# GERMAN PROBLEMS DECLARED DELICATE

Allies Feared on Verge of Still Worse Errors.

FRENCH FORCING ISSUE

British Press Declared to Have Op posed Teuton Offer only After Paris Rejection

BY ARTHUR HENDERSON Ax-Member of the British War Cabinet (Copyright, 1921, by The Oregonian.) LONDON, April \$0 .- (By Special Cable) .- Past errors have contributed to the present disastrous position re-garding Germany's problems, and it seems as this is written that the issue will become even more dangerous within the next few days and that the

aliles may march to further and per-haps more serious errors.

While the British papers supporting the government were declaring the new German proposals not so derisory as previous offers, and saying they merited serious consideration, the French opposition was not only hateful but contemptuous, and ex-pressed with almost indecent haste the view that the terms did not af-ford a possible basis for negotiations or further consideration. This out-burst evidently had the intended ef-fect on London, for there was at once a noticeable hardening of government press opposition against the pro-posals. As a matter of fact, the proposals represented a real advance, and were entitled to receive proper con-sideration. But in view of the hostile attitude of the French, it became safe to assume from the first that the French "rejection" would be ratified the supreme council.

Peaceful Settlement Possible.

The intervention of America seeme to offer a new avenue of approach o troublesome and critical matte and Germany's latest response showed the possibilities of peaceful settle-ment had not been exhausted. While France frankly stated her opposition more sober negotiation were unprom-ising. They have not been tried properly in the spirit of enlightened will. The method of military dicta-tion is thoroughly deceptive, and will in itself seriously prejudice if it does not defeat the object it is intended to

It is difficult to imagine that the British premier will readily engage the government to support France in a policy of military subjugation, to obtain results which are obtainable only through allied and German co-operation, founded on a common-sense appreciation of economic rela-tions

Method of Payment First.

There is no way in which an occu-pation of the Ruhr can expedite Ger pation of the fidure can expedite our many's capacity to pay, which should be fixed prior to a fixation of methods of payment. It is agreed, even by the German socialists, that Germany shall make the fullest possible reparation. ration. But any interpretation of Germany's obligations which does not bear a scientific relation to her eco-nomic resources and possibilities is

mere empty futility.

No civilized country would attempt to impose conditions of slavery, or semi-slavery, on another nation, and no display of military force can change economic laws or increase the productive capacity of a nation. It will instead retard economic recovery, as history will show.

an history will show.

An early and just solution, to which
the American president rightfully and
willingly has referred, obviously cannot be realized until Germany's cato pay is satisfactorily agreed

Coal Parley Fruitless.

Another week has gone by without settlement of the national coal stoppage, and days of negotiation again have proved fruitless. It is generally recognized that a permanent settle

mont must be preceded by a temporary agreement.

The determination of the miners to fight apparently remains unshaken. is entering the struggle. It is star-vation in the home of the miners. Little imagination is needed to visualize imagination is need to women and children as well as the men. But the trades union movement is coming to the relief of the distressed, and in the last three days \$100,000 has been contributed.

### MELLON OPPOSES LEVY

(Continued From Pirst Page.) around \$336,000,000 and its repeal cannot be effected with safety less congress has a substitute." Economy Warning In Given

He also suggested to congress that it may be "advisable" to take action

to restrict further issues of taxexempt securities, saying it is estimated that there are now outstanding perhaps \$10,000,000,000 of the se Emphasizing that expenditures for

this fiscal year have been at the rate of \$5,000,000,000, Mr. Mellon warned congress that the sation "cannot continue to spend at this shocking rate. Substantial cuts in current expedi-tures, he said, offer the only hope of effective relief from the tax burden.

tures in the past have been respon-sible for hundreds of millions of dol-

lars of actual cash outgo.

Hundreds of homes
Mr. Mellon said that estimates for open to the grangers. Mr. Mellon said that estimates to open to the great units 22 budget are subject to great uncertainty. The estimated collection of \$3,780,000,000 of internal taxes are of \$3,780,000,000 of existing SCHOOL EDITORS TO MEET based on the provisions of existing law, he added, and are \$850,000,000 less than the estimated collections for 1921, chiefly because of the shrinkage in business.

1922 Surplus Is Doubted.

"The estimated ordinary expend!— May 1.—(Special.)—High school editures of \$4,014,000,000 will be effecttors from every school in the state have been specially invited to visit have been specially invited to visit freight would be nade. "The estimated expenditures of the war department and the navy department, aggregating more than \$1,100,000,000 for 1922, will depend largely upon the military and mays policy adopted.

UNIVERSITY OF ORCEGOS, Eugene, for rails, steel, livered under the state price of the state have been specially invited to visit freight would be made to organize a state high school press association.

