

# CHINA IS VERGING ON BANKRUPTCY

### Chinese Government Rushing to Financial Ruin, Declares Trade Expert.

## ECONOMIC WRECK IS GREAT

Most of Machinery Sales to Chinese Are of Kind That Will Kill Golden Goose Says Dr. Tingle. Conditions Are Reviewed.

"Most of the sales of machinery to China are at present of the kind that will ultimately kill the goose that lays the golden eggs," is the opinion of Dr. Alfred Tingle, an expert on Chinese trade and social conditions, who is now in Portland.

"This is true at present," said Dr. Tingle, "and will continue to be so as long as the business remains on the same basis. There is already a good sale of American machinery in China, in comparison with that of other countries, and there would be an immensely larger sale if the market were properly cultivated. At present it is not."

"The largest Chinese contracts are generally those made with the Chinese government. The Chinese government has about the worst financial system of any nation extant, and by its reckless methods it is heading straight for bankruptcy. Anything can be sold to it, by the man who knows how; and quantities of useless stuff are now disposed of in that direction. But a day of reckoning will come, and is being hastened by the foreign firms who are looking only to their own immediate profit."

**Officials Are Extravagant.**  
"The firms should not, of course, be blamed too much; for they cannot be expected to refuse business. And generally the most absurd propositions are made through them, rather than put forward by them."

"A short time ago an engineer, visiting an interior provincial capital to install new machinery, was requested to call at the local mint. He was received by the director, who informed him that a new steam engine was urgently needed. After inquiring into the details of the case, the engineer said: 'What you need is a low-speed, horizontal engine of so and so many horse-power.'"

"That," said the director, "all our engines are horizontal engines. I should like to have a vertical one for a change." "Very well," replied the engineer, "I will submit on a price and vertical engine." "Not at all," again objected the official. "I must have a high-speed engine. All the engines in this city are low-speed, and I must have something different."

**Machinery Goes to Rust.**  
"I found it was no use arguing with the old fellow," my engineer friend told me later, "so I named him a price and we made a contract on the spot. The engine will be quite unsuitable for his work, but I have put clauses in the agreement which clearly state that it cannot be expected to turn business into the street." This is quite a typical case.

"A good deal of electrical machinery from America is sold in China, but it is seldom worked very hard. Some little while ago an electric light plant was placed in the building of the Board of Foreign Affairs at Peking, and I am told that it really was used for more than a month. Before long, however, it was found that working expenses were high; now, when the lights are again requisitioned at night, they are illuminated by nothing more brilliant than a kerosene lamp."

"It sometimes seems to me that China is dotted over pretty thickly with dynamos that nobody can afford to run and that are allowed to rust to pieces. The idea of selling them at a price and removing by the tons to the Chinese official, and would be rejected if proposed to him. Besides, a dynamo, no matter how rusty, can always be made to serve as an incense burner and spiritual awakening of China, when distinguished tourists are to be shown around."

**"Light" Plants Cost Darkness.**  
"Two small but well placed electric light plants can be made to cast more darkness over the mental vision of a visiting foreign Cabinet Minister than can be removed by the tonnage of informed professional diplomats, all telling the truth about the state of the Orient."

"I have read a good deal about the opportunities for the introduction of American agricultural machinery into China. In fact, I have read much more about these opportunities than I have seen of them, although most of my time has been spent in close touch with Chinese agriculturists.

"The man who is more than 'passing right' in the possession of a 30-acre farm, would have little use for a steam thrasher, even though one were presented to him gratis. This is quite independent of the fact that the cost of fuel to run it would be too large to pay for the price of the grain when thrashed."

"Machinery is needed by the Chinese farmer and workman; in fact, it would be welcome—but it must be adapted to local requirements. During my visit to Portland I have seen several small machines which I believe are somewhat new even here, and which might find a good market in China, if suitably introduced. The manufacturer who will learn what the Chinese needs are, and will act accordingly, will have a large and increasing business before him."

**Kind of Machines Needed.**  
"Machines to be used in China must be strong, simple and cheap. Also it must not be intended to do too much. I do not mean that a machine 'contrived a double debt to pay' would not be useful. But, where something is wanted to do the work of five men, it is foolish to do the work of ten. In a certain cottage industry, I handed the matter over to a well-known firm, whose local agents treated it in quite the proper spirit. The maximum price my friend could pay was about \$200. After due inquiry in this country and in Europe, it was found that the smallest available plant would cost about \$700. It would have to be run by steam and was large enough to work up in a single day, all the raw material grown within a radius of two days' journey from the village where it was wanted."

