

## THE OBSERVER

BRUCE DENNIS, Editor and Owner.

Entered in the Post Office at La Grande, Oregon, as second class matter.

Advertising rates on application. All copy for display advertising must reach the office the day before the ad appears.

Address all communications to THE OBSERVER, 1710 Sixth Street.

**SUBSCRIPTION RATES:**

Daily, single copy ..... 5c  
 Daily, per week ..... 15c  
 Daily, per month ..... 45c  
 Daily, six months in advance ..... \$3.50  
 Daily, per year in advance ..... \$7.00  
 Daily, by mail per year, in advance ..... \$4.00  
 Weekly Observer-Star, per year in advance ..... \$1.50

## WHY WHEAT IS HIGH

While social economists of various intellectual grades are attributing the arbitrary conduct of speculators the great advance in the price of wheat (Chicago Board of Trade men have predicted a further rise to \$2), attention is called by Bradstreet's to the fact that these economists, through ignorance or emotional prejudices, overlook the influence of the war in Europe and the fact that the world's production of wheat in 1914 was seriously short of that of preceding years. Europe now needs wheat more badly than ever. Moreover, while the United States had a record crop in 1914, the demand from Europe and other countries has brought about a condition as to prices such as might have come in this country from an extremely short crop. The world's crop in 1914 is estimated at about 319,000,000 bushels short of the yield for 1913. Moreover, shipments of wheat from Russia and the lower Danube have been made impossible by the closing of the Dardanelles by the Turks. Other causes exist, of which the same paper says:

"Much wheat has been lost by hostilities in Europe and seeding has been interfered with; Australia, instead of selling wheat, is buying it from the United States, owing to a crop failure; Canada's crop in 1914 was 70,000,000 bushels short of the year before; the interruption to or high prices of ocean freights have made it impossible for Argentina to ship as freely as it might, and finally the United States and Canada have had to shoulder the task of supplying European shortages.

"Prices, it is true, have advanced since the war began. The only wonder is that they have not gone still higher. It might be worth noting that while May delivery at Chicago (on Friday, January 29, at \$1.45) sold higher than since 1898, cash wheat (at \$1.45 yesterday, January 29) has not gone up so greatly. In fact, cash wheat has not yet reached the level (\$1.60 at Chicago) that was touched in June, 1909, and is still much below the \$1.85 price touched in May, 1898, at the time of the Leiter deal.

"Viewed from another angle, the price of wheat now seems to be on a world basis. The closing day of 1914 saw the price of wheat at New York 34 to 36 cents per bushel higher than on January 2 preceding, and the price of American wheat in England advanced 38 cents during the same period. Of course the price may have advanced more in some countries in the zone of hostilities, but the price

of wheat in the Black Sea region is said by authorities abroad to be only one-half what it is in western Europe because of the impossibility of getting wheat out of that region. There are said to be sixty vessels loaded with wheat in Russian ports.

"As illustrative of the very great shifting of wheat-trade currents, it is well to note that shipments of wheat from countries of origin for the cereal year to late December aggregated only 188,000,000 bushels as against 277,000,000 bushels in the same period a year ago, a decrease of 89,000,000 bushels. It is true United States and Canadian shipments were 32,000,000 bushels larger, but Russian shipments were only 672,000 bushels, against 76,000,000 a year ago. Balkan shipments almost disappeared from the list, and Argentine and Australian shipments were only one-fourth to one-sixth those of last year.

"It is, of course, also true that there is speculation in wheat, but no one who looks the field of wheat production over will believe that speculation of and by itself could have put prices up as they have gone. The world-wide war is, in fact, the main compelling cause of the 40 per cent advance in wheat prices, but we doubt whether a sane presentation of the facts will have much chance if the lawmakers, investigators, and others think there is opportunity for a little publicity to be gained by pursuing the so-called grain market octopus with a brass band."

## FINANCING THE WAR.

Among the theories which the war in Europe has already disproved is the one that the war could not last longer than six months, because the money would not hold out. With six months now gone by, none of the warring peoples has yet given any indication of financial exhaustion, remarks the New York Commercial, and so far as money goes, "they seem prepared to fight on indefinitely." This is not because estimates of the cost of the war were too high; if anything, they were too low; the error made by the early prophets was due to not understanding the possibilities of modern systems of credit. So marvelously has the credit machinery been applied to the extraordinary war conditions that the nations have not only financed their needs but their people "are not suffering any such intolerable distress as might have been expected." Credit has been utilized "on a scale never attempted before," while in the matter of employment, a redistribution of work has done much to keep men busy. While many ordinary occupations have been eliminated, workers have found employment in new ways, the chief of these being provided by governments. In the February circular of the National City Bank the subject is discussed:

"It is evidently an error to include both expenditures and loss of production in the war costs, for the larger part of production is always absorbed by current consumption; or to count both expenditures and borrowings, for the latter are applied to the former. The payment of the indebtedness will involve only a transfer of capital, usually within the same country; the real loss occurred when the expenditures which the debts represent were made for an unproductive purpose. If, however, the taxation required to pay the interest and principal of the debts fall heavily upon necessities it will impair the efficiency of the population and retard its progress. On the other hand, if the outcome of the war should be the es-

tablishment of peace on a basis which would permit of even partial disarmament and a reduction of military and naval establishments, the saving upon these expenditures might offset the interest upon a part of all of the new debts and even provide a sinking fund for their payment. If Europe has been spending, as currently reported, some \$2,000,000,000 per year in preparations for war, and this could be reduced one-half, the saving would pay the interest on \$25,000,000,000 at 4 per cent."

The writer in The Commercial adds to the above statement that because nations are able to finance the enormous war costs for an indefinite period, it must not be inferred that the great war will not be extremely wasteful. Money spent on guns, shells, bullets, and equipment represents an economic, an absolute, loss, which no extension of credit can restore to productive channels. So long as credit is available, however, funds for the war waste can be obtained. Theories at the outbreak of war failed to recognize, this fact, the truth of which makes it still possible to say that the war has set back the progress of Europe fifty years.

## LEGISLATURE DISCUSSED.

(Continued from Page 1.)

ures," said H. E. Dixon. "Generally about all that the legislators seem to think they have to do is to pass bills but the present body seems to have shut down on this business. As for economy, they may succeed in curtailing expenses in some departments all right but it will be at the expense of other departments."

"We shouldn't talk about our legislators," thinks C. H. Finn. "We should neither condemn nor commend them while in session. They were sent to the capital to make our laws, so let them alone until they get through. Then there will be plenty of time to talk about the work they have accomplished."

"I have the pleasure of the acquaintance of a number of the members of the legislature," said Turner Oliver, ex-state senator, "and know them to be high minded gentlemen. I am not especially interested in any of the bills now before the legislature except perhaps the judiciary bill, and in fact I do not know of any measure before the lawmakers that is of general interest unless it would be the prohibition bill. Economy, nothing to it. They may succeed in cutting down some of the commissions and offices but they are risking and impairing the efficiency of the governmental machinery in doing it."

T. H. Crawford just got in from Portland this morning and was up to his eyes in work. "Don't know much about the legislature," he managed to say. "I have been in Salem some during this session, but have only been in the house and senate chamber about ten minutes all told. As for the economy program, I guess they will make some changes all right in the appropriations but when they get through we will be about as deep in the hole as ever."

"Of course everybody is more or less interested in the prohibition bill," said Municipal Judge Eakin. "I can not understand, however, what good prohibition is going to do the state if everybody is allowed to ship in all of the whiskey and beer he can consume and then some. If we are going to have prohibition, we should have prohibition, and not a law that simply regulates the amount a man should drink in a month."

"From my eleven years experience in the courts of Walla and Union county, I believe that each of these counties is entitled to a separate Circuit judge, and I was much interested in the bill providing such a change. I did not like the clause providing for a circuit court of appeals, however. I think that it was the influence of the county judges over the state that killed the judiciary bill. Outside of this one bill I know absolutely nothing about what has been going on at the legislature. Been too busy to think about it," are the sentiments of Colon R. Eberhard.

"There is one good thing about the present legislature. They are not passing so many bills. Economy, well there will be a saving on the printing bill any way as there won't be so many new laws to print. As for consolidations, they will probably make a few changes in the departments before the session adjourns, but this is a matter that requires deep study and they have not got the time for that now," said Geo. T. Cochran, water superintendent of the second district. "No they are not attempting any changes that will affect our department. I see that they have proposed the same amount of appropriations as heretofore, which has been very satisfactory."

"No good ever came out of a bunch of theory-spinners, such as our legislature is composed of," according to Eugene Ashwill. "They don't pretend to know anything about the principles of government and about all they ever do is to introduce a lot of fool bills that make matters worse instead of better. They're like the fellow who wanted reform but didn't

# Pass Along The Good News Remodeling Sale at N. K. West's

## Genuine Reductions on all Men's Suits, Raincoats and Overcoats



The carpenters are now busy remodeling; making this department the most up-to-date men's store in the country. They need more room.

### THAT'S WHY

These big reductions on our entire stock of suits and overcoats—"Benjamin," "Society Brand," "Hirsch-Wickwire," "Fidelity" suits, "Kenreign" raincoats and overcoats—newest styles—the best of patterns—Pick one out today—the time is getting short—this sale will soon be over.

|                                   |                                   |
|-----------------------------------|-----------------------------------|
| Reg. \$15.00 Suits <b>\$11.25</b> | Reg. \$22.50 Suits <b>\$16.90</b> |
| Reg. \$17.50 Suits <b>\$13.15</b> | Reg. \$25.00 Suits <b>\$18.75</b> |
| Reg. \$20.00 Suits <b>\$15.00</b> | Reg. \$27.50 Suits <b>\$20.65</b> |

## Your Chance To Outfit Your Boy

### At Little Money

A little bit noisy now in this department. The carpenters hammering and sawing but you will not mind when you see the fine values offered in "Extra Good" and "Best Ever" brand suits for boys. Note the special features in the illustration only made in these famous boys' suits.

|                                |                                |
|--------------------------------|--------------------------------|
| \$5.00 Suits now <b>\$3.75</b> | \$6.50 Suits now <b>\$4.90</b> |
| \$5.50 Suits now <b>\$4.15</b> | \$7.50 Suits now <b>\$5.70</b> |



## Unheard of Bargains in the Ladies Ready to Wear Apparel and Dress Goods to Make a Final Feb. Cleanup

# N. K. West & Co.

## THE QUALITY STORE

Standard Patterns and Free Fashion Sheets now here.

know what he wanted to reform."

R. J. Green is of the opinion that "the legislature is doing fine." "I believe that the new law providing that appellants from a justice court who do not get a more favorable decision in the higher court, shall stand the costs in the case, is a splendid law, but I do not favor the bill giving exclusive jurisdiction to justice courts in cases involving sums up to \$500. To my notion this would only mean a lot more expense in litigation and make it impossible for a poor man to get real justice."

"Haven't had time to give the legislature much attention," is the way W. B. Sargent responded today. "I like the proposed change in the judiciary giving justices of the peace greater jurisdiction and taking a lot of work off of the circuit court."

Circuit Judge Knowles is too deep into the grind of court work to give any extended attention to the work of the legislature. "They don't seem to be doing much this term, and I guess it's just as well that they are not," is about all that it was possible to get out of him on the legislative situation. Judge Knowles is considerably interested in the judiciary bills which have been presented to the legislature for consideration but hardly expects any action to be taken at this session.

"If there is anything of interest doing at Salem, I don't know about it," is the expression that we managed to wring from Joel Richardson, the youngest attorney in the city. "The papers have been so full of the doings of the legislature and there has been so many bills presented that it was impossible to keep track of all of it so I have not tried to keep posted at all."

John S. Hodgins, who is still acting as prosecuting attorney, has plenty of work in circuit court to occupy all of his attention and preferred not to talk about the Oregon legislature.

Says F. S. Ivanhoe, district attorney by supreme court edict, about the legislature: "It is said that Ben. Hayden, a quaint character of early days in Oregon, advised the constitutional convention that it would be

well to provide for the meeting of the legislature every ten years, and that its duties should be limited to repealing all laws passed by the previous legislature. It has occurred to me that the present legislature serves as a pleasing exception to this ironical criticism.

"The present legislature has been doing constructive, destructive and first instance work. It has destroyed many expensive and useless commissions, and by constructive measures, consolidated many useful ones, and thereby added to the efficacy of administration of public affairs and lessened public expense. To say the legislature has made no mistakes would not do; for many of its members are new men, and no man can know and accomplish all that is needed. In my mind, since the election of U. S. Senator was taken from the legislature, it is only a question of

time, when present criticisms of "log-rolling," "steam-rollers," etc., will be confined to a few chronic kickers, and ill-advised, disappointed office seekers. Heretofore the vice of law-making in this state has been to biennially change the road, tax and water laws. From the limited attention I have given the proceedings of the present session, these subjects are receiving more sane consideration now than in the past.

"The most important item of new legislation is the effort to enact a law that will secure an efficient enforcement of the prohibition amendment to the constitution carried at the last election. In the light of the decisive majority by which this amendment was adopted, and the same suggestions in the Governor's message. I am satisfied such a law for

(Continued on Page 8.)

## LA GRANDE NATIONAL BANK

Capital \$200,000.00 Resources \$1,000,000.00  
 Surplus \$50,000.00

### OFFICERS:—

Fred J. Holmes, President C. C. Penington, V.-Pres.  
 F. L. Meyers, Cashier  
 Earl Zundel and H. E. Coolidge, Ass't Cashiers

### DIRECTORS:

Fred J. Holmes A. T. Hill H. E. Coolidge  
 C. C. Penington J. F. Conley A. Blockland  
 F. L. Meyers J. G. Snodgrass H. S. Brownton

### What This Bank Aims to Do

To promote our customers' interests as we would our own;  
 To do all we can to make their relations here profitable and agreeable to them;  
 To contribute to their enterprises, the co-operation, foresight and timely assistance which a good Bank can properly bestow.