Federal Agents Taking Hand in Booze Scandal

Chicago Police Implicated in Rum-Running to Be Tried Under "Dry" Laws; Attorney Warned.

Chicago Tribune-Omaha Bee Leased Wire.

Chicago, Sept. 27.—Police officials who have been violating the prohibition law and assisting others to violate it, are not to escape by being dismissed from the force. They must reckon with the United States government. This action was forecast when witnesses who have knowledge of the bootlegging business in Chicago were taken before a federal grand jury.

Assistant United Staes Attorney Harry Brin received an unsigned letter, warning him to desist in his prosecutions of three detective sergeants now under arrest, or he would be killed.

Valuable information concerning the activities of bootleggers and the friendly police is being received by the federal authorities and Chief of Police Fitzmorris through anonymous letters. All these tips are being run down and it is said most of them are accurate.

Business and society men who have encouraged violation of the law by patronizing whisky runners will be called before the federal officials to explain. When Detective Sergeants Smale, Carlisle and Mitchell were captured while trying to extort $12,000 from some whisky runners, the government secured the names of many purchasers. It was the theft of this booze tnd ahe subsequent exposure that led to the promised sensational reorganization of the police force and the declaration by Chief Fitzmorris that 50 per cent of the police were assisting the bootleggers or had knowledge of their operations.

Eastern Bankers Entertained Here

(Continued From Page One.)

Rotering, J. W. Barton, Minneapolis; C. H. Draper, Wells, Minn.; E. L. Mattson, Minneapolis; Mr. and Mrs. F. P. Fellows, St. Paul; Mr. and Mrs. G. H. Richards, Minneapolis; J. A. Latta, Minneapolis; W. C. MacFadden, Fargo; W. C. MacDowell, Marion, N. D.; J. L. Elwell; Bermidji, Minn.; Mr. and Mrs. W. A. Hibbard, Lake City, Minn.; Mr. and Mrs. M. R. Knauit, St. Paul; Mr. and Mrs. J. T. Hamilton, Cedar Rapids; Mr. and Mrs. H. E. Hallenbeck, Cedar Rapids; Mr. and Mrs. Frank Letters, Dvaenport; Mr. and Mrs. Martin Newcomer, Cedar Rapids; Ray Nyemaster, William Heuer, Davenport; Mr. and Mrs. John Hogan, Des Moines; Mr. and Mrs. John A. Powers, Chicago; Mr. and Mrs. M. H. Harwood, Strawberry Point, Ia.; Mr. and Mrs. Bert McKee, Des Moines; Mr. and Mrs. Clifford Dupuy; Mr. and Mrs. L. M. Barlow; Mr. and Mrs. Clyde F. Frazier, Des Moines; Mr. and Mrs. S. F. McConnell, Bloomfield, Ia.; Mr. and Mrs. W. R. Spence, Walnut, Ia.; Mr. and Mrs. R. A. Crawford, W. J. Murray, Frank Warner, Des Moines; Mr. and Mrs. C. J. Wohlenberg, Holstein, Ia.; Mr. and Mrs. W. M. Fitz. Manson, Ia.; J. J. Large, Sioux City; E. R. Campvell, Fort Dodge; Mr. and Mrs. C. A. Morrow, Des Moines; W. C. Logan, Waterloo, Ia.; J. M. Dinwiddie, Cedar Rapids; L. R. Roberts, Adel, Ia.

At 6 o'clock a dinner in honor of the visitors was served in the Italian dining room at the Brandeis store.

In Line for Presidency.

Among the visitors was J. H. Puelicher, president of the Marshall-Ilsley bank of Milwaukee and second vice president of the American Bankers association. Under the usual progression of officers, Mr. Puelicher will be president of the association in 1922. Also among the guests of Omaha was Walter Kasten, vice president of the First Wisconsin National bank of Milwaukee, the largest bank in Wisconsin.

Another well-known banker in the group of visitors was Charles A. Hinsch, president of the Fifth-Third National bank and the Union Savings Bank and Trust company of Cincinnati. Mr. Hinsch, according to his friends, is scheduled to become president of the national association.

Sir Drummond Drummond-Fraser, London, England, financier, who is in this country studying financial conditions, was one of the visitors.

