several occasions, the Iowa state champion toured the rugged layout in 82 Monday to hang up a new mark. Women's par is 80.

Many of the leading out of state contenders for the crown now worn by Mrs. Patricia Beyer Newbold of Wichita, Kan., are expected here for the latter part of the week to look over the difficult course on which they will bid for the championship.

A glance at the yardage and par figures for the course demonstrates that good driving and accurate, long wood shots on the fairways will be necessary to capture the title. The total yardage is 6,416.

There are four par three holes on the course and all of them require accuracy to keep the ball from rolling off the green into rough or traps.

Over the four par-4 holes, two of them are over the 400-yard mark, which means two well hit shots to reach the green. There are eight par-5 holes and the other two, each more than 500 yards in length, are par 6.

Dakota Officials Will Seek Custody of Iowa Bank Robber Subject

OLIVET, S. D., June 7 (AP)—Hutchinson county officials today announced they will attempt to get custody of Tony Strain, bank robber suspect held at Sioux City, for trial on a charge of murder in South Dakota.

Strain has been identified as one of three gunmen who robbed the Farmers' State bank of Kaylor on April 29, and killed Fred Voll, son of the bank's cashier, while fleeing from town. A John Doe warrant charging first degree murder was issued for the gunman.

Drought, Heat Cause Wheat Price to Rise

CHICAGO, June 7 (AP)—Higher prices for the entire list of grains today accompanied reports that irreparable damage to wheat was resulting from torrid temperatures and from drought.

Predictions of showers and of some moderating of temperatures tended somewhat, however, to hold buyers in check. Sharp notice was taken of a rise in British exchange to a new top record for the year.

Wheat closed firm at virtually the day's high point, 1.2-1.18 above yesterday's finish, corn 1.4-1.2 up, oats 1.18-1.38 advanced, and provisions varying from 10 cents decline to a rise of 5 cents.

Bulls contended that no change in weather conditions could improve winter wheat prospects and that the spring wheat situation was critical in South Dakota.

Anxiety regarding spring wheat in South Dakota was based on reported lack of surface moisture and of no accumulation of subsoil moisture to carry plants through temporary deficiency.

Corn rallied with wheat after a sudden break that followed speculative selling and led to execution of numerous orders to stop losses. Oats developed independent strength owing to crop damage reports from Illinois and Kansas.

Cash corn was weak. Most of the offerings were low grade corn from Iowa and hard to sell. Receivers also found difficulty in finding buyers for No. 2 mixed corn. Country offerings to arrive were moderate. Eastern demand was relatively slow. Dry and hot weather was regarded as favorable for field work, and for the rapid growth of the new corn crop.

Provisions averaged lower, responsive to hog market downturns. Closing indennities: Wheat—July 73 1-8, 75 1-4-3-8; September 74 3-4-7-8, 77 1-8; December 77 1-8-1-4, 79 1-4-3-8. Corn—July 43 3-4-7-8, 45 1-8-1-4; September 46 1-2-5-8, 47 7-8-48; December 49 1-4-3-8, 50 1-2.

Corn Stand 7 Per Cent Off in Iowa

DES MOINES, June 7 (AP)—The stand of Iowa corn already planted is 78 per cent below the normal, or seven per cent below the 10 year average, the weekly report of Director Charles D. Reed of the state weather and crop bureau shows.

Reed reported that on June 1 90 per cent of the corn had been planted, or about five per cent below normal for that date. About 15 to 25 per cent remains to be planted in the eastern counties while in the remainder of the state planting is complete, he said.

Much of the late planted corn in the western part of the state is ungerminated for lack of moisture, he reported, in contrast with the flooded and plodded soils of the extreme eastern counties.

More than half of the corn had received one cultivation and some had received two cultivations in the central and western counties. Weeds were well under control.

Pair Face Trial on Auto Theft Charge

FT. DODGE, June 7 (AP)—Gerard L. Graven, 27, of Bay City, Mich., and George Bennett of Milwaukee, Wis., were arrested recently at Faulkton, S. D., with an auto allegedly stolen here, will face federal prosecution in South Dakota under the Dyer act, it was learned today.