"I may say that a Japanese firm made a very sensible tender. It was not accepted, but only because of the deep dis-

trust for Japanese goods entertained by my friend.

### Better Methods Necessary.

"I do not wish to find fault with the present ways of doing business, but merely to point out that new methods must be used to secure new markets. 'Just now it is exceptional to find a foreign merchant in China who knows anything worth knowing about the Chinese people or language. If he has the inclination to learn about either—and that is seldom the case—he has not the opportunity. Without men who do know these things, it is not obvious how new lines of business can be seen, much less secured; and the business man, in China, who trusts to his native clerical staff for such information might as well be dead."

### Fire Insurance Frauds.

"I suppose fire insurance frauds are common enough in every country, but their frequency is a byword in China. Some years ago a big Chinese store, owned by a Mr. Wang, burned down in the city where I then lived. The fire did not start on the premises, and the insurance was duly paid. Later, when I was living elsewhere, I received a visit from an old Chinese acquaintance from my former home. He happened to refer casually to Mr. Wang's 'dear fraud on the fire insurance company.' When I expressed astonishment, he said:

"Did you not know it was a fraud? It was notorious throughout the city. Mr. Wang arranged the whole fire, and paid good compensation to the other people who were burned out. After hearing the detailed story, I asked: 'If everyone knew this, how came it that the Chinese staff of the insurance agent did not tell their employer?' "They tell," he replied, "with scorn. They knew nothing, they are southerners. What northerner would give away anything of the sort to these clerks in foreign employ? They employ them to do their own work, and if a plain man like myself were even to attempt to pass the time of day with them, he would be snubbed at once."

### Consular Service Criticized.

"The United States Consular Service there is being put on a better footing than formerly. It now offers a definite career to men who must enter it young and learn the country and the language. The full effects of this reform will not be felt for another ten years. We still have the pitiful spectacle of a United States Consul at let us say, Cork in Ireland, being promoted to consulate generalship at, say, Canton, China; though such appointments are becoming rarer. A more liberal scale of pay for the consular body would be a desirable investment of the part of the United States Government. It might help to prevent the service from being used as a stepping stone to individual commercial enterprises."

### Ignorant Consul Wins.

"There are, however, two sides to every question and sometimes even ignorance has its advantages. Mr. A, one of the most respected, efficient and best-known of American Consuls in China, was quite ignorant of the language and was remarkably deaf. On one occasion he had a claim to make—some American mission property having been destroyed by a mob. Through an interpreter, he stated the facts to the local official. The official replied evading the point. But he collapsed and promised instant reparation when Mr. A, turning to his interpreter, bellowed: 'What did he say?' The interpreter jumped to the conclusion that such stentorian tones could convey nothing less than a threat to summon the United States Navy to collect by force the damages due."

## POLICE BEGIN CRUSADE

### ORDER ISSUED FOR ARREST OF "UNDESIRABLES."

Hotel Proprietor and Woman Charged With Vagrancy—Dozen Officers Assigned to Squad.

The first gun of the crusade to be waged by the police against the army of alleged undesirables in the city, was fired when George Kay, a notorious drunk, was arrested at the Empress Hotel, Sixth and Stark streets, was arrested with a woman who gave her name as Carrie Johnson, by Patrolman Montgomery. They are held at police headquarters on the technical charge of vagrancy. Bail was fixed at \$200.

The arrest of Kavalan and the woman, who asserted that she was his housekeeper, followed soon after an order was issued by Acting Chief of Police Moore and posted before the night relief. A rumor had reached headquarters that many undesirable men and women had taken habitations in the lower quarters of the city. It was also reported that 24 women of a foreign nationality were being brought to Portland for immoral purposes by a North End dive-keeper.

The edict demands the arrest of all the newly arrived derelicts, as well those of long standing. They are to be housed in cheap grills and beer halls. A dozen uniformed officers will be placed in plain clothes the week.

## DETECTIVE AGAIN IN JAIL

### Private Sleuth Now Charged With Larceny of \$20 Ice Box.

Twice within the past three days A. T. Simmons, a private detective in the employ of the Hartman Detective Agency, has occupied a cell at police headquarters. He was charged on Thursday with flashing a tin star on a conductor of a Sixteenth-street car in Best of 6 cents carfare. He was arrested by Special Detective Lillis of the traction company on a charge of impersonating an officer. He posted \$50 bail.

He was arrested at the Oaks Saturday night by Patrolman F. M. West on a warrant charging him with larceny. The complaint is sworn to by Jesse Rathbauer, from whom Simmons is alleged to have fraudulently secured a 20 ice box. When Rathbauer demanded the return of the refrigerator Simmons demanded the payment of \$200. The debtor refused to liquidate and caused the arrest. Simmons is now held in default of \$200 bail.

### Change of Time on O. R. & N.

Sunday, August 21, change of time will be made on O. R. & N. trains as follows: Soo-Spokane-Portland will leave Portland at 11:30 P. M. instead of 11:00 P. M. as heretofore, and will carry the Walla Walla Pullman sleeper. Baker City local will leave at 8:00 A. M. instead of 7:40 A. M. The Spokane Flyer will leave at 8:00 P. M. as before, but the Pullman sleeper to Lewiston will be carried on this train instead of the Soo-Spokane-Portland train.

### Eastern Star to Organize.

VALE, Or., Aug. 21.—(Special.)—Members of the Order of the Eastern Star here have started a petition for a chapter at Vale. A Masonic charter was granted to Vale lodge this year and members of the Eastern Star number 34, with no chapter here. A meeting for organization to present the petition to the grand chapter will be held this week.

Manicuring and Hair Dressing, 2d Floor—Prompt Taxi-Cab Service—Soda Fountain in the Basement  
Candy Store in Basement—Grocery, Delicatessen and Bakery, 4th Floor—New Millinery Arrivals

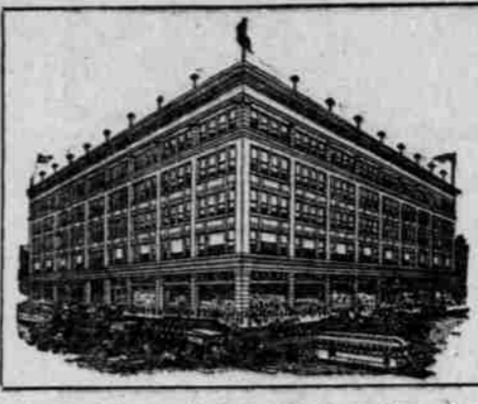
# Olds, Wortman & King

## Entire Block--Morrison, Alder, Tenth and West Park

# Sensational August Values

A Condensed List of Today's Great Specials as Advertised in Sunday's Papers

- New Plain Poptins, now on sale at low price of 89¢
- New Plaid Poptins, now on sale at, the yard \$1.00
- Women's \$2.25 Petticoats at the low price of 98¢
- \$1.50 Black Taffeta Silks now offered at, yd., \$1.29
- Girls' \$1.50 Middy Blouses, now special at, each 79¢
- Children's \$1.65 French Dresses are now only 98¢
- Ladies' 75c Aprons now offered at, each, only 49¢
- \$1.25 Black Taffeta Silks now offered at, yd. \$1.09
- \$3.75 Set of Undermuslins, special at only \$1.89



- Regular \$1.25 Silk Gloves at low price, the pair 45¢
- Regular 50c Silk Gloves at the low price of, pair 29¢
- Regular 35c Handkerchiefs now offered at only 19¢
- Regular \$1.00 Fancy Neckwear special at only 32¢
- Regular 65c Fancy Neckwear specials at only 19¢
- Regular 45c Silk Ribbon now special at only 29¢
- Regular \$1.25 the Dozen Laces special at only 64¢
- Reg. \$3.75 Brassiere Combination now special 98¢
- Regular \$3.95 Corset Covers now special only \$1.89

- Reg. \$6.50 Silk Waists for \$2.98 Each
- \$4.00 Mesh Bags for \$2.69 Each
- Regular \$1.25 Hat Pins for 49c Each

- \$8.50 Lingerie Waists at \$3.45 Each
- Women's 75c Hosiery at 53c a Pair
- Children's 25c Hosiery at 14c a Pair