Other men well known in financial circles in the group were: John R. Washburn, vice president of the Continental and Commercial National bank, Chicago; Charles H. Meyer, clearing house examiner, Chicago Clearing House association; William R. Dawes, vice president of the Central Trust company of Illinois, Chicago; James R. Leavell, vice president of the Continental and Commercial National bank, Chicago; Guy Huston, president of the First Joint Stock Land bank, Chicago; Craig B. Hazelwood, vice president of the Union Trust company, Chicago, and Charles H. Ireland, president of the Washburn bank of Washburn, Ill.

Middle-West Excursionists.

The Iowa, Minnesota and Nebraska bankers who congregated in Omaha joined the Burlington special here last night, leaving Omaha at 11:20 p. m. The party will arrive in Los Angeles October 2. On the trip they will be entertained at Denver, Glenwood Springs and Salt Lake City.

Attendance on First Day of Fair Estimated at 20,000

Clay Center, Neb., Sept. 27.—(Special.)—More than 2,000 automobiles were parked on the ground at the opening of the county fair here Tuesday. Attendance was estimated at 20,000.

Purses averaging $2,600 are offered for each day of the racing. The fair will end Friday night.

Store Robbed.

Nebraska City, Neb., Sept. 27.—(Special.)—While Joseph Turrille was sweeping the sidewalk in front of his confectionary store here a thief entered the rear door and took $32 from the cash drawer.

Bankers Will Ask Change In Federal Reserve Rules

Heated Meeting Shows Diversity of Opinion—Assemblage of Financiers Refuses to Ask Resignation Of Bank Governors—Omaha Institutions Praised for Assisting Small Towns.

A conference of bankers in the Hotel Fontenelle Monday night adopted resolution that Gov. S. R. McKelvie, who presided, should name a committee to meet the officials of the Federal Reserve bank and urge a modification of the rule to meet new conditions and help the present emergency.

The governor named C. E. Burnham of Norfolk, former member of the Federal Reserve bank of the 10th district; Bert A. Wilcox, vice president of the Omaha National bank; John Flannigan of Stuart, former president of State Bankers association; Dan V. Stephens, Fremont; former congressman; J. E. Hart, Lincoln, secretary of the state department of trade and commerce.

Discussion Waxes Warm.

The discussion, which became superheated at times, opened up the ramifications of banking, credits, securities and prices. The Federal Reserve bank of Kansas City came in for a share of severe criticism, with some to defend in part at least the operations of that institution.

There was a diversity of opinion as to whether lower intesest rates would be the real panacea to meet the distressed situation.

"This conference has been called after several weeks of effort to obtian financial data on the state," said Governor McKelvie. "Farming must be on a stable basis before business can go forward in a substantial manner. There are abundant crops and yet there is a stagnation of business. Responses to a questionnaire which I sent out brought some replies that high freight rates were a deterrent to business. Other replies stated that the trouble could be traced to the righ prices which the farmers have to pay for what they buy and the low prices for their products. Better credit facilities for the farmer was suggested by some. What tangible relief can we give to the man who has cattle he wants to hold or to the man who wants to buy cattle?

Relief Not Afforded.

"I was moved to call this conference on account of correspondence which I had with the Federal Reserve bank system. I think there is no divergence of opinion that it has failed to afford the relief the agricultural section has needed. We must have lower rates of interest for the farmers and for business generally. The farmer must have time in which to turn himself. The Federal Reserve system, according to facts given by its own officers, is not offering relief. We have a right to expect that this bank will stand as an agency that will serve the country.

"The Federal Reserve bank has been earning from 100 to 200 per cent. It was not intended that this system should be a profit-making institution. I have been wondering if it is not possible to bring influence to bear to cause the Federal Reserve bank to be of more genuine service to the agricultural interests of the country.

"The place to begin lowering interest is with the Federal bank itself. This bank is in a position to influence rates of interest in this territory. The light should be turned on so that the Federal Reserve bank system may know what the people here are thinking of."

Interest Not Paramount.

O. T. Eastman, vice president of the Merchants National bank, replied that rates of interest are not of such importance; that the broad question of obtaining the money and placing it where it belongs, is the paramount question.

Governor McKelvie rejoined that the Federal Reserve bank charged 5 1-2 in 1919 and he wondered whether the present time would not be opportune to reduce the rate from 6 per cent.