They are now serving a 30 day sentence for theft.

Elect New Board Head

DES MOINES (AP)—O. E. Michael of Ottumwa will become head of the state board of control July 1, with the retirement of C. M. Roberts of Independence.

Rooms Without Board 63

WANTED—UNIVERSITY MEN to room and board, \$5.00 week. Close in. Dial 6220.

Rooms with Board 62

WANTED—UNIVERSITY MEN to room and board, \$5.00 week. Close in. Dial 6220.

Rooms Without Board 63

FOR RENT—LARGE DOWN stairs front room, private entrance, large closet, adjoining bath room. Graduate men or women. Car storage, 509 S. Capitol St.

FOR RENT—ROOMS FOR GIRLS, Delta Zeta house, Dial 4159.

FOR RENT—ROOMS FOR MEN, fraternity house, west side. Reasonable rate, 108 River St. Dial 4113.

ROOMS FOR MEN, \$1.50 PER week, 614 S. Clinton, Phone 4683.

Rooms Without Board 63

SINGLES AND DOUBLE ROOMS, hot water, splendid location. Dial 5167.

FOR RENT—FURNISHED ROOMS, close in, 103 W. Burlington. Dial 9478.

FOR RENT—PLEASANT FRONT rooms in quiet home. Good location. Reasonable. 6958.

FOR RENT—FURNISHED ROOMS. Dial 6963.

FOR RENT—SINGLE ROOM with ordinary household privileges. Dial 6987.

FOR RENT—ROOMS, REASONABLE. Dial 2382.

FOR RENT—APPROVED ROOMS for men. Ideal location for Graduate students. 21 N. Dubuque. Dial 5177.

ROOM FOR RENT—FOR MAN. North Chemistry Bldg. Dial 5129.

FOR RENT—3 DOUBLE ROOMS, men, 119 E. Davenport. Dial 9365.

FOR RENT—APPROVED ROOMS for men, Phone 5562, 404 Iowa Ave. Dial 5177.

FOR RENT—ROOMS, ALSO large sleeping porch. 715 Iowa Ave. Phone 9311.

FOR RENT—COOL ROOMS sleeping porch. Call 1163 E. Court St.

FOR RENT—FURNISHED ROOMS for men. Very reasonable. 115 E. Market. Phone 3904.

Apartment and Flats 67

FOR RENT—APARTMENT'S close in, everything furnished, \$15. Dial 9564, 827 S. Van Buren.

FOR RENT—2 ROOM FURNISHED apartment. Dial 4305, 328 S. Governor.

FOR RENT—4 ROOM MODERN apartment, upstairs, 2 large front rooms, downstairs, 407 N. Dubuque. Dial 4751.

FOR RENT—FURNISHED apartment. Call at 319 E. College.

FOR RENT—TWO ROOM APARTMENT, furnished or unfurnished. Dial 4861.

FOR RENT—TWO ROOMS AND kitchenette, \$15. 603 S. Van Buren.

FOUR ROOM FURNISHED apartment, \$12.50, 14 W. Burlington. Dial 2338.

FURNISHED 6 ROOM APARTMENT, 614 S. Clinton. Phone 4688.

FOR RENT—4 ROOMS WITH bath; also housekeeping rooms. Dial 3852.

FOR RENT—FURNISHED apartment, 4 rooms, bath, sleeping porch, garage, for summer, 1 Bella Vista.

FOR RENT—FURNISHED 3 room apartment. Close in. 431 S. Dubuque.

FOR RENT—IDEAL ROOMS, MEN, or couples; kitchenette, garage. Phone 6403.

FOR RENT—MODERN UP-TO-date furnished apartments. Close in. See Iowa Furniture Co., 228 S. Dubuque street.

Where to Dine 65

BOARD—GOOD HOME COOKED meals. Price reasonable, 323 N. Capitol.

