THE OBSERVER

BRUCE DENNIS, Editor and Owner.

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

SUBSCRIPTION RATES.

Daily, single copy	5c
Daily, per week	15c
Daily, per month	65c
Daily, per 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

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

Address all communications to THE OBSERVER, 1710 Sixth Street.

BABY YEAR AT HAND.

1916 is baby year. The facts about American babies, the needs of American babies, and America's responsibility to her babies will this year be known as never before, because the first week in March will be baby week throughout the country.

More than 400 communities representing every state in the Union are already laying their plans for baby week, according to the Children's Bureau of the U. S. Department of Labor, in order that during those seven days the needs of the babies may be so presented that all the parents in those communities will learn a little better how to care for their babies, and all the citizens will realize that they have a special obligation to safeguard the conditions surrounding babies. And it is confidently believed by those who are interested in this nation-wide baby week that the remainder of the year will be marked by a strengthening of all community activities for saving babies' lives and giving them a better chance to grow to a healthy maturity.

The baby week idea originated in Chicago not quite two years ago. Then New York had a baby week, and Pittsbung and other cities. Such practical benefit has in each case resulted that the General Federation of Women's clubs has undertaken to promote this national-wide observance. State health officials and national organizations interested in public health and child welfare have taken up the plan and in various ways are giving it not only their sanction but their active cooperation. The extension divisions of the State universities have promised special assistance in interesting and helping baby weeks in rural communities.

The Federal Children's Bureau believes that baby week will give more parents a chance to learn the accepted principles of infant care, and will awaken every American to his responsibility for the deaths of the three hundred thousand babies who, according to the Census estimates, die every year before they are twelve months old. Therefore the Children's Bureau has prepared a special bulletin of practical suggestions for baby week campaigns, adapted to the varying needs of communities of different types. Copies of this bulletin may be had free of charge from the Children's Bureau at Washington.

International and Domestic Review.

BY J. W. MASON

(Written for the United Press.)

New York, Jan. 4.—At the close of 1915 the war has cost more than twenty-six billion dollars, exceeding by five million the total national debts of the six principal belligerent powers when the conflict began. With the exception of about five million raised in the United Kingdom by taxation, practically all the expenses of the war have been met by borrowed money. The end of 1915 therefore, finds the fighting nations saddled with double the debt they had accumulated in all the centuries preceding the outbreak of the war.

In the early days of the war the most liberal estimate of its cost, including the destruction of property and the economic losses caused by casualties, was fifty million dollars per day. The actual expense now, exclusive of economic and property losses, is eighty-five million per day. Of this amount the Quadruple Entente is paying two-thirds and the Teutonic Allies one-third. If the war continues through the winter the cost will probably rise to a hundred million per day. The interest for war loans which the war has already imposed on Europe's future generations is about a billion, two hundred million per year. Every week the war lasts fixes an additional annual interest burden on the belligerents of twenty-five million.

Collosal taxation will have to be imposed on the soldiers when they return home after peace is declared. The belligerents will be bowed beneath the burdens of the war debts. The Germans for a time this year believed it might be possible for them to evade their cost of the conflict by compelling the Quadruple Entente powers to pay a full indemnity. Dr. Helfferich, the German Minister of Finance, made this statement in the Reichtag last August. But as the year's fighting continued with constantly increasing expenditures, the German government changed its mind about the possibility of any belligerent being able to escape from the financial net. Dr. Helfferich therefore, announced a fortnight ago that although Germany might collect an indemnity, yet the war would impose "a colossal burden" of new taxes on the Germans.

During the year, various British statesmen uttered warnings concerning the financial outlook. And the possibility of bankruptcy overtaking Europe has several times been mentioned in the House of Lords. All the belligerent governments have become uneasy about the monetary outlook, but the system of running the war on borrowed money has prevented the people themselves from feeling the financial pinch, except in Great Britain. The British government is now raising about five hundred million per year for war costs by direct taxation; but no other nation has as yet seriously increased its peace taxes. The British tax, large as it is, does more than meet the interest on the government's war borrowings.

The war has compelled the rapid expenditure of such unprecedented sums of money that it is difficult to believe the warring governments will continue the strain for another year unless one side or the other sees the possibility of a complete victory. No decisive success for anybody is now in sight. Even if either group of belligerents has the power to force the other into bankruptcy, it is not probably that power will be applied. The injury which would be done to the most robust of the warring nations would not justify the infliction of a condition of insolvency upon the enemy.

France is leading the other nations in taking preliminary steps to recover from the financial blight of the war. The northern area of France now in the enemy's posession is one of Europe's most important manufacturing centers. The factories will have to be rebuilt and new machinery must be installed, after peace is declared. A French commission is now in the United States studying American labor saving devices and American methods of production. Factory output in the United States is between two and three times as much per man as it is in France. If, after the war, France can adapt herself to American methods, the French factories will at least double their productivity and France will be able to care for her war debts and grow richer at the same time. If Europe at large is to make a speedy recovery from the war's distress, the example of France must befollowed by all the countries alike. On Europe's ability to copy American industrial methods therefore, depends the effect of the financial burdens which the war is fastening on the backs of the taxpayers.

Prosperity is written in letters of gold across this country's financial record in 1915. Uncle Sam has almost half a billion dollars more of foreign gold than he had a year ago. American merchants have sold more goods abroad than ever before. The greatest external loan in history, the Anglo-French loan, was floated in 1915. The market value of American securities appreciated something like tow billion dollars in the 12 months. National banks have bigger deposits and larger reserves than at any time since this country was founded. A wave on speculation swept the country and permitted the New York Stock Exchange to close 1915 with a boom as explosively bright as the year's beginning was dull. Unsmirched by the failure of a single member, the 1915 record of the New York Exchange is crowded with stories of newly made millionaires and sprinkled with fifty-million-share trading days.

More than 160,000,000 shares of socks were traded in during the year, representing an aggregate value of more than fourteen billion dollars; and nearly nine hundred millions worth of bonds.

War News of One Year Ago Today.

Grand Duke Nicholas announced that Russians captured 120,000 Turkish troops in the Caucasus and that 200,000 Russians marched on Budapest, Italy's entrance into the war on the side of the Allies was expected momentarily.

Today's Oddest Story.

Topeka, Kans., Jan. 4.—Because, railroad officials say, a disastrous slump in local passenger business has been occasioned by the vast number of automobiles in Kansas, representatives of the railroads will today ask the State Public Utilities Commission to grant them an increase from two cents a mile to three cents a mile on passenger rates. They have tabulated heavy statistics to help prove their case against the automobile.

Wedded After Meeting Twice.

Freewater, Ore., Jan. 3.—Mrs. Leonard Ulstrup, Sr., died last week at her home at State Line from la grippe and pneumonia. She was born at Aarhous, Denmark in 1864. Mr. Ulstrup saw her but twice before marrying her—one on the day she was born and the second time before he left Denmark for America. They corresponded for 20 years. Mr. Ulstrup then returned to Denmark to make her his brike. Deceased is survived by the husband and four children, Leonard, Richard, Paul and Olga. The funeral services will be held Sunday.