The editors will be entertained by The editors will be entertained by The editors will be extertained by The editors will be extertained by The editors will be entertained by The editors will be entertained by The editors will be entertained by The editors will be extertained by The editors will be extertained by The editors will be entertained by The editors will be externally as the editors will be extended to the university on junior week end, at the properties of the university on junior week end, at the properties of the university on junior week end, at the properties of the university on junior week end, at the properties of the ward to be a properties of the university on junior week end, at the properties of the university on junior week end, at the pro

will depend largely upon the military and naval policy adopted.

"The estimate of about \$545,000,000 for payment to the rallways in 1922 is made necessary by the provisions the transportation act and infor payment to the railways in 1922 is made necessary by the provisions of the transportation act and increased estimates from the directorgeneral of railways. In absence of drastic cuts in military and naval expenditures, there is almost no prospect of any substantial available surplus even in 1922."

Unring early repeal of the excess Urging early repeal of the excess put down violence

GREATEST TENOR AS HE APPEARS TODAY.



-Photo from Underwood Enrice Caruse and Mrs. Caruse, snapped in New York following singer's convalescence from recent serious illness.

MONSIGNOR LANE TO CARRY

ARCHBISHOP'S REPORT.

Pastor of Albany Church Will Se

Pope and Visit in Paris and

in Switzerland.

ALBANY, Or., May I .- (Special.)-

Ionsignor Arthur Lane, rector of the Albany parish of the Roman Catholic

hurch, who, as the representative of

Archbishop Christie of Portland, will carry the report of the arch-diocese

Rome, will leave on that missio Tuesday He will sail from New York

or Havre on the steamship Rocham-

Upon arriving in France, Monsignor

Europe to attend the Eucharist con

ference at Vienna. At that time he visited the vatican and had an audience with the pope. His visit this time will be of more interest, because

appointment as a notary apostolic ad

instar of the church, with the title of monsignor. He received this appoint-ment last September, and the cere-monies attendant upon the formal

conferring of the honor were held at the same time he celebrated the sil-ver jubilee anniversary of his ordina-tion to the priesthood.

WELCOMES

SOLE POINT AT ISSUE.

Chairman of Board of Directors

Says Corporation's Practice

Is Usual System.

"It is a mistake," he said, "to sup-

pose the proceedings are directed against the United States Steel cor-poration or any other manufacturing concern. They involve a simple ques-

ion relating to the Pittsburg base

Many, if not all other lines, he said,

Many, if not all other lines, he said, carry out similar practices. These consist of establishing a system of base prices and plus prices. Except for rails, steel, wherever made, is delivered under this system at the Pittsburg base price plus what the freight would have been from Pittsburg to the delivery point. Pittsburg is known as the basine point in the

is known as the basing point in th

Delaware Differences Settled.

PHILADELPHIA, May 1.-Th wage scale dispute between the mas-ters, mates and pilots and marine

engineers employed on tugs in the Delaware river and bay and their em-ployers was settled yesterday by a decision of a local board of arbitra-

was accepted.

The reduction of 15 per cent

Read The Oregonian classified adb.

rofits taxes he said an intelligent revision of these taxes should en-courage production. The profits taxes, he estimated, will yield not more than \$450,000,000 for the taxable year of 1921.

Revenue Declared Reduced. As for a substitute for this tax. Mr. Melion cited estimates of \$400,000,000 annually as a yield from an additional flat tax of 5 per cent on corporate incomes, provided the exemption of \$2000 now accorded corporations is eliminated.

Discussing the readjustment of income tax rates, he said higher surtax rates have reached the point where

rates have reached the point where they serve to drive capital into tax exempt securities and thus reduce the

The tobacco and capital stock taxes and the taxes on admissions should be retained he believes, but he urged that so-called luxury and "nuisance" taxes be got rid of because they are

DISASTER SEEN IF FLAG IS LOWERED AT SEA.

Army Cannot Be Sent Over Water That Is Not Guarded, Is Secretary's Declaration.

DETROIT, May 1.—The United States navy was described as an asgurance against disaster by Secretary But an increasingly powerful factor Denby in an address last night. "If Denby in an address last night. "If This will be Monsignor Lane's sectified like the flag is ever lowered on the sea." ond visit to Rome. He was there he said, "prepare to lower it on land nine years ago, when he went to Failure to maintain the navy will spell absolute disaster. You cannot send an army over unguarded seas."

Secretary Denby referred to what he said was the frequently heard he is now a member of the official household of the vatican. This honor is one of the incidents of his recent is one of the incidents of his recent sive institution. It was necessary insurance, however, he said, adding: "All the cost of all the navies of all the world was saved by Great Britain one terrible week."
"You know and I know," he con-

tinued, "that if they had not had that navy there would be no England

A friendly greeting awaits any nation that extends to the United States the hand of friendship, he said. "But no nation that comes to us with intent to do us harm shall go unscathed," he added.