BOARD—EXCELLENT HOME cooking. Three meals daily, \$3.50 week. Two meals daily, \$3.00 week. 107 W. Burlington St. Phone 4893.

HOME COOKED FOOD, 2 MEALS daily, one on Sunday, \$3 per week. 14 W. Burlington. Dial 2338.

APARTMENTS AND FLATS 67

FOR RENT—CLEAN, NEWLY decorated, strictly modern apartments. Dial 6416.

APARTMENTS FOR RENT—TWO room apartments, moderately priced, 21 N. Dubuque. Dial 9177.

FOR RENT—FURNISHED 3 ROOM apartment for summer. Private bath. 2 blocks from campus. Dial 2732.

APARTMENTS—REASONABLE. 426 S. Clinton.

2-4-5 ROOM APARTMENT FURNISHED, reasonable. Dial 6525.

FOR RENT—FURNISHED MODERN apartment. Private bath and garage. Close in. Dial 9598.

FOR RENT—4 ROOM FURNISHED apartment. Private bath, \$17.50. Dial 4985.

FOR RENT—2 ROOM FURNISHED apartment, close in, 120 E. Harrison. Dial 4854.

FOR RENT—FURNISHED apartment. Dial 4256.

Lower Rentals

Effective at once, we have again lowering our schedule of rentals to permanent occupants who desire a clean quiet respectable place to live. A few very desirable vacancies this coming month. Investigate the best values in Iowa City.

IOWA APARTMENTS Linn and Washington J. W. Milner, Mgr. Phone 2625

Houses for Rent 71

FOR RENT—5 ROOM MODERN house, close to campus. Dial 9599.

FOR RENT—MODERN 7 ROOM house, furnished, \$35. 1134 Hotchkiss Ave. Dial 3752.

Wanted—Laundry 83

HIGH QUALITY LAUNDRY WORK at money saving prices. Student laundry 50c dozen garments, washed and ironed. Family at 30c. Washed and ironed. Wet wash 30 lb. Wash 4c lb. Phone 2452.

WANTED—FINE HAND FINISHED laundry. Called for and delivered. Dial 2246.

Electrical Appliances 85

FLOOR WAXERS, VACUUM cleaners for rent. Jackson Electric company. Dial 5466.

# Six Giant Army Bombers Drop in on Local Airport

## Planes Stay Over Night Enroute to Langley Field, Va.

"Mors et Destructio." With this and other grim reminders of their mission inscribed on their painted noses, six giant bombers of the second bombardment group, United States army, dropped one by one onto the Boeing airport at 5:30 p.m. yesterday and were moored for the night.

The planes, commanded by Capt. George P. Johnson, are en route to Langley field, Virginia, after spending two months in aerial maneuvers on the Pacific coast. Captain Johnson said he expects to take off on the next leg of the journey by 9 o'clock this morning.

### Fully Manned

Fully manned, each plane carries five men. Nine officers stayed last night at the Hotel Jefferson, while the remaining 21 sergeants, corporals, and privates had rooms at the University of Iowa Quadrangle.

The planes, designed for heavy bombing, are Curtis Condor twin-engine bi-planes. They are equipped with three cockpits, two art for gunners and observers and one in the nose for the pilots.

Between 300 and 400 gallons of gasoline were taken by each plane last night. Captain Johnson said he intends to reach Langley field by Friday.

### Officers

Officers of the group who stayed here last night are: Captain Johnson, Second Lieut. Richard S. Freeman, Lieut. R. C. Hutchinson, Capt. Lionel H. Dunlap, Second Lieut. R. E. L. Choate, Capt. John Richter, First Lieut. Archibald Y. Smith, Capt. Robert T. Cronan, and First Lieut. Edward A. Hillery.

Other members of the crews are: Sergt. Charles Real, Pvt. A. J. Zamblerian, Pvt. Joseph H. Walsh, Staff Sergt. Roy White, Pvt. Luther C. Kling, Pvt. William J. Heldt, Pvt. Thomas G. Holmes, Pvt. Randolph T. Wood, Corp. Charles A. Gmitter, Private, First Class, Andrew Malinor.