F. H. Davis, president of the First National bank, said: "There has been too much speculation. The bottom has dropped out of prices. A readjustment of values has been brought about by a wonderful standing up of business. The Federal Reserve bank has saved the country and prevented the worst panic the world has ever witnessed. There is need of some amendments to the Federal Reserve bank rules. These rules should be modified to meet present conditions."

Meyer Has Confidence.

Fred W. Thomas, chairman of the local committee for the War Finance corporation, referred to the visit yesterday of Eugene Meyer, jr., managing director of the corporation, and he told how the visitor was impressed with a visit to the stock yards and the Grain exchange.

"Mr. Meyer has unlimited confidence in this community," Mr Thomas said, "and it is my opinion that we are going to get quick action through the War Finance corporation which will be functioning soon."

Dan V. Stephens, former congressman, bitterly arraigned the Federal Reserve bank of this district. He suggested that the meeting go on record as calling for the resignations of Governor W. P. G. Harding and Governor J. Z. Miller of the Federal Reserve bank system, but the meeting declined to take such extreme action. He charged that the federal bank is imposing unjust liquidation and is operating contrary to the intent of congress when the law creating the bank was passed.

"The Omaha banks have done a wonderful service," said Mr. Stephens, "by assisting the country banks when the federal bank failed to render this help. I have talked to directors of national banks who told me they have been dogged to death by the Federal Reserve bank. We should demand Governor Miller's resignation.

"A man wrote to me to state that he is paying 14 per cent on a four-month loan of $13,000 he obtained through the federal bank. Governor Harding stated that Nebraska bankers are charging 10 per cent for money they borrowed at 6 per cent and I recognized the pettyfogging in his statements. He should know that the Nebraska bankers are not making a cent on such loans. The Nebraska country banker cannot operate on less than 4 1-2 per cent overhead. It is the duty of every group of bankers and every commercial club to demand the resignation of Governor Harding. There is no reason why the federal bank should not reduce its interest rate to 5 per cent."

Back Federal Bank.

C. E. Burnham of Norfolk stated that he does not believe there is any disposition on the part of the Federal Reserve bank to force undue liquidation at this time.

O. T. Eastman asserted that the manager of the Omaha branch of the federal bank recently stated that this bank is ready to back the agricultural interests to the extent of $10,000,000 more in loans.

"May we conclude that the transactions of the Federal Reserve bank are unreasonable in the rediscounting of agricultural paper and that the Federal Reserve system should lower its rate of interest on rediscounts?" asked Governor McKelvie.

C. H. Randall of Randolph stated that after having heard Mr. Meyer speak yesterday, he was convinced that the war finance corporation will be a real relief to the farmers and country banks of this state.

Favors Grain Collateral.

P. E. McKillip of Humphrey stated that Nebraska contains much of the original wealth and he suggested a system of recognizing grain in granary or crib as collateral. He would make every farm a potential warehouse. Mr. McKillip urged legislation which would establish standard granaries and cribs which could be officially sealed and the growers given certificates of ownership. He would make these certificates collateral and thus the banker in the smallest town would be able to join the Federal Reserve bank system, he said.

W. W. Head, president of the Omaha National bank, explained the operations of the $50,000,000 stock growers' finance corporation.

"I resent the imputation that the Nebraska banker is a profiteer," said Mr. Head. "If the bankers here would strike a balance now, they would be worse off than five years ago."

Sees Silver Lining.

Mr. Head, however, saw a silver lining in the financial clouds and expressed full confidence that Nebraska is fundamentally sound.

Charles McLeod of Stanton stated that there can not be prosperity among the farmers until prices are such that they can afford to buy. He said 10 per cent interest is too much for a farmer to pay.

"The banks should reduce their rates of interest," he said, "and I wonder if we should not be careful in encouraging farmers to borrow more. I don't think a bank should loan a dollar with which to buy an automobile or a tractor. The farmers have quit buying machinery in our county."