### GRANGE TO HAVE PARADE PIFTSBURG BASIC PRICE HELD

Demonstration to Feature Oregon State Session at Eugene.

EUGENE, Or., May 1.—(Special.)—A monster parade on the business streets of Eugene will be the big feature of the first day's session of 1822 Budget Uncertain.

"Reduction of appropriations moreover, will not of itself be effective to reduce expenditures unless congress avoids or centrois measures which result in expenditures without an apparent appropriation," he said. Reappropriation of unexpended balances, revolving fund, appropriations and appropriations of receipts and other indefinite authorizations of expenditures in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the past have been responsible for hundreds of millions of dolonge in the first day's session of the Oregon state grange, which meets have a 2. NEW VORK. May 1.—Eibert H. Gary chairman of the board of directors of the United States Steel correctors of the

Hundreds of homes will be thrown

UNIVERSITY OF OREGON, Eugene

Reds to Be Put Down.

ROMP, May 1.—The cabinet coun-cil today decided to meet the May day demonstrations with firmness and to

Opposed to Venture.

BY WILLIAM BIRD. (Copyright, 1921, by The Oregonian.)

PARIS, May I.—(Special Cable.)—
World Arbiter Wilson has been superseded by World Arbiter Harding. That is the plain situation as recognized by those Europeans with vision clear enough to see through the veils of hesitation and uncertainty with which international relations are shrouded at this critical hour. It is realized that re-entry of America into world counsels means that the United States

be between 2000 and 2000. The number of ships affected by the lockout to said to be about 1000, of which between 200 and 2000. The number of ships affected by the lockout is said to be about 1000, of which between 200 and 2000. The number of ships affected by the lockout is said to be about 1000, of which between 200 and 2000. The number of ships affected by the lockout is said to be about 1000, of which between 200 and 2000. The number of ships affected by the lockout is said to be about 1000, of which between 200 and 2000 are in this port.

The total tonnage involved is about 10,000 of which between 200 and 2000. The number of ships affected by the lockout is said to be about 1000, of which between 200 and 2000. The number of ships affected by the lockout is said to be about 1000, of which between 200 and 300 are in this port.

The total tonnage involved is about 10,000 of which the said to be about 1000, of which between 200 and 300 are in this port.

The total tonnage involved is about 10,000 of which 7,500,000 is owned by the United States shipplus board. The passenger lines affected by the lockout is said to be about 1000, of which between 200 and 300 are in this port.

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The total tonnage involved is said to be about 1000,000 is owned by the United States shipplus about 1000,000 is owned by the United States ship counsels means that the United States must henceforth assume the leader-ship with whatever profit and respon-

stbilities that position entails. Stubborn nationalists of all countries, perhaps especially those of France, may insist that their course s not to be swayed by Washington, is not to be swayed by washington, but from the moment Secretary Hughes said in his note to Germany "the United States is anxious to see negotiations resumed," and promised to examine new German proposals, Washington instantly became the supreme court of world opinion.

America's Power Realized. Nobody, of course, supposes that President Harding desires to assume an arbitrary role; indeed, he has him-self disclaimed such an ambition, but the cold fact is, and wise Europeans perceive it, that with America's over-whelming economic power and posiwhelming economic power and posi-tion as creditor to all of the other rincipal nations, the least hint from Vashington must be more influentia than the most formal declaration from any other capital. Added to this is the tremendous prestige that the mere name "America" carries with the masses of the people of every Eu-

topean country.

It is a curious thing that even among the extreme socialists, America enjoys peculiar immunity. During the

Prance Wants Assurance.

In all these circumstances, therefore, the evident distaste of the American government for the proposed Ruhr occupation plan may have a profound effect, A milder tone already is apparent in Paris, while London quite frankly is in opposition to the move which only a week ago it seemed to approve.

But it should plainly be understood

Lane will go to Paris, where he will vist some of the professors at the Seminary of Paris who were his instructors when he was a student at the Sulpician seminary at Montreal. He will then go to Lyons, where he will visit the primatial church of France, and thence by way of the Riviera and through the principality of Monaco to Rome. abandon the venture demanded by the of Monaco to Rome.

