

Germany Made Progress Under Sound Money

Progressive Steps Taken the Past Year Indicate Eventual Normalcy; Much Money Was Borrowed.

BERLIN (AP)—The year 1924 in Germany was one primarily of financial adjustment. Economic questions have overshadowed everything else. Strive as they would to create party issues, politicians were never able to get away from the reparations question, which underlaid all the financial uncertainty that was holding back the new republic.

The year opened with sound money. The rentenmark banished the spectre of worthless paper money and Germany was ready to start on the long year it has had since the close of the war. There was faith in the rentenmark. The money printing process had been stopped, and Germany was in line with nations which had stabilized their exchange.

Election Did Little.
The general election in May brought few changes. Dr. Marx still remained as chancellor, although he headed a coalition which did not have a majority in the Reichstag. He had, however, the confidence of the public and handled the German interest in the London conference in such a manner that he not only won world confidence, but also retained popular support at home and was able to get the Reichstag to support the plan evolved in London for putting the Dawes plan into effect.

Seymour Parker Gilbert, general agent for reparations payments, arrived in Berlin in November and the plans worked out in London for the settlement of entire reparations claims against Germany are gradually being put into effect.

The French evacuated sections of the Ruhr and other parts of Germany which they had invaded in protest against Germany's failure to comply with treaty terms. This evacuation came a few weeks after the London conference in August and helped to clear the atmosphere along the Rhine. Railways were again able to operate more freely in the Rhine districts, and workers returned to their homes.

Capital, so much needed by industries for the purchase of raw material, has been coming into Germany rapidly since the acceptance of the Dawes plan. It is estimated in banking circles that the United States has loaned a total of \$100,000,000 to Germany within the last year. This includes loans to municipalities as well as to corporations. The total amount loaned by England to Germany during 1924 is estimated at \$150,000,000.

Hopefulness Seen.
Living costs are high and sadly out of proportion to wages. There is much uneasiness and uncertainty in industrial circles. Nevertheless there is a hopefulness in the bearing of the average German not dis-

cernible 12 months ago, when the financial situation of the republic seemed very bleak in spite of the stable rentenmark.

Domestic interest rates are still so high that internal business is hopelessly cramped, and prices in the local markets on staple articles stand well above world figures. Loans from abroad are gradually bringing interest rates down, but many firms with good security frequently pay from 20 to 24 per cent a year for money.

Foreign financiers have predicted that the United States and England each will have \$1,000,000,000 loaned in Germany within another 12 months.

All eyes are turned toward the United States for money, and the government has been compelled to take steps to prevent wildcat concerns from negotiating loans which are not in the interest of sound business and might prejudice American leaders against legitimate enterprises.

The decisive step has been taken in Germany this year about joining the League of Nations. Overtures were made through the MacDonald government in England to have Germany enter the league, and there has been much discussion of the subject, but no concrete results.

Friendship Increased.
The flight of the ZR-2 to the United States, and the good feeling created between Germany and the United States by the hospitality shown Dr. Eckener, commander of the airship, have been outstanding features in the foreign relations of the German republic. With the adoption of the Dawes plan and better relations with nations to the west, Germany is apparently looking less and less toward Russia.

German cities, especially Berlin, look on renewed activity during 1924. Motor traffic has increased to a marked degree. There has been little tourist business from outside countries because of the high prices but hotels are crowded with Germans, and there is a general air of hopefulness in commercial circles.

The creation of the so-called Republic army in Germany has been an interesting development of the year. This is an organization designed to offset the monarchial forces and combat the efforts to upset the republic. General von Schoenaich, one of the prominent leaders in this army, attracted much attention during the World Peace Congress in Berlin this year by appearing on the platform with General Verax of the French army in support of the general strike on the part of military men to prevent future wars.

27 YEARS AGO

Daily Morning Observer, January 19, 1925—E. P. McDaniel of the Cove, proprietor of the Cove Flouring mill, is registered at the Hotel Foley.

Oscar Lund, the fruit man of the Cove, brought a load of choice apples to La Grande yesterday.

Gus Johnson, who has been section foreman for the past four years on the O. R. and N., will leave this morning for his old home in Sweden.

The football game umpired by Ernest Mahaffay, between the Enterprise and Louline teams, was won by the Enterprise team. The game was a warm number, as will be seen by the score which was 10 to 14.

