

IDAHO REPUBLICANS ARE DIVIDED AGAIN

Harmony Prevails in Convention Dominated by Borah and His Policies.

NORTH FAILS TO SELECT

Neither Mr. Taylor Nor Mr. Crum Will Withdraw and Chance to Win Governor Seems to Be Lost—Small Fights Open.

BOISE, Idaho, April 29.—(Special.)—The Republican state convention at Twin Falls developed three important facts—First, an attempt to clear the Republican gubernatorial situation in Northern Idaho failed utterly. Second—the party seemed to be reunited following the disaster of 1912. Third—the delegation to the Chicago convention was instructed to conform its ideas regarding the Presidential nominee to the wishes of Senator Borah, who heads it.

The charge, heretofore published, that the convention had a Bull Moose color is groundless. It was made up of progressive and reactionary Republicans, so-called, but there were no lines of distinction. It really was a Borah convention, as the Senator's every wish was carried out to the letter.

Withdrawal Is Refused. The failure to clarify the gubernatorial atmosphere of Northern Idaho was to be expected. Two candidates for the Republican nomination for Governor are in the race there, George E. Crum, of Lewiston, and Herman H. Taylor, of Sandpoint. Mr. Taylor is Lieutenant-Governor. The Southeastern and Southern Idaho Republicans, who believe that the Governorship should go to Northern Idaho if one candidate can be selected in that field, held a conference here.

Senator Brady Attacked. Harmony prevailed at the convention. The only contents that developed for delegates to the National Convention were settled either at county or district caucuses. North Idaho caucused early and decided that it was for three delegates and two alternates. The bitter fight broke out on Mr. Samuels, of Wallace, Walker Hanson, ex-State Senator from Shoshone County, charged that Mr. Samuels had paid the expenses of the Bonner County delegates to the state convention in return for which they had promised to support him for delegate. This charge was disproved. Hancock County's delegation staged a fight on Senator Brady. The delegates from that county were pledged to D. W. Church for delegate. Senator Brady expressed a desire to go as a delegate to the convention and Senator Borah wrote his friends it would be unwise to elect one delegate and not the other. Hancock County went into caucus with other counties in the district and Senator Brady was elected over Mr. Church by a big majority.

It has been asserted that of the delegates named to the National Convention Brady, Whittle, Alshie and Easton are classified as ardent supporters of Justice Hughes; Borah, Dewey and Hart are for Roosevelt and Gooding is for Burton or some other candidate of his type.

PROJECT OPENING IS SET

West Okanogan Celebration Will Be Held June 7 and 8.

WENATCHEE, Wash., April 29.—(Special.)—The official opening with appropriate exercises and celebration of the West Okanogan Irrigation project between Tonasket and Oroville has been set for June 7 and 8, to conform with the itinerary of the Wenatchee Commercial Club. Extensive preparations for the biggest celebration ever held in the Wenatchee-North County are under way.

KELSO PUPILS SHOW WORK

Exhibits at Catlin School Bldg. Showing With Thrills.

KELSO, Wash., April 29.—(Special.)—The school exhibit at the Catlin School Thursday was one of the finest ever held in Kelso. The building was thronged throughout the afternoon with parents and patrons of the school. The trade manual training department made a particularly good showing. In the Kelso High School annual exhibits were shown in manual training, domestic science and science work of particular interest to the visitors. All other departments also made excellent showings.

POLITY CLUB IS FORMED

University Organization Starts With Membership of 45.

UNIVERSITY OF OREGON, Eugene, April 29.—(Special.)—At a meeting at the Beta Theta Pi House last night of invited students and faculty of the university a branch international polity

club was formed with the purpose of discussing and studying all phases of the present day political and international affairs.

The club is a direct result of the activity of Lamar Toose, student body president, who conceived the idea from his trip on the Ford peace expedition to Europe. The initial membership is 45, composed of Bothwell Avison, John Black, Burle Bramhall, Newton Center, George Colton, Walter Diumm, Earl Fleischman, Nicholas Jansky, Fred Kiddie, Martin Nelson, Robert McClurray, Jack Montague, Kenneth Moores, Walter Myers, Forest Bell, Frank Scislaw, Randall Scott, Max Sommer, Floyd South, Ray Staub, Henry Thorsell, Ernest Watkins, Milton Stoddard, Floyd Westerfield, Karl Becke, Harold Lloyd, DeWitt Gilbert, Graham McConnell, Elmer Barnhart, Charles Collier, J. D. Foster, Professor E. C. Robinson, Dr. J. D. Barnett, Dr. James Gilbert, President P. L. Campbell, Dr. Joseph Schafer, Professor N. C. Grimes, Dr. E. W. Tope and Dean D. W. Morton.

WAR AIDS NEW INDUSTRY

SOUTHERN OREGON IS PRODUCING CHROMIUM IRON ORE.

Market Found for Material That Is Essential to Manufacture of Projectiles and Armor.

GRANTS PASS, Or., April 29.—(Special.)—Southern Oregon for the first time in its history is coming into prominence as a producer of chromium iron ore, and the demand for the ore has great commercial possibilities. Josephine County has mountains of chromium iron ore with ledges a half-mile to a mile in width.

The Pacific Coast furnishes the only supply of chromium iron ore in the United States, but owing to the enormous freight rates across the continent the great iron and steel manufacturing plants of the East have been compelled to import their entire supply from Europe. Chromium is a metal used as an alloy with steel to give it the toughness and hardness necessary in the manufacture of armor plate and armor-piercing projectiles. For this reason the enormous war order for the steel manufacturing concerns of the United States have received have greatly increased the demand for chromium iron ore. Large corporations are sending in huge orders to the West for the metal.

The demand once established for chromium ore probably will continue after the close of the war, as the opening of the Panama Canal will reduce the freight rates and the use of chrome in wire and varied outside of war manufactures. It is used extensively in the manufacture of all high-grade steel tools of industry, the shoes and dies of stamp mills, the tires for roads used in crushing ore and particularly in all automobile steels.

211 GRADUATES TEACH

RURAL SCHOOLS ATTRACTIVE AS FIELD FOR NORMAL SCHOOL.

Survey of Classes From June, 1914, to February, 1916, Completed—One Hundred in Grades.

OREGON NORMAL SCHOOL, Monmouth, April 29.—(Special.)—Two hundred and eleven graduates of the Oregon Normal School, in the classes from June, 1914, to February, 1916, are either principals or teachers in rural and city schools of Oregon. There were 242 students in the four classes. A survey shows that all except 31 are employed in state schools. The rest either have married or have changed their occupations.

Of those who completed the standard normal school course 193 are located in rural schools, 11 in city schools, and 8 are instructors in the State Blind School at Salem.

From the 31 not teaching two have died, three are completing educational courses, 11 are in military service, 15 are married and 10 are engaged in other work than teaching.

OFFICIAL, LONG IN, QUILTS

GOLDENDALE CLERK TO RETIRE AFTER 20 YEARS' SERVICE.

James Riley Putnam Leaves Post to Visit Sister in New York He Last Saw 28 Years Ago.

GOLDENDALE, Wash., April 29.—(Special.)—James Riley Putnam, Civil War veteran, and former clerk of the 20th Grand Army of the Republic at Goldendale, has resigned from the office of City Clerk, after 20 years of service as Police Judge and Justice of the Peace.

As Clerk he has looked after the affairs of the town in the expenditure of approximately \$200,000 for improvements, including street pavement, sewer system and water works, in addition to the regular running expenses.

As Justice of the Peace for Goldendale precinct, he had heard most of the trials of minor court litigation that have occurred in the Kllickit Valley for the past 20 years and nearly all state criminal cases have been started before him.

Justice Putnam was born in New York in 1842 and served in the Twenty-third New York Infantry during the Civil War. He is planning to leave Goldendale May 1 for an extended trip through the Eastern States and will visit his sister in New York state whom he has not seen for 28 years.

PRINCIPAL IS RE-ELECTED

Mr. Dykstra Again Engaged to Head Perrydale School in 1916-17.

PERRYDALE, Or., April 29.—(Special.)—The Perrydale School Board has re-elected R. G. Dykstra principal for the next year, with an increase in salary.

GOLD REEUP SCORED

Backing of 100 Per Cent for Greenbacks Held Needless.

BANKS' LOW RATE CITED

S. P. Pantan Explains That System in Vogue in France and Which Is Considered Best in World Allows Big Looney.

VANCOUVER, B. C., April 29.—(To the Editor.)—The writer questioned with interest two recent editorials in The Oregonian, one treating of a new proposal to retire the greenbacks and one of March 20, entitled "No Danger of Inflation."

The basic idea of these articles seems to be a fear that if all American paper money is not backed by 100 per cent gold there is danger of national disaster so terrible that it can be averted only in the most extreme and the most indefinite terms. Also that if the active circulation of money should be increased, unnamable horrors would ensue.

As almost all other gold standard countries, the integrity of whose currency has not been questioned on reserves of one-third and less and guard their gold stocks by the simple and rational policy that until the last generation governed the United States Treasury, it is peculiar that the greatest and most wealthy Nation should be suspected of such weakness.

France, created with the most nearly perfect, simple and conservative of monetary systems. The gold reserve of the bank of France cannot be raided because an attempted raid would be promptly checked by redemption in silver, as in Belgium and the rest of the Latin union, so France always has gold to spare for countries like England, that does not sensibly protect its reserves. And even England, curbed by the preposterous bank act of 1844, known as the terror of businessmen and the ridicule of economists, and as "Poole's strait-jacket," has means of protecting herself in emergencies.

Panic of 1907 Recalled. In the panic of 1907 the American system of holding reserves in gold certificates was ridiculed by foreign financiers as most clumsy and stupid, needlessly locking up so much gold as to crowd the market.

What does it guard against except the possibility of such a complete loss of confidence in the Government that all the obligations will be presented at one time for redemption? The average reasoner would conclude it is probable that people would lose confidence in the banks and check out all their deposits at once. Yet your statistics for July, 1915, show deposits of \$15,256,589,567 in the banks and trust companies, against which they held in cash only \$1,206,046,600. So the banks need only 7 per cent cash to guarantee their deposits, while the Government, with its vastly greater resources, must have 100 per cent in gold.

Also your life insurance companies have 22 billions at risk on five billions of assets, of which but little in cash. You would agree that there is as much danger of all the insured dying at once, or of all the children coming of age the same day, as there is a demand for gold redemption of all the paper money within one year. Almost all other nations carry their reserves on margin; all financial institutions are so operated; and the banks with the most attenuated margin of all, but it is only the United States Government, with its unlimited resources, that must hold 100 per cent gold or be in danger of collapse.

The 5,000,000,000 of the monetary system of Canada is of the soundest. In 1870 the national currency (Dominion notes) was backed by 22 per cent gold; in 1880 by 41 per cent; in 1890 by 34 per cent; in 1900 by 25 per cent; in 1905 by 15 per cent; in 1910 by 11 per cent for use whenever specie payments may be resumed. The notes were just as sound on 22 per cent as at any time since, and the people would rather buy anything but gold with their money, have never called for an appreciable percentage of their money. Though Dominion and bank notes have been inconvertible since the war, they are dearer than ever, so it takes a lot of property to buy very few of them. As the financial department is controlled by a few large banks, the people are allowed but an insignificant circulation of debts, national, municipal and private, are growing to appalling proportions.

Federal Reserve System Scored. The outcome of your Federal Reserve system is disappointing. It was advocated as a measure to provide adequate circulation in all parts of the land, so there would be no more financial stringency, and all the people would appear to grow, a recent estimate being \$505,000,000. If the promised adequate circulation had been provided, \$505,000,000 of idle bank reserves that would become active and provide \$1,509,000,000 upward of new currency for popular use, based on the adequate gold reserves of the Federal Reserve. The optimistic predictions of immediate, tremendous and permanent prosperity from ocean to ocean, and that we were looked for relief from our vicious excuse for a monetary system by some of your great prosperity spilling over the line. But some sinister influence must have done the monkey-wrench into the machinery.

The issue of Federal Reserve notes is insignificant, seemingly based only for national solvency, your business failures, which in 1914 reached the extraordinary figure of 17,000,000, and 2000 more than the high record of 1893, in 1915 made a new record of more than 19,000, by far the highest in the history of the country, both in number and in proportion to the population.

Reverting to the "inflation" bogey, there was apparently some fear among contractors that the Federal Reserve system would perform what was promised. College professors of economic science, expert in inflicting millions of money are hazy and distorted, issued their warnings. Professor Fisher, of Yale, in a published article, said: "Surely we will not be so insane as to inflate our currency." Now what is inflation? Would not any considerable increase of the circulation be so considered? Consider an issue of \$500,000,000 of inconvertible paper would be denounced as dangerous inflation, though it would be only 45 per cent gold. The effect of such inflation may be observed in England. Having an inadequate currency since 1817, Great Britain has had a 40 per cent percentage of pauperism. Less than three per cent of transactions were settled with cash, the bank credit and check book having become chronic. Since the enactment of the bankruptcy law in 1852 business failures have averaged more than 3000 a year up to 1910, exceeding the high rate to population of the United States. The maximum was 11,022 in 1859, and they always exceeded 9000. But from 1910 England began increasing circulation of silver, coining increasing amounts thereafter. The people increased the use of cash, and failures decreased steadily.

On the outbreak of war, the Government issued \$140,000,000 of inconvertible paper. The number of transactions subsequent issues grew to more than \$500,000,000. Soon every available man was employed, then the women and boys, and increasing wages. Expenses quickly declined to the lowest notes since 1817. Charitable associations abandoned their stations in the streets as there was no more need of them. The people have more money than ever before, and there is a marked improvement in their physical and mental conditions, showing the soundness and financial independence. Business failures decline to half the former average. And England has taken many thousands of skilled and unskilled laborers from North America, while Russia has taken many more for railroad work.

You never hear of inflation in France, which had near \$3,000,000,000 in inconvertible paper in 1870-71. Though specie redemption wasn't resumed until 1878, there was no depreciation except for a short time while the German troops were parading the streets of Paris. France has now over \$70 per capita paper, besides the 480 million francs of gold in the hands of the people. Thirty cities have issued municipal currency certificates and one franc. It is announced that gold redemption will be resumed for at least 10 years. The normal circulation of France is over 60 per capita, equal to that of the United States in 1848.

The people are immune from the drain for interest that afflicts those in England and North America, and forming 95 per cent of their transactions with cash. Experience there, as in the United States in the sixties, proves that people who can operate with money instead of substitutes, avoid debt and save. So the French are great investors, and are said to be the creditors of all nations and debtors of none. They originate no panics, and business failures are rare. The Bank of France issues money without limit in emergencies, while the practice in North America is to intensify distress and increase disaster by contraction.

Lack of Debt Is Emphasized. The general solvency of the French people was never approached in the United States except during the Civil War, when the circulation of money in 1865 was \$2,113,606,702, or \$67.25 per capita, and it was mostly in the North. It was probably \$100 per capita nearly equal to the French circulation of today. Hugh McLeod, a banker, was appointed Secretary of the Treasury for the American Banking Association to contract the currency, but he had to state some of the facts in his report to Congress for 1865, as follows:

"The country, which notwithstanding the ravages of war and the draft upon labor, is by its greatly developed resources far in advance of what it was in 1857. The people are now comparatively free from debt. "There is an immense amount of paper money in circulation, and it is undoubtedly true that trade is carried on more largely for cash than was ever the case previous to 1861. In that time of inflation the demand for money than there would be if sales were made, as heretofore, on credit."

With the issues of money business failures dropped from 5993, in 1861, to 1652, in 1862; 455, in 1863; 520, in 1864; 530, in 1865, and 632, in 1866. Contraction of effect, but not justifying to 2286 in 1867, increasing thereafter with further contraction. The failures during the four years of adequate circulation averaged 1000 per million of people, but in your banner year of 1915 they were over 190 to the million. In that time of "inflation" the tramp was unknown, there were work for all, and the 1,250,000 men discharged from the Northern Army lost no time in getting busy.

Condition Declared Ideal. Was there ever such an ideal condition as when adequate circulation developed the full efficiency of the people, who paid off their debts, while business was on a cash basis and property a lost art. Is it really better to be in constant anxiety over an immense amount of idle gold in Eastern repositories, while 3,000,000 to 5,000,000 men are out of work from year to year, costing the country from \$3,000,000,000 to \$4,000,000,000 a year in the loss of their productive aggregate of human misery that goes with it.

What advantage is the favorable balance of trade, if it means a production increased circulation, enabling the people to trade with each other, pay their debts, cease the waste of their children in factories and mines, the pressure that forces multitudes into immorality and crime? Have the people or the business men even asked for a contraction to reform of money? Since they stopped the destruction of greenbacks in time to save \$346,000,000 have they not been so distinctly hostile to the elimination of that most useful money that the very numerous bills for retirement have been pigeon-holed as inexpedient in the face of the popular hostility.

Internal Trade Seems Not to Gain. For the past 10 years your internal trade, consisting of more than the myriad transactions between the people, has been estimated at more than \$500,000,000,000 a year. It is estimated to appear to grow, a recent estimate being \$505,000,000,000. If the promised adequate circulation had been provided, \$505,000,000,000 of idle bank reserves that would become active and provide \$1,509,000,000 upward of new currency for popular use, based on the adequate gold reserves of the Federal Reserve. The optimistic predictions of immediate, tremendous and permanent prosperity from ocean to ocean, and that we were looked for relief from our vicious excuse for a monetary system by some of your great prosperity spilling over the line. But some sinister influence must have done the monkey-wrench into the machinery.

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GIRLS' WORK SUPERVISED

Matron at Oregon Normal School Explains Vocational Studies.

OREGON NORMAL SCHOOL, Monmouth, April 29.—(Special.)—A combination of financial agent and social dean in the work of Miss Jessica Todd, matron of Oregon Normal School, who recently explained the work of the institution at a women's vocational conference.

The domestic work which is in the best of financial condition, houses 90 girls. Each pays \$17.40 a month and on that the management is to be made. Miss Todd is not only business manager of the dormitory but its social head. DAYTON, Wash., April 29.—(Special.)—E. J. Klemme, of the Ellensburg Normal

Advertisement for De Wolf Hopper in a play that suits his personality. Sunshine Dad. The Adventures of a Middle-Aged but Romantic Gentleman With a Gay Widow, a Pearl Garter, a Man-Eating Lion and a Group of Long-Knived Villains.

Advertisement for FATTY ARBUCKLE THE OTHER MAN. The Funnybone Tickler, Is Here Today in Another One of Those Excruciatingly Funny Keystone Comedies. 24,000 Inches—Every Inch a Laugh. Added Attraction-- Pictures of the School Teachers' Picnic. Held on the Columbia Highway Yesterday. If You Were There See Yourself on the Screen. No Advance in Our Regular Prices.

Advertisement for COLUMBIA PORTLAND'S PICTURE PALACE. Sixth and Washington Telephone Mar. 5449. Includes pricing for Sundays and Evenings (15c) and Week-Day Matinees (10c).

Advertisement for GIBNEY SOLID TIRES. Conserve Truck Value. Includes text about tire quality and contact information for BALLOU & WRIGHT.

Continuation of text from the 'WAR AIDS NEW INDUSTRY' section, discussing chromium iron ore and its uses in armor and projectiles.

Continuation of text from the 'GOLD REEUP SCORED' section, discussing the Federal Reserve system and its impact on the economy.

Continuation of text from the 'GIRLS' WORK SUPERVISED' section, discussing the vocational studies at Oregon Normal School.

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Advertisement for 'BEGIN HOT WATER DRINKING IF YOU DON'T FEEL RIGHT'. Says glasses of hot water with phosphate before breakfast washes out poisons.