Monsignor Lane expects to reach Rome by the end of May. He will have an audience with Pope Benedict and present the support in exacting payment by other means. Otherwise the Briand ministry will be left without a leg to stand on, and will have to give way to Poincare and the extreme reaction.

this and the belief is current in informed quarters that during the present London conference American influence will be brought to bear in
favor of a sane, peaceful settlement
such an intervention might raise exiremist protests in both France and
iremist protests in both France and
iremistation in the Iremistation in the Iremistation in the Iremistation in the Iremistation in th Rome, he expects to go to Switzerland and visit at the lake of the Four Cantons and at Lucerne. He will re-turn to Parls and will sail for the United States the latter part of July. Such an intervention might raise ex-iremist protests in both France and Cormany, but if it contains elements the Minnesota & Ontario Paper of fairness and practicability it will eceive wide popular support in both

STRIKE HOLDS UP 4 CRAFT

(Centinued From First Page )

AMERICA COUNTED

EUROPE'S SAVIOR

EUROPE'S SAVIOR

Hint Might Halt Proposed Ruhr Invasion.

FRANCE'S ARDOR COOLING

Paris, However, Will Insist on Adequate Guarantees; London Is 'Opposed to Venture.

shortly, after 4 o'clock this afternoon at the close of formal meetings held at various headquarters in this city by the marine engineers, marine firemen, marine cooks and stewards and the international seamen's unions. Each of these unions cooks and stewards and the international seamen's unions. Each of these unions cook and put into effect at midnight Saturday by two big steamship owners' associations.

The meetings were largely attended, and after a vote of rejection had been passed the word was flashed by wire to all coastwine centers. Each of the suspension of all work on shipping that became effective after the vote of rejection had been taken. Approximately 125,000 workers are involved in the so-called lockout. Of this number between 30,000 and 40,000 are in this port. The engineers claim a membership of 15,000, of which 6000 is in this district. A rough estimate places the membership of the firemen. is in this district. A rough estimat ollers, water tenders, deck hands and other locals at 110,000 exclusive of radio operators. In this latter class the local membership is estimated to be between 2000 and 2000. The num-

liners, St. Paul, Philadelphia and New York already are tied up. Just how effective the lockout is to

be will not be known for at least 24 hours more. It was stated a day c two ago in congress that a complet tieup of the shipping industry would cost the country at least \$1,000,000 a

Trans-Atlantic liners flying the american flag were not impeded on their way to their berths yesterday, but the Marine Firemen's union an-nounced that the firemen would with-draw from all these liners as soon as they were berthed and left in proper condition unless the firemen were in condition unless the firemen were in-formed that the old wage scale would be continued. In the case of all in-coming vessels the instructions are that all union workers will finish whatever is to be done, put in their time and report immediately to the headquarters of the union they are affiliated with.

UNION MEN QUIT FOUR SHIPS

Shipping Board Official Says He Can Get New Marine Workers.

Can Get New Marine Workers.

SAN FRANCISCO, May 1.—Initial at the public auditorium, may be brought here for another showing this developments here in the threatened nation-wide strike of marine workers meaning to W. T. Pangle, under whose management the picture has been shown here. So popular was the picture that hundreds were turned away yesterday, it was said, especially at the performance at night. The picture was shown last week to approximately 30,000 persons, according to W. T. Pangle, toonist of Fortland: Clyde Kellar, formerly of Salem; Frank S. Bowers, formerly of the San Francisco Expensions. Officials of the local marine unions. Officials of the local marine carteonist on the Oregon Journal; A. to public auditorium, may be to carteonist on the Oregon Journal; A. (S. Robertson, theatrical poster carteonist of Fortland: Clyde Kellar, formerly of Salem; Frank S. Bowers, formerly of the San Francisco Expensions. Officials of the local marine unions. Officials of the local marine the picture was said, especially at the performance at night. The picture was shown last week to approximately 30,000 persons, according to W. T. Pangle, the picture whose management the picture of Fortland: Clyde Kellar, formerly of Salem; Frank S. Bowers, formerly of the San Francisco Expensions. Officials of the local marine the picture was said, especially at the picture at the picture of the San Francisco Expensions. The picture was said, especially and the picture of the San Francisco Expensions. The picture was said, especially and the picture of Portland: Clyde Kellar, formerly of Salem; Frank S. Bowers, formerly of the San Francisco Expensions. The picture was said, especially and the picture of Portland: Clyde Kellar, formerly of Salem; Frank S. Bowers, formerly of Salem; Frank S. Bowers, formerly of the San Francisco Expensions. The picture was said, especially and the picture was said, especially and the picture of Fortland: Clyde Kellar, formerly of Salem; Frank S. Bowers, formerly of Salem; Frank S. Bowers, formerl resulted in the abandonment of four United States shipping board vessels last few days the socialist and communist press of the principal countries has freely discussed the resumption of international burdens by the United States. Although this press is United States. Although this press is hostile in principle to all capitalist government, it frankly regards American intervention as a gain for the cause of peace. It must be remembered that socialism has gