

# BABSON TELLS OF CONDITIONS "OVER THERE"

## "War Turned the Financial World Upside Down" Statistician States; Lengthy Report Given.

WELLESLEY HILLS, Mass., Jan. 27. Since the arrival of the British debt commission to the United States, Roger W. Babson has been making a study of the situation from a statistical point of view. His detailed conclusions are dry and uninteresting. The summary which he makes, however, is most enlightening.

"First, let us realize," says Mr. Babson, "that the coming to this country of Stanley Baldwin, British chancellor of the exchequer, Montagu C. Norman, governor of Bank of England, and their associates from the greatest empire in the world, with hats in hand and begging for mercy, is one of the greatest events in our financial history. For centuries Great Britain has been the world's greatest creditor and all nations, including our own, have owed the British empire billions of dollars.

"The war turned the financial world upside down. Certain great nations like Germany emerged bankrupt. France, the world's greatest investment nation, emerged a debtor while England, to whom everyone came for advice, now comes to Washington for help. Truly this is the most dramatic event in the history of our nation. It also emphasizes the fact that we have a great financial responsibility as well as a great opportunity. Therefore, it is with this thought in mind that we must make our decisions.

"This whole question of reparations," continued Mr. Babson, "is bound up with sympathies, politics, and national feeling. Owing to the latter, without doubt, a great many people in our country sympathize with Germany, and many others, through their love for Ireland, hate England. Frank study of the situation, however, should convince any disinterested party that Germany is in the position of a burglar who attempted a colossal steal but was caught and defeated in his plans. In respect to the question of punishing this burglar, all must admit that he should make amends for the goods which he partly got away with and destroyed. France, therefore, should not be criticized for insisting that Germany restore as far as possible, the property which was destroyed and damaged in her attempt to burglarize. Every disinterested party must admit that this is reasonable. France is asking of Germany only what any one of us would ask of a neighbor who attempted the same thing in our community.

"The reason that France has recently lost sympathy in her negotiations with Germany is due to the fact that she is going at her problem in the wrong way. France's difficulty is that she is inconsistent. She wants a certain economic law applied to her but wants to suspend it in the case of Germany. Perhaps this is more or less true of all the allies, especially when they say they cannot afford to pay their indebtedness to the United States. Yet when one looks at the statistics he finds that England, France, Italy and all the allies combined owe the United States only about ten billion dollars, while they are demanding of Germany alone reparations of over 20 billion dollars! Of course, if Germany can pay any such amounts as France demands, there is absolutely no doubt that England, France and the rest of them, can very easily pay a smaller amount to the United States. President Harding and his cabinet, and all others who have looked into the matter evidently appreciate this situation.

"Up to the present time, England is the only one of the allies who has made an honest attempt to return only money to us. England is paying interest on its indebtedness while the other countries have sent us practically nothing. It is true that England has a commission here today pleading mercy; but we should be fair with England and recognize that she has made her payments thus far in accordance with her agreements. As to what we will eventually do with these foreign debts cannot be foretold at the present time. Certainly it would be useless to cancel them today and have these European nations go on another great spree or spend our money playing military poker. If, however, these nations would repent of their sins, disband their armies, and live honestly and decently, I believe the United States would be glad to cancel the indebtedness or do anything else which would truly help. On the surface, the difficulty with Europe is financial, but a statistical study shows very clearly that the real trouble with Europe is spiritual. Before we, or any other country, can help Europe, the European nations must change their purposes, motives and attitude toward God and one another.

"Until this time comes I cannot advise anyone to buy or even hold European securities. After paying the bare necessities of life Europe has a surplus which it can use either to maintain armies or pay interest on its indebtedness, but it has not surplus enough to do both. Europe is a great deal like the steamboat on the Mississippi which Abraham Lincoln used to tell about. The boiler capacity was enough to blow the whistle or to run the boat, but not enough to do both. When the whistle blew, the boat had to stop. At the present time Europe seems to desire to whistle rather than run. Until Europe changes its desires and puts its energies on running instead of whistling wise investors will not hold European securities. On the other hand, I believe that when Europe quits squabbling and settles down to an honest effort to produce, these European securities will be perfectly

good. This is true not only as to the money owed by Europe to the independent investor of this country, but it also applies to the ten billion dollars which are owed to the United States because these debts all combined are less than France claims Germany alone is able to pay to her. "This is why foreign exchanges are so little disturbed and business continues to be good. Even the marching of French troops into Germany seems to affect our markets very little. The Babsonians now above the N-Y line indicates that general business stands at 2 per cent above normal which is very good for this time of year. From the head lines in the papers, one would think Europe is going to smash, and England into bankruptcy. Do not fear—when Europe sees the error of its way and becomes sensible, it will come back very rapidly. In the meantime," concluded Mr. Babson, "we are showing wisdom by sitting tight."

### SANTA CLARA NINE BUSY

(By Associated Press)  
SANTA CLARA, Cal., Feb. 2.—Baseball season at the University of Santa Clara will start here tomorrow, and a number of prospective varsity players have signed up for the initial workout. The 1923 schedule, now being prepared by J. R. Aurrecochea, coach, will include games with the University of California, Stanford University and St. Mary's college, in addition to a series with the Seattle and Sacramento clubs of the Pacific Coast League.

Fitchers who will tryout are Dave Clancy, Tom Penderfist, Joe Kaufman and Fred Heinzen. Joe Fitzpatrick, Jack Nolan and Jesse Marques will tryout for honors behind the plate.

Of the 576 students who have been graduated in agriculture at Oregon Agricultural college, 267 are in permits directly related to agriculture, according to Dean B. Costley.