Record Set By York In New Residences

York, Neb., Sept. 27.—(Special.)—York has built more fine residences during the year 1921 than any other town in Nebraska with the same population. The new buildings completed or in course of construction and the owners are J. H. Parks, bungalow, $10,000; Z. Lancaster, bungalow, $6,000; W. R. Furman, residence, $10,000; George L. Bedford, residence, $8,000; Mother's Jewels' home, $50,000 addition. Other improvements are: Three fine homes, for $7,500, $7,000, and $10,000 respectively; Fred Zieg, brick residence, $7,000; First Evangelical parsonage, $5,000; Mrs. Cox, improvement, $1,500; Frank Smith, improvement on residence, $3,000.

H. J. Olson of David City has commenced work on the Custodial home and the Martz Construction company of Seward is putting in a swimming pool at the Odd Fellows home at a cost of $35,000. Several thousand dollars in improvements are being made on other buildings throughout the city.

Work on Grading Project Starts at Nebraska City

Nebraska City, Neb., Sept. 27.—(Special.)—The Abel Construction company of Lincoln, which was awarded the contract for the construction of nearly 50 blocks of brick pavement in this city, has started to grade the streets. It is predicted that all concrete base will be laid before cold weather and that the contract will be completed by the first of the year. Mr. Abel promised the city commission at the time the contract was let that he would hire no outside labor on the job.

Farmer Sues Relatives of Wife for $20,000 Damages

Beatrice, Neb., Sept. 27.—(Special Telegram.)—Another angle was given in the Goldenstein divorce case today when Frank Goldenstein, Adams farmer, filed suit in the district court for $20,000 damages against Mrs. Goldenstein's parents and other relatives. Anna, Ella, Jacob, Dan and Harm Whemer, all residents of the Adams vicinity, are named defendants.

Four Men Fined for Selling Milk Too Low in Butterfat

Beatrice, Neb., Sept. 27.—(Special Telegram.)—Fay Waddles, Phil Mosmer, James Long and Jerome Kipp, four business men of Wymore, pleaded guilty to the charge of selling milk which contained less than 3 per cent of butterfat and were fined $10 and costs each by Judge Ellis. The complaint was filed by George T. Thomas.

Barneston Stores Robbed

Barneston, Neb., Sept. 27.—(Special.)—The Farmers union store and the Crabb restaurant at Barneston were broken into and about $600 worth of merchandise stolen.

High School Frat Members Barred From Uni Orders

Names of Omaha, Lincoln and Grand Island Pledges Held Up Pending Investigation; Others Announced.

Lincoln, Sept. 27.—(Special.)—Names of Omaha, Lincoln and Grand Island university freshmen pledged to fraternities here have been held up by the inter-fraternity council pending an investigation of their high school records to ascertain if they have been members of high school fraternities.

These men will appear before the council Wednesday evening when an opportunity will be given them to go on record as to whether they were members of high school fraternities. The council has expressed its determination to permit no member of a high school fraternity to join a university fraternity this year.

Names of those pledged outside of the three cities follow:

Acacia.
Stanion A. Troutman, Palisade.
Harold Edgerton, Aurora.
L. W. Kemmer, Stromsburg.

Alpha Gamma Rho.
Bruce L. King, Central City.
Frank P. Bond, Sonora, Tex.
Charles W. Huck, Dewitt.
Robert E. Dunlap, Pawnee City.
LeRoy W. McCord, Blanchard, Ia.

Alpha Sigma Phi.
Leslie R. Campbell, Fairbury.
Donald Jessen, Ainsworth.
Edwin F. Manger, Fairbury.
Neil Rorby, Neligh.
Edwin Simpkins, Fairbury.
Charles O. Williams, Cedar Bluffs.

Alpha Tau Omega.
Phillip O'Hanlon, Blair.
Robert F. Cheney, Glenwood, Ia.
Paul H. Cheney, Glenwood, Ia.
Jacob F. Schuetz, Blair.
Rupert A. Chittick, Stuart.
Herman J. McDougal, Falls City.
Arnem L. West, Shenandoah, Ia.
Donald E. Davies, Fremont.
Charles M. Cox, York.

Alpha Theta Chi.
Raymond C. Clark, Swanton.
Edmond G. Stromberg, Genoa.
Herman Stastny, Swanton.

Beta Theta Pi.
Theodore E. Barger, Wray, Colo.
Kenneth Cox, Sheridan, Wyo.
Richard Stuse, Sheridan, Wyo.
Melton Anderson, Sheridan, Wyo.
W. H. Edleman, Jr., Sheridan, Wyo.
Keith Hays, Beatrice.
W. A. Gilman, Salina ,Kan.
John Bentley, Hutchinson, Kan.
Alfred Edee, Pawnee City.
George A. Davey, Plattsmouth.
John Sattler, Plattsmouth.

Bushnell Guild.
Everett Isaacson, Norfolk.

Delta Chi.
Lewis Jones, Hartington.
Daniel Reed, Oxford.
Guy Blincom, Oxford.
George L. Swartz, Emerson.

Delta Sigma Delta.
B. P. Anderson, Beattie.
C. M. Cox, York.
G. W. Gordon, Columbus, Mo.
Eugene Lambert, Davenport.
M. E. Lusk, Jamestown, N. D.
A. E. Peterson, Council Bluffs, Ia.
A. P. Waxman, Chicago, Ill.

Delta Tau Delta.
Joe Hepperlen, Beatrice.
Dick Johnson, Fremont.
Alfred Parks, York.
Ladd Hubka, Beatrice.

Delta Upsilon.
DeVerne Hunter, Columbus.
Dwight Hunter, Columbus.
James McCarthy, Ponca.
Harry Lanham, Stromsburg.
Dwight Merlom, Norfolk.
Roy Janda, Wagner, S. D.
Edward Moran, Sioux City, Ia.
Ira Beebe, Springfield.
Albert Barrett, Fremont.
Paul Kose, West Point.

Kappa Sigma.
Edmund Lunner, Stromsburg.
Ben Thomson, Tilden.
Van Gatewood, McCook.
G. Rolan Lineburg, McCook.
Lorren Nelson, Bloomington.
Sidney Manning, Hyannis.
Harlin Pettit, Independence, Kan.
Raymond Cederdahl, Ceresco.
Clarence Eickoff, Fremont.

Lambda Chi Alpha.
Waldo M. Parr.
William H. Meader.
Melton I. Wick.
Harry H. Wilson.
Herbert H. Ulrich.
Stanton W. Neil.

Omega Beta Pi.
Hobart Haeger, Sterling.
D. D. Ros, College View.
Winfred Blume, Emerson.
Edmund Hall, Phillips.
F. W. Kreuge, Hebron.

Pi Kappa Phi.
Wilbur Wehmiller, Clarinda, Ia.
Harold Lewis, Horton, Kan.
Edwin Geisfield, Washington, Kan.
Keith Catchpoll, Morrill.
Herman Weigel, Sterling.
Dean McMillan, Genoa.
Frank Smith, Broken Bow.

Phi Delta Chi.
Edwin G. Joy, Franklin.
Charles Elnsphar, Imperial.
Charles Inman, Shenandoah, Ia.

Phi Delta Theta.
Wilbur Ross, Moline, Ill.
George Cross, Douglas, Wyo.
William Stewart, Lexington.
Dwight Husted, Aurora.
Ted Husted, Aurora.
Calvin Schuetz, North Platte.

Phi Gamma Delta.
John Burke, North Platte.
Ed Hunter, Kearney.
Y. A. Hinman, North Platte.
J. R. Johnson, Shenandoah, Ia.
Merwyn Johnson, Stromburg.
Art Latta, Tecumseh, Neb.
Bont Speice, Columbus.

Phi Kappa Psi.
Arvid Eyth, Beatrice.
Frederick Fall, Beatrice.
Edgar Fisher, Beatrice.
Max Arkwright, Beatrice.
Oliver Giddings, Beatrice.
Cellis Day, Barneston, Neb.
Paul M. Ristine, Shenandoah, Ia.

Sigma Alpha Epsilon.
Ray Abbott, Hyannis.
Melvi.. Collins, Wakefield.
George Cross, Emporia, Kan.
Rufus Dewitz, Stanton.
Joseph Deddock, Walthill.
Derrie Dudley, Norfolk.
Mitchell Everson, Alma.
Homer Hamilton, Curtis.
Harvey Hanson, Wakefield.
Charles Hudson, Norfolk.
Howard Koly, Red Cloud.
Landers Allan, Norfolk.

Sigma Chi.
Gordon L. House, Philadelphia, Pa.
Robert Coates, Boise, Idaho.
J. Lawrence Gillespie, Sheridan, Wyo.
Rex Smith, Brush, Colo.
Bennett Martin, Oregon, Mo.
Frederick Waggoner, Mound City, Mo.
Walter Ackerman, Fairbury.
Chester Beardsley, Fairbury.

Sigma Nu.
Loyd Gerstenberger, Milford.
Edward Stemen, Red Oak, Ia.
Arthur Swan, Haigler.
Cecil Terevilliger, Kansas City, Mo.
Francis Ellsworth, Shelby, Neb.
Leo Ford, Broken Bow.
George Scott, Ansley.
Donald Burdick, David City.
Will F. Morrissey, Chadron.
Herman Wendell, Talmage.
Gifford Talbot, Thermopolis, Wyo.
Karl Kruger, St. Anthony, Idaho.

Sigma Phi Epsilon.
Victor Anderson, Havelock.
A. H. Bennett, Sutton.
J. Freeland, Bethany.
Roy Lumberg, McCook.
Arthur Kniss, Sutton.
P. Lewis, Sutton.
Louis Trexler, North Platte.
W. Van Horn, Pawnee City.
Roy Curtis, Tecumseh.

Silver Lynx.
Carl Higgins, Schuyler.
Homer Clouse, Cunningham, Kan.
Earl Chitwood, Franklin.
Preston Gist, Humboldt.
Holman Howe, Humboldt.
Everett Wyman, Long Beach, Cal.
Floyd Ammer, York.
Theodore Boomer, Edgar.
Rolland Spence, Bladen.
Frank Dorenbaugh, Tecumseh.

Omaha Man Held to Grand Jury on Auto Theft Charge

Cheyenne, Wyo., Sept. 27.—(Special Telegram.)—Following preliminary hearing before United States Commissioner D. W. Gill, J. P. Murphy, who also gives the name of Joseph Mayfield of Omaha, was bound over to the November grand jury on $1,500 bond, which he was unable to provide. He is accused of stealing a car belonging to Walter Luther of Des Moines, and taking it across the state line.

2 Omahans in Split of Fees of Ku Klux Klan

(Continued From Page One.)

is left to the imperial palace of William Joseph Simmons, the imperial wizard.

But the $10 has not concluded its process of shrinking yet. There is Edward Young Clarke, the imperial kleagle, and Mrs. Elizabeth Tyler and their Southern Publicity association still to be taken into account. They love the Ku Klux Klan and believe in its sacred principles of 100 per cent Americanism, but they also possess a wholesome respect for the American dollar and its exchange value. So they take out $3.

That leaves for William Joseph Simmons and the imperial treasury only $1.50 out of the original 10 spot.

Better Than Nothing.

But $1.50 is better than nothing. Much better. And a big round zero just about represented the state of the imperial wizard's exchequer before Edward Young Clarke and Mrs. Elizabeth Tyler and their Southern Publicity association rescued him. As a matter of fact he even was in arrears in his rent so the zero estimtae is somewhat flattering.

And then, too, $1.50 per member is better than a straight salary of $100 a week. For that is what Clarke and Mrs. Tyler paid Simmons when they first came to his assistance.

This schedule of fee splitting may have been changed slightly in the last few days. For last Saturday the resignation of Clarke was received by the imperial wizard. So if the imperial kleagle really steps out as he threatens, Simmons' bit for the time being at least may be the whole $4.50.

2,000 in Nebraska.

It is reported that the Nebraska membership of the Ku Klux Klan is 2,000. Accepting this as approximately correct, F. E. Maxey, king kleagle for the state, has profited to the extent of at least $2,000 during the few months he has been here. But the sum he has netted for himself probably is considerably larger. For the king kleagle makes personal solicitations himself. And when he signs up a new member himself he gets not only his regular $1 per man but the $4 allowed a kleagle. As Maxey was first in the field it is likely many of the 2,000 members were signed by himself alone.

The two Omaha men who are luring Nebraskans into the kingdom of shrouded knights are both fairly well known here, reporters for The Bee discovered. They are young men still on the sunny side of 30.