### Crew

Staff Sergt. Dwight M. Capps, Corp. Lawrence L. Henry, Pvt. Frank A. Conner, Staff Sergt. Bessie Cobb, Corp. William G. Matlock, Pvt. William F. Casey, Private Huff, Staff Sergt. Troy V. Martin, Pvt. John Radon, Pvt. Charles F. Justice, and Corp. Frank Ritz.

The group has been stationed during maneuvers at Arlington, Cal., and is returning via Seattle, Wash. Before being taken to their quarters in the hotel and Quadrangle, the army flyers expressed unanimous admiration for the Iowa City airport.

## 164 Students Get Diplomas

## Rural Pupils Graduate From County Schools

One hundred and sixty-four students of Johnson county rural schools received eighth grade diplomas at 8 p.m. yesterday at the natural science auditorium.

The county choir, consisting of 300 children from one and two room rural schools, sang during the program. The choir was directed by C. A. Fullerton, head of the music department of Iowa State Teachers' college at Cedar Falls.

The complete program last night included invocation by the Rev. R. E. Kearney of Sharon township; music by the county chorus; reading by Mary Etta Musgrave of Oxford high school; music; reading by Elwyn Edwards of Lone Tree high school; music by county choir; reading by George Neidtheiser of Madison township; music; delivery of diplomas to students by W. N. Leeper, county superintendent; benediction by the Rev. R. E. Kearney.

## Begin Eby Damage Suit

The \$6,800 damage action of Mrs. Pearl Eby against Ed Ryan was begun in district court yesterday morning with the impanelling of the jury and the opening statements of the attorneys during the afternoon. District Judge Harold D. Evans is presiding.

Mrs. Eby claims that the defendant allowed his hogs to trespass on U. S. highway 6 in Scott township east of Iowa City and on Feb. 15, 1931, her car was damaged and she was injured when the machine struck Ryan's hogs.

Jurors in the case are: Isabel C. Sturm, Bessie Neuzil, George F. Prehoda, Morton Koser, Roy Light, Frank Cole, Robert R. Vogt, Orpha B. Ohls, Art Orvis, K. W. O'Bannon, Agnes F. Wicks, and M. C. Hscock. Attorney Frank F. Messer represents Mrs. Eby and A. E. Maine is defending Ed Ryan. Judge Evans dismissed the remainder of the petit jurors until 10 a.m. Monday, June 12.

### Attacked by Bull

IOWA FALLS (AP)—Attacked by a bull on the farm of his father, near here, Ray Shepherd, 20, was critically injured suffering a dislocated vertebra in the neck.

## Mourn Death of Publisher

### Cyrus H. Curtis Dies at Philadelphia Yesterday

PHILADELPHIA, June 7 (AP)—The walks of life in which Cyrus H. K. Curtis was most interested—journalism and literature, art and music—paid tribute today to the noted publisher, who died at his home after a year's illness.

From different parts of the world came messages from personal friends, or from authors and others, testifying to their regard for the newspaper and magazine owner.

Mr. Curtis passed away at 1:10 a.m. (E.S.T.) at his "Lyndon" in Wyncoffe. All the members of his family were present.

Mr. Curtis, who would have been 83 on June 18, was stricken with a heart attack while on his yacht in New York waters in May last year. He rallied and spent the summer in Maine and part of the winter in southern waters.

The funeral will be Friday afternoon. Service will be simple in accordance with the wishes of the great publisher.

Interment will be in West Laurel Hill cemetery here and will be strictly private.

Mr. Curtis was head of the Curtis Publishing company which produces the Saturday Evening Post, Ladies' Home Journal and Country Gentleman, and also was president of Curtis-Martin Newspaper, Inc., publishers of the Philadelphia Mornin' and Evening Ledger, Philadelphia Inquirer and New York Evening Post.