The Observer is one editor short this morning as George H. Curry left for Portland to attend the state Populist committee meeting which is being held there today.

Dr. Lettuy will start to Chicago in a short time, whether he goes on a lecturing tour of the great prairie west. His travels will be Union county. His possibilities and opportunities. His long residence in Union county will enable him to truthfully tell of this land. He will bear the glad tidings of the sugar factory to investors, homeowners and laboring men.

There is life and activity about the fall pine trees about Hildard. From 25 to 30 wood choppers and teamsters are up there plying their vocation. The teams are hitched to immense sleds and on these huge piles of wood are placed and hauled to the railroad. There is rivalry among the men to see who can put up the most wood per day, and among the teamsters as to who can haul the biggest load. So far Billy Cantrell drives the best team. His four horses haul 25 cords at a single load.

Walton—The Knollie fever rages and it now looks like several citizens of Walton county will be carried off with it.

It has now been nine months since there has been a prisoner in the county jail.

The stages in Wallowa county are now sleighs. If Summerville gets a fire fighter, let us have electric lights for they are badly needed by some of the boys who come to town at night. We think it would be well for some of the parents whose boys come to town often to inquire why they come and take a peep at the young gentlemen in the "wee sma" hours of the night, for some of those boys, for the want of proper assistance to get home, have to sleep in old stables, hog pens and under the sidewalk. Parents, give these young gentlemen the proper attention while it is yet time enough to save them.

FLLOATING BOTTLE SURVIVES 11 ROUGH YEARS AT SEA.
PLYMOUTH, Eng. (AP)—Eleven years ago Capt. J. R. Moore, the landlord of a local hotel here, was in charge of the motor ketch Fort Churchill when the vessel was caught in a blizzard at Port Perriquo Bay, on the Labrador coast.

Thinking that his ship was doomed and that the crew would perish, the captain enclosed farewell messages in a bottle and threw them overboard. After he had done this it was found possible to beach the vessel and all lives were saved.

Capt. Moore has now received word from the Hudson Bay company to the effect that the bottle with the messages has been washed up on an island at Labrador.

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Footlights Call Her



Lure of the stage has won over wealth home and family with Mrs. Marjorie McLucas Huttling, wealthy Kansas City (Mo.) society matron. She is playing the leading role in Brock Pemberton's new play, "The Marionette Man," which probably soon will get a chance on Broadway. Mrs. Huttling is the daughter of Walter S. McLucas, Kansas City bank president. Her divorced husband is the son of another banker.

British Girl Feared Argentina Might Capture Prince of Wales.

LONDON (AP)—The Prince of Wales was amused at a meeting of the League of Mercy recently when Lady Tree told a story illustrating the ignorance in some quarters of London of parts of the earth outside the British empire.

While looking at an electric

news sign in Trafalgar Square, Lady Tree said she heard a girl say to her man friend:

"The prince is going to visit Argentina. What's he going to see her for?"

"The disdainful reply was: 'He's not a she—he's captain of the All Blacks.'"

The All Blacks are a vying and all-conquering team of New Zealand football players.



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BUSINESS IS CALLING 'EM

LONDON (AP)—London hostesses are complaining that young men and women are taking life too seriously and that they are not as easily available for merry week-end parties as they were because they usually have responsible engagements to fulfill.

Eligible bachelors who once could always be relied upon to contribute to week-end festivities now frequently refuse such invitations on the plea of business, according to the hostesses, who assert there is no truth in the accusation often made by men and women of the older generation that modern youth is careless, irresponsible and lives only for pleasure.

Girls whose minds formerly were concerned mainly with dining and dresses now take an interest in serious things. Many debutantes are following politics with unprecedented enthusiasm; a large number of girls keep political diaries and have albums of photographs of members of parliament instead of the former collections of autographs and photographs of good-looking actors.

Boy Thieves Sentenced.

OREGON CITY, Ore. — Lloyd Dennis, 15, of Portland, and Russell F. Emerson, 15, of Hiramerton, Wn., were sent to the state training school for boys by juvenile court authorities. They had been arrested at Canby, January 19, on charges of larceny from the Vinyard merchandising store there.