## SOME SICKNESS IN SUMMERVILLE

SUMMERVILLE, Feb. 2.—Burt Sanders, engineer on a logging engine near Minam, spent Saturday night with his family here.

Wellington Hamilton, son of F. C. Hamilton of Summerville, has been quite sick with laryngitis, but is reported much better. Paul Hensley has been helping with the chores on the Hamilton ranch while Wellington has been confined to his home. Mrs. Henry Hug of La Grande has been visiting friends and relatives here for a few days.

The Pfefferkorn family, who have been quite sick for a few days are reported much better. It was that they had diphtheria but it proved to be a severe sore throat.

Dr. C. S. Moore is very busy these days. He was calling to see his patients in Summerville Tuesday.

Mr. and Mrs. Clyde Myers went to La Grande Monday evening, returning Tuesday morning. Mr. Myers had his leg attended to which was broken several weeks ago. He is getting very much better.

A very valuable cow belonging to Ed Combs died Tuesday morning. Mr. Combs is visiting in Portland and he will feel the loss very keenly as she was an A1 butter and milk cow.

Mr. and Mrs. John Birchfield of Kelso, Washington, are visiting Mrs. Birchfield's daughter, Mrs. Ray Norval of Willow Creek district. Mr. Birchfield is an old resident of Elgin and is calling on many old acquaintances in this district.

Several friends of Mr. and Mrs. E. C. Myers called at their home Tuesday evening and spent a very enjoyable evening.

Ray Hug of Pumpkin Ridge was a business visitor in town Tuesday.

Press Hug was transacting business in town during the first of the week.

Eric Kiddle and V. E. Long of Imbler were business visitors in town the latter part of the week.

Mrs. Lola Hug has returned to her home on Cricket Flat after spending a few days with relatives in Summerville and on Pumpkin Ridge.

J. E. Landman was transacting business in town Tuesday.

## Extra Fine Superfine Bread

Three-acre improved tract just outside the City Limits, one block from the paved highway. Well considered trade for house in town.

A five-acre tract, improved and going at a bargain price, and good terms, one-half mile from City Limits and paved highway.

A five-acre tract in May Park. This is one of the best improved and paying properties in the valley. Extra good.

A ten-acre tract in May Park, with extra good improvements. Irrigated, best of land and fruit. Eight-room modern house.

Three fine modern homes. Well located, beautifully furnished, want to sell complete. If you want something extra good let us show you these fine homes.

Pyramid Land Co.

Fred Hamilton and Charlie Hanson were business visitors in La Grande Wednesday.

Eric McKinzie attended the dance in Elgin Saturday night.

Mr. and Mrs. Jim Lewis were shopping in town Wednesday.

Cecil Anderson of La Grande came down Friday evening to attend the dance.

Henry Wagoner, Elmer Vermillion and C. M. Hale came down from the mill and spent the week-end. They returned to their work Monday.

W. M. Park who was confined to his home for a few days with rheumatism is now able to be on the streets again.

In the absence of Miles Woodell, who is confined to his room with laryngitis, Simon Woodell is serving the patrons on the mail route.

C. L. McKinzie was transacting business in town Wednesday.

Den Slack was a visitor at the home of his brother George Slack, Wednesday morning.

The Salem Chamber of Commerce has gone on record in favor of this school district issuing bonds in the amount of \$500,000 with which to erect needed school buildings.

Write With Fingernail.  
A wax-covered memorandum pad requires no pencil. Messages may be written upon it with the fingernail or any instrument with a point.

A Good Thing—Don't Miss It  
Send your name and address plainly written together with 5 cents (and this slip) to Chamberlain Medicine Co., Des Moines, Iowa, and receive in return a trial package containing Chamberlain's Cough Remedy for coughs, colds, croup, bronchitis, "flu" and whooping cough, and tickling throat; Chamberlain's Stomach and Liver Tablets for stomach troubles, indigestion, gassy pains that crowd the heart, biliousness and constipation; Chamberlain's Salve, needed in every family for burns, scalds, wounds, piles, and skin affections; these valued family medicines for only 5 cents. Don't miss it.—Adv.

FORD & GEORGE TAXI Service Enclosed Cars CALL MAIN 44

To The Public  
We have just received a supply of that Famous Black Hawk, Utah, clean screened EGG COAL which we are selling at the low price of \$11.50 per ton.

We have that excellent clean screened stove size Black Hawk coal at \$12.75 per ton; mined in Utah.

We always give our patrons the advantage of the reduced price.

Elledge & Stiles  
Something New In Salad Dressing

Mrs. Randall's OLIVE SALAD DRESSING A Dainty Sandwich Filler As Well as a Delicious Dressing for Salads Contains No Oil

J. G. Snodgrass  
109 Depot St. Two Phones, Call Main 75  
—NO CHARGE FOR DELIVERY—

THE EYE  
"Get the Facts About Your Eyes"

These facts can be obtained by having your Eyes examined by us.

The newest and most modern methods and instruments are used, to obtain the very best results.

You are invited to inspect one of Oregon's finest equipped Refracting rooms.

Dr. W. M. Peare With J.H. Peare & Son

OBSERVER ADVERTISING will bring results

Dam the Mighty Flow of Your Expenditures  
A savings account in this bank is to your income what a great dam is to a mountain torrent. The dam piles up and turns to useful power the mighty rush of energy that is in falling water.

Your savings account will give life and power to the stream of your dollars. Their energy is not wasted here, but is working for you now and in the future.

One dollar will start you UNITED STATES NATIONAL BANK La Grande, Oregon MEMBER FEDERAL RESERVE SYSTEM