One is a former bookkeeper who only a couple of weeks ago resigned his position with a local automobile firm to devote all of his time to getting new Ku Kluxers at $4 per klux. The other is a young man who is associated with his father in a manufacturing enterprise on the north side. This organizer, or kleagle, has been working in North Dakota of late.

One of the most persuasive arguments used by an organizer in recruiting a new member is the promise of secrecy. And then they explain a very convenient trick in the constitution and bylaws.

A knight of the Ku Klux Klan is never a "member." He's a "citizen." Neither is he "initiated." He's naturalized."

And, also—and this is an important point—he is privileged to deny he is connected with the klan in any way except when he is covered with the hooded robe of the order.

So on the street he may say, "I am not a member of the Ku Klux Klan" without torturing his conscience. For, according to the constitution, he isn't. He never is until he's got his $6.50 robe on. But he doesn't need the robe to pay in his $10.

Threatening Letters Signed K.K.K. Received

Atlanta, Ga., Sept. 27.—"The eyes of 1,000 real men" are again on the alert in Atlanta and the first threatening letters since the investigation of the Ku Klux Klan started are reported to have been received. W. F. Brandt, an attorney who has been active in the investigation of the activities of the klan gave a statement to the newspapers that he had received several threatening letters warning him to leave town. He said one of them was signed "K. K. K.," others with "the eyes of 1,000 real men" and "1,000 eyes."

This has recalled vividly the killing of Fred Thompson, several lanta. Thompson was killed by J. C. Thomas, who slashed him to death with a knife, and wounded three other men who had carried him to the spot to punish him for alleged improper conduct with a woman. Previous to the night when Thompson was killed Thomas had received threatening letters signed "The eyes of 1,000 real men" and "The eyes of the unknown."

It was generally believed that Thomas had killed Thompson and wounded the others in defending himself against a band of self-appointed "regulators" and no indictment was returned against him after the grand jury investigated the case. Homer Pitts and Ed Shute, two of the men in the car with Thompson, are now said to be working as agents of the K. K. K.

Destroys the Letters.

Brandt said the letters to him warned him that "1,000 eyes" were watching him day and night and advised him to leave town. He said he had destroyed the letters.

Rumors are in circulation here that high officials of the klan had divided against each other. Mrs. Elizabeth Tyler, head of the women's department, denied that there was any friction. It was impossible to reach Edward Young Clarke, imperial kleagle, and it was said he had left the city. He was here during the day.

Col. W. J. Simmons, imperial wizard, left Atlanta Friday morning to be gone a week, and Dr. Caleb A. Ridley, a minister, and said to be imperial chaplain of the order, said he understood Colonel Simmons had gone to Washington, D. C. Other officials refused to confirm this.

The three Atlanta papers, which remained silent for some time after the Ku Klux Klan story had attracted national attention, are now publishing full reports of the news and each has made editorial expression condeming religious intolerance and attempts to stir up race and class hatred.

The editorial published in the Searchlight Friday by Carl F. Hutcheson was declared not violative of the laws by District Attorney Hooper Alexander, who declared it "violent and intemperate." The editorial was an inflammatory attack upon the Catholic church.

Investigation of the klan by the federal Department of Justice and postoffice inspectors is expected to start this week. Information has been received that special investigators are on their way here from Washington to make the probe.

Man Escapes From Butler County Jail

David City, Neb., Sept. 27.—(Special.)—A man who gave his name as Lee Smith broke the bars of the west window of the county jail here and escaped. He is believed to have had help from the outside.

During the county fair, Smith, with his wife and sister, is alleged to have stolen a car from the fair grounds. They were captured in York the next day and brought to David City to stand trial. At the preliminary trial the women were given their freedom, but Smith was held here for sentence from Judge Corcoran. The trio were with the Lehman-McCart Carnival company showing at the fair here.

Sheriff West has offered a reward of $25 for Smith's arrest.

Farmer Filling Truck Gas Tank Is Severely Burned

Nebraska City, Neb., Sept. 27.—(Special.)—W. G. James, residing northeast of the city, was severely burned on the hands early yesterday morning while filling the tank of his auto truck with gasoline from a large can. The gas ignited, but did not explode. Mr. James threw the can out the garage door, but not before he was badly burned.