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Hillsboro Pupils Cost Less.
HILLSBORO, Ore. — Hillsboro, with a cost for each pupil of \$49.65 has the lowest of the larger schools in Washington county in the year 1923-24, according to a compilation of the county school superintendent. Other towns and their costs are: Tualatin, \$104.17; Beaverton, \$99.73; Forest Grove, \$81.48; Gaston, \$109.80, and Banks \$116.39. The total county enrollment was \$257 and the cost of teachers' salaries was \$232,724.81.

ROAD WARRANTS CALLED.
TILLAMOOK, Ore. — A call for outstanding county road warrants issued prior to and including April 30, 1923, has been made by

In spite of Old King Winter we are selling lots of building material. Bring in your estimates and get our prices. Building Paper, Roofing and other building material at rock-bottom prices.

The Claude C. Pratt Lumber Co.
"The Poor Man's Friend"
Opp. Foundry. PHONE 248 W
No Sunday Business

Kathleen Mills, county treasurer. Warrants totaling approximately \$11,000 are included in the call, according to Miss Mills.

The total outstanding warrants for the county at January 1, according to Miss Mills' financial statement, was \$370,652.67.

Shock absorbers on autos would be better if the driver could wear them.

ELECTRIC
Curling Irons...\$2.00 up
Flat Irons\$4.00 up
Percolators\$7.00 up
Toasters\$6.50 up
Waffle Irons...\$10.00 up
Grills\$9.85 up
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Golden Crust
If not, try it for breakfast in the morning.
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Naval Experts Planning To Improve Battleships

WASHINGTON (AP)—Naval engineers would hesitate today to predict what the military characteristics will be of the first American battleships to be built in replacement under the Washington limitation treaty. Aside from the fact that they will be 25 per cent bigger than the present naval Leviathans, West Virginia, Colorado and Maryland, and carry not larger than 16-inch guns, they are unknown quantities.

The first two replacement ships may be laid down in 1921, to be completed in 1924, when the 12-inch gunners Florida and Utah will go to the scrap heap. They will be 25,000 tons treaty measurement, which means almost 40,000 tons, pre-treaty rating. The West Virginia class of battleships, now the biggest and hardest hitting vessels afloat, are 32,000 tons, old rating.

Since the first post-treaty battleships will be the British Rodney and Nelson, to be completed in 1926 when four ships of the present British fleet of the King George V class will be in the building, wide interest prevails in naval circles everywhere as to what their armament, speed, cruising radius, protection, method of propulsion or other characteristics will prove to be. Little is known generally as to the British plans, developed since the Washington conference.

But no naval officer is likely to forget that the dreadnaught, first all-big-gun ship to be built, virtually rendered obsolete every existing pre-dreadnaught battleship of any navy. Nothing then afloat could compete with her on anything approaching equal terms, and the feverish building of dreadnaughts on both sides of the Atlantic began.

American naval designers are storing away information on which plans for their own new ships will be based. Experiments incidental to the sinking of the hull of what was to have been the battleship Washington were conducted for this purpose, to a large extent, and much valuable data resulted.

For one thing, navy experts wanted to know just how wisely they had planned the increased deck protection of the Washington class of ships. It has not been revealed definitely whether the Washington deck armor withstood high angle fire, but Secretary Willbur announced at the time that results of the experiments had justified expectations.

product of the post war years of study by British experts of bitter war experiences with fighting ships. It is to be expected, therefore, in the judgment of naval experts, that they will outclass even the West Virginia class in the American navy by a margin beyond that of their 25 per cent larger size.

Size alone would permit their carrying heavier armament, probably allowing them to carry two or three 16-inch guns each as against the eight gun batteries of the American first line trio, and the British gun, gun for gun, will be better because of newer design. That would mean at the very least, if the guns were of equal power, a 25 per cent superiority in broad side weight for the new Britishers.

Phoenix Pastor to Leave.
MEDFORD, Ore.—Rev. and Mrs. J. W. Angel and son will leave Phoenix this week for Glendale, Ore., where Mr. Angel will be pastor of the Presbyterian church. For four years he was pastor of the Phoenix church and prominent in ministerial association work of the Rogue river valley.

Kirby

Joseph Kirby, who arrived in Clatsop land in 1911 with \$4.25 in his pockets and who at the time of his retirement in 1923 headed several investment mortgage companies doing millions of dollars worth of business, is under indictment on charges of using the mails to defraud. He also has been indicted in the state courts. Kirby, denying all charges, has returned from Los Angeles to Clatsop