## Updegraff Speaks at Lions Club Meeting

Prof. Clarence M. Updegraff, faculty representative of the university in the Big Ten conference, spoke before the Iowa City Lions club yesterday noon at its weekly luncheon at Reich's Pine room.

He discussed conference matters and told of the meeting of faculty representatives of Big Ten schools held recently in Chicago.

## AROUND THE TOWN with DICK FAGAN

### "Half Shot"

On a fast track with Jockey Earl Kurtz up, the thoroughbred filly, "Half Shot," came in ahead of a fast field to win the annual Iowa City Country club derby yesterday, three lengths ahead of "Double or Nothing" ridden by Harold Clearman.

### Bombers

With painted wings flashing in the sun six army bombers at about 5:30 p.m. yesterday circled Iowa City in cruising formation, then spread out and circled again to finally land at the municipal airport where they stayed overnight. They are taking off at 9 o'clock this morning.

### Different Today's Hero

Attorney D. C. Nolan, riding "Handsome Adolphe" in the Country club derby, had two chances for brilliant birdies but had an "off-day" and missed both by a hair's breadth—and he didn't even wear—with the mercury at 94 degrees!

### Ralston Fish

An Iowa Citian yesterday suggested the stocking of Ralston creek with game fish to be included in the Chamber of Commerce 14-point program. He didn't say just what kind of fish he preferred but said that he thought it would be a good idea because then he could cast a line from his back door-step and fish during the noon hour.

### Test

At 6 a.m. yesterday the city firemen tested the fire foam apparatus in front of the fire station on Linn street. Firemen continued the inspection of university buildings yesterday.

### Golf Pants

George Frohwein has been receiving a number of letters from all parts of the country concerning the wren that built a nest in his golf pants hanging on the line. A Burlington man wrote that he and his wife watch a wren's nest all day long to keep the sparrows away.

## What's Your Favorite Beer?

# RACINE'S

No. 1 — No. 3

## DIXIE DUGAN—Handsome Samson!



## SPEEDIEST OF THE LADYBIRDS



Wearing her laurels modestly, Henrietta Sumner of Los Angeles, is pictured waving from the cockpit of her plane after she had won the Annette Gipson All-Women's air race to Valley Stream, L. I., and return at Floyd Bennett airport, New York. Her victory brought her a prize of a pocketbook containing \$500.

## Everything, 'From Spats to Hats,' Passes Through Hands of Workers in Social Service Clothing Center

Racks of dark, heavy clothing, shoes and hats piled in corners, evening gowns and gingham frocks, boxes of shirts, underwear, blankets, and ties—that is the Social Service league clothing center on the third floor of the Koser building.

Every week on Tuesday and Friday 30 or 40 persons come to the center, where they are supplied with needed clothing. Most of them are on the league's list of needy. Many of them are transients, who are assisted when they can give good reasons for being "on the road." All of them come equipped with the blue card that marks the league's official approval of their needs.

### Just "Ordinary"

Although most of them are just "ordinary" people who have lost their jobs, there are some odd applicants, according to Fritz Morris, who is in charge of the center. She tells of one transient who, after receiving a new wardrobe, came in several hours later and offered his personal contribution to the cause—a sizeable heap of old clothes. He had assembled the garments by back-door begging, and was donating them "just to help out a few of the other fellows." Not long ago there appeared an Alaskan fur trader, broke, and looking for work. He was fitted out with a new outfit and paid for it with his stories of wild adventures in the northwest. One burly wanderer wanted to trade in his own shoes for a new pair. He got the new ones, but after a glance at his old shoes the clothing center declined the offer. A few days later the old shoes, battered, torn, and rotting, were found on the stairs leading to the office. They were promptly destroyed.

### "Classier"

The "classier" the clothes, the better the transients like them, says Miss Morris. They often prefer spats or a straw hat to a suit or an overcoat. The clothing, everything from spats to hats, is donated by individuals, sometimes spontaneously, sometimes in response to drives conducted by the league. The Quadrangle and Westlawn have been the best contributors among university groups, and the home economics department has helped in the collecting and mending of clothes. Staff: Miss Morris, assisted by Mrs. Pauline Mulford, Mrs. Eleanor Gardner, and Mrs. M. L. Townsend, not only

gives out clothes but conducts a quilting school, where old pieces of cloth are made into quilts for the league.