Contract for Road Between Iroquois and De Smet Let

DeSmet, S. D., Sept. 27—(Special.)—At a meeting held by the county commissioners of Kingsbury county and the state highway commission, bids were opened for the construction of a highway between Iroquois and DeSmet. The contract was awarded L. E. Gage of Sioux Falls, on a bid of $25,000.

State Rests in Trial Of "Fatty" Arbuckle

(Continued From Page One.)

Mrs. Delmont on the stand. He dared him to. He challenged him to.

"Call Her Yourself."

"Call her yourself if you want her," said Brady. "The state is through."

"I won't call her," Dominguez shouted, taking from his mouth the end of his dark red tie, which he had been chewing. "I am not going to be bound by this witness. She should be the state's principal witness; she should be put on the stand. She may die. She may not be able to testify at the trial, if there is a trial. And I have the evidence to show that everything she has told the grand jury and the coroner's jury is false."

The state announced it would not be persuaded as it had many reasons for its stand.

It was Attorney Milton Cohen, associated with Dominguez, who declared the defense would move to have the charge dismissed, as the state had shown nothing on which the defendant could be held.

"I must say," the judge declared, "the state is taking a chance on a motion to dismiss."

Is Up to Court.

"We are travelling a very narrow path," said Golden, "a path close to the conscience of the court. It is a matter of the court's conscience in this case, more than in a usual case."

"If I refuse to entertain the motion to dismiss,' Judge Lagarus said to Cohen, "will Mr. Dominguez put on some witnesses?"

Cohen began a reply but Dominguez interrupted, shouting: "Dominguez will speak for himselw. Dominguez will call some witnesses if the motion is denied. Dominguez will put on Fred Fishback, brought here from Los Angeles at public expense by the state, and not called by the state—Fishback, a sober man, a man of good character who was at the party in the St. Francis and who is willing to tell what he knows. Fishback, a physician not called by the state, and possibly others."

"I feel in advance," said the judge, "that I am going to deny the motion. It is my duty to hold to the higher court if there is shown to be probable cause and leave the guilt or innocence to a jury."

Miss Prevost was the first witness of the day. She was to have been placed on the stand for the second time after the noon recess but Dominguez changed his mind and Miss Blake was called. She was questioned for only a few minutes, and corroborated much of Miss Prevost's testimony.

Included in the base of an electric reading lamp for out door use is a fan to provide a breeze and drive away insects attracted by the light.

Wilson Calls on Demos to Defeat Separate Pacts

Senate Agog Over Word That Ex-President Is Calling Upon League Supporters To Defeat Agreement.

Washington, Sept. 27.—The senate was agog today over reports, apparently well founded, that ex-President Woodrow Wilson, from the secluded retirement of his private residence here, had sent forth word to the capitol calling upon all true believers in the league of nations' faith to rise and defeat the new treaties of peace with Germany, Austria and Hungary now awaiting ratification.

Mr. Wilson, it is understood, has been quietly inviting some of his old spokesmen among the democratic senators to his home and has been reminding them of the doctrines which dominated his position regarding the league of nations and the Versailles treaty. He takes the view that the new treaties negotiated by the Harding administration, in effect, do constitute "a separate peace" with Germany and a desertion on the part of America from the allied powers.

News of Mr. Wilson's "return from Elba" produced powerful results among the democrats. The indifference with which they have regarded the Harding treaties changed overnight to an attitude of intense hostility on the part of many of them. John Sharp Williams, follower of Woodrow Wilson through thick and thin, led the procession of "flipfloppers" and made a vigorous speech calculated to start an anti-treaty band wagon on the democratic side. Senator Carter Glass of Virginia, secretary of the treasury under Mr. Wilson, also has declared against the treaty.

Man Says Pastor Hired Him to Kill Woman

Hot Springs, Ark., Sept. 27.—Raymond Cole, recently arrested in Kansas in connection with the murder of Mrs. Anna McKennon, wealthy widow, last May, has confessed, according to police, that he was hired to shoot the woman by the Rev. Harding Hughes, superannuated minister.

Rev. Mr. Hughes was arrested soon after the crime and he is said to have implicated Cole. Both men were indicted for murder. Hughes denied he hired Cole to commit the crime.

Valuable mineral land, owned by Mrs. McKennon, is alleged to have been involved in the motive for the murder.

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Next Week is Fire Prevention Week