## Great Sale of 3-Days' Sale of HIGH Grade Groceries

### Toilet Articl's

- Eagle Milk—Gail Borden's brand, only 15¢
- Corn Meal, best Eastern white or yellow, 10-pound sacks, reg. 35¢ grade, at 27¢
- Sapallo, hand or scouring, at, the cake 7¢
- Grape-Nuts, two packages at this price 25¢
- Queen Olives, extra large, at, per quart 43¢
- Soups, Van Camp's or Campbell's, 3 tins 25¢
- Sugar Corn, fancy Maine, 2 tins for only 25¢
- Sweet Wrinkled Peas on sale at, the tin, 14¢
- Calder's Saponaceous Dentine, 17c
- Pozoni's Medicated Face Powder, 25c
- Freckle Cream, Stillman's best; the most reliable; our regular 50c 33c
- 50c Cream Eclays; special, only 43c
- 50c Suleta Beauty Cream; spl 29c
- Piker's 25c Cold Cream; special 19c
- 8c Face Chamois; special price 5c
- 15c Face Chamois; special price 10c
- 35c Detachable Buffers; special 25c
- 25c Bathasweet Powder; special 18c
- Folding Coat Hanger; 25c value 12c
- 200 yards Spool Cotton; 5c value 2c
- Darning Cotton, 2 1/2c value; spl 1c
- Skirt Braid; 10c value; special at 7c
- Hat Fasteners, 25c value; spl 12c
- Hair Nets; 15c value; special at 5c
- Dress Shields; 25c value; spl 10c
- Pearl Buttons; 15c value; special 8c
- Hoops and Eyes; 5c value; spl 3c
- 5c Bias Seam Tape; value to 15c; at 5c
- Cotton Tape, all widths; reg. 2 1/2c 1c
- Aluminum Hair Pins; reg. 5c ed. 4c
- Tracing Wheels, 5c value; special 3c
- Collar Supporters, 5c value; spl 3c
- Skirt and Waist Supporters; 15c; 10c
- Hair Pin Cabinets, 8c value; spl 5c
- Pins; regular 5c papers; special 3c
- Bone Hair Pins, 25c value; spl 19c
- Safety Pins, 5c value; special at 2c
- 2-qt. Fountain Springs; \$1.25, 89c
- Metal Soap Boxes; reg. 15c; spl 8c
- Scissors, reg. 30c pair; special 19c
- Tooth Brushes, reg. 25c; special 10c

- Mined Clams at special price, the tin 11c
- Extracts, O. W. K., lemon or vanilla, at 20¢
- French Artichokes in tins at this price 24¢
- Imported Smoked Sardines selling at 12¢
- Coffee, our Imperial Roast, on sale at, lb. 29¢
- Long's New Jellies, assorted, on sale at 19¢
- Kaola, small size tins, during this sale at 20¢
- Pearl Barley on sale at, 4 pounds for 25¢
- Banquet Queen Olives, very fine, bottle 24¢

- \$ 6.00 Rugs reduced to \$ 5.00
- \$ 8.00 Rugs reduced to \$ 6.50
- \$ 10.50 Rugs reduced to \$ 8.35
- \$ 17.50 Rugs reduced to \$ 13.85
- \$ 22.50 Rugs reduced to \$ 18.00
- \$ 25.00 Rugs reduced to \$ 21.75
- \$ 35.00 Rugs reduced to \$ 28.00
- \$ 40.00 Rugs reduced to \$ 32.00
- \$ 50.00 Rugs reduced to \$ 40.00
- \$ 60.00 Rugs reduced to \$ 48.00
- \$ 75.00 Rugs reduced to \$ 60.00
- \$110.00 Rugs reduced to \$ 88.00
- \$135.00 Rugs reduced to \$108.00
- \$225.00 Rugs reduced to \$180.00
- \$275.00 Rugs reduced to \$225.00
- \$325.00 Rugs reduced to \$265.00
- \$375.00 Rugs reduced to \$300.00
- \$350.00 Rugs reduced to \$280.00
- \$425.00 Rugs reduced to \$340.00
- \$550.00 Rugs reduced to \$445.00
- \$650.00 Rugs reduced to \$525.00
- \$850.00 Rugs reduced to \$680.00

## Great Sale of Oriental Rugs

Today we inaugurate a great sale of Oriental Rugs. The best and most complete assortment shown in the city, including the best makes. Daghestans, Shirvans, Mossouls, Guanghes, Kasaks, Beloochistans, Sarouks, Kirmanshahs, Khivas, Bakharas, etc., at the following great scale of prices, ranging from \$5.00 up to \$680.00. See them and take advantage of this sale.

## Sale of Brussels Net and Irish Point Lace Curtains

Broken lines in fine Brussels Net Curtains to be closed out. A grand assortment of choice designs. \$ 6.00 Brussels Net Curtains; special at \$ 4.15  
\$ 8.00 Brussels Net Curtains; special at \$ 4.50  
\$ 7.50 Brussels Net Curtains; special at \$ 5.65  
\$ 6.00 Brussels Net Curtains; special at \$ 6.75  
\$16.00 Brussels Net Curtains; special at \$ 7.45  
\$16.00 Brussels Net Curtains; special at \$11.95  
\$25.00 Brussels Net Curtains; special at \$19.75  
\$40.00 Brussels Net Curtains; special at \$29.85  
Broken line of Irish Point Curtains, in a very large range of handsome designs, in eoru or white. Priced special to close at the following low prices:  
\$ 6.00 Irish Point Curtains; special only \$ 3.25  
\$ 6.00 Irish Point Curtains; special only \$ 3.75  
\$ 7.50 Irish Point Curtains; special only \$ 4.75  
\$ 9.50 Irish Point Curtains; special only \$ 5.50  
\$12.00 Irish Point Curtains; special only \$ 7.50  
\$13.50 Irish Point Curtains; special only \$ 8.00  
\$20.00 Irish Point Curtains; special only \$10.75

## WIRE IS EXTENDED

Independents Increase Long-Distance Phone Service.