At present the league needs light summer clothing, particularly women's dresses. Miss Morris hopes that Iowa Citians will fill this need as they have in the past, helping the center to continue its aid to the needy of the city.

### Farmer Kills Self

DAVENPORT (AP)—A self-inflicted bullet wound in the head caused the death of William J. Meves, Jr., 55, farmer of near Wheatland. Relatives said he had been in ill health.

## HOT WEATHER FOODS

You'll find just what you want for these hot day lunches here.

Our store's cool, shop or phone it makes no difference.

# POHLER'S

Dubuque at Iowa Ave.

## VET CUT

### Compromise Nears Realization

(Continued from page 1)

having taken the stand that instead of all disabilities that rose within six years after the war being presumed to be of service origin, it should be demonstrated to the government that they are before compensation is awarded. In a review of such cases that would be reconsidered under the new regulations, it was said doubt would be resolved in favor of the veterans.

Members of the special Democratic veterans committee that conferred with President Roosevelt, Director Douglas of the budget, and Frank T. Hines, veterans administrator, said the president was willing to accept an increased veterans outlay of up to a hundred million dollars annually but that he was opposed to the principle that the separate amendment would lay down. This was construed as designating as service connected all cases arising within six years after the war.

### Rainey Predicts

Meanwhile, Speaker Rainey flatly predicted that if the Connally amendment was adopted the president would veto the bill and that, if the measure was passed over his veto without congress increasing taxes to meet the outlay and maintaining a balanced budget, the president would call the congress back into extra session.

"The budget has got to be balanced," Rainey said. Copies of the president's revised regulations, issued yesterday, were received in both the senate and the house today but advocates of the Connally amendment said it did not meet with their entire approval.

### Majority for Amendment

Some of the leaders, including Speaker Rainey and Representative Byrns of Tennessee, the Democratic floor leader, said informal polling of the membership indicated that a majority wanted to go on record for the Connally amendment.

Representative Goldsborough (D., Md.), chairman of the special veterans committee, said that, while an agreement might be worked out with the president, there was strong sentiment for limiting deductions on veterans expenditures to 15 per cent.

The veterans bloc, headed by Representative Patman (D., Tex.), meanwhile planned to force a vote on the 25 per cent amendment. Under the house rules, a motion to accept a senate amendment is preferential and any member may force the issue.

# Sears Summer Savings

SHOP AT SEARS & SAVE

## Starts Thursday 8:30 SHARP

### Thrifty Prices for America on Summer Needs

Are you collecting values? Buy for the present or the future but BUY now. The low price era is passing fast. Stock up now before prices return to normal.

# Kenmore

AMERICA'S FASTEST SELLING ELECTRIC WASHER

## \$39.95

\$4.00 down - \$4.00 per month

Plus Small Carrying Charge

Here is a new full sized washer of high quality at a price you can afford. Here is a new deal in washer efficiency... relief from wash day strain. Another brilliant example of Sears value giving. This new Kenmore gives you a large tub, enameled inside and out. Machine cut gears that you can't hear. Stronger, heavier base and legs... a finer wringer... the efficient triple vane agitator and many other features that stamp it the outstanding washer value of the year. See it at Sears.

## KENMORE - IRONER

America's Lowest Price for Quality

### \$49.95

\$5.00 down—\$5.00 per mo.

Does a morning's ironing in 45 minutes. Chromium plated shoe, hand or knee control. Absolutely even heat. Drop self and rod for finish-work.

## SEARS, ROEBUCK AND CO.

SATISFACTION GUARANTEED OR YOUR MONEY BACK

### 32 pc. Breakfast Set GIVEN AWAY With Each KENMORE WASHER OR IRONER