## LINES SOON IN OPERATION

In Few Months It Will Be Possible to Talk With Spokane, Helena and Salt Lake by Independent Wires, Says Manager.

Long-distance telephone service over the independent lines between Portland and Spokane and hence to Butte, Helena and Salt Lake City will soon be a reality.

With the completion of the independent system at Spokane and the extension of the line from that city to Portland, communications between this city and towns in Idaho and Montana will be possible, as the service at present extends from Spokane to points in the states immediately east of there. The Idaho and Montana lines are being extended very rapidly and connection with the larger cities are being made with the completion of smaller systems.

"It will be only a matter of time until Portland people will be able to talk with their neighbors in Spokane," said H. M. Friendly, manager of the Northwest Long Distance Telephone Company, which operates the toll service of all the independent lines in this section, yesterday.

"The Spokane exchange will soon be in operation. Work has already been started on the long-distance line in the direction of Portland. Work from this end will be taken up in a short time. Connection between the two towns will then be a matter of only a few months."

east of the Rocky Mountains will not be attempted at this time, as there is practically no demand for it. Eventually this will be established if there is any assurance that it can be made to pay."

While the company that is constructing the new telephone plant at Spokane is in no way related to those operating the systems in Portland, Tacoma and Seattle, they will be connected over the

long-distance wires, which are controlled by the Northwest Long Distance Telephone Company. The plan of the latter concern is to link all independent lines in the Northwest.

"We all have the same opposition to meet in every city where independent lines are established," said Mr. Friendly, "and it is to the mutual advantage of the independent companies to unite management and under a traffic agreement for the operation of their long-

district lines. Heretofore the independents have been too much independent of each other. While there is no intention to unite the separate companies doing business in the various cities, it is hoped to effect a working agreement between them all.

The long-distance tolls are collected as if the lines were operated under one management, and under a traffic agreement to which all the companies are

parties charges are apportioned." In Spokane an effort is being made to secure through lines to St. Paul and Minneapolis and thence to Chicago. If this is completed, Portland will get the benefit of such service. While telephone officials say it would be possible to construct lines over which conversation could be heard from Portland to Chicago they declare that there is no end of such service.

# PIANO BARGAINS

Who wants a Piano, a Player-Piano, an old Square, or an Organ? A few high grade instruments at ridiculously low prices—in fact the greatest bargain ever offered by a piano firm in the city. Slightly used, but good as new.

## --- READ THIS LIST ---

- Singer, walnut case, Sale Price ..... \$125—Was \$350
- Schubert, walnut case, Sale Price ..... \$295—Was \$475
- Schubert, mahogany case, Sale Price ..... \$290—Was \$475
- Fischer, ebony case, Sale Price ..... \$180—Was \$600
- Lindaman, mahogany case, Sale Price ..... \$320—Was \$500
- Krell, French mahogany case, Sale Price ..... \$325—Was \$500
- Stembach & Dreher, walnut case, Sale Price \$240—Was \$375
- Marshall & Co., mahogany case, Sale Price \$165—Was \$300
- Packard Organ, walnut case, Sale Price .... \$35—Was \$100
- Weaver Organ, walnut case, Sale Price ..... \$25—Was \$75
- Player Piano, mahogany case, Sale Price \$300—Was \$575
- Victor Phonograph and 40 records, Sale Price \$35—Was \$100
- Estey Organ, walnut case, Sale Price ..... \$20—Was \$75
- Schubert Piano, walnut case, Sale Price. \$285—Was \$475
- Wilcox & White Organ, wal. case, Sale Price \$25—Was \$50

We also have four old Square Pianos of standard makes in good condition to sell for \$35, certainly snaps for some one. We are compelled to get rid of them because they require too much floor space.

We have a fine line of Electric Pianos, will install them and guarantee in every respect, at prices ranging from \$400 to \$550. These are great bargains. Come and see them.

## THE HOUSE OF BARGAINS

# REED-FRENCH PIANO MFG. CO.

Maker to Player 6th and Burnside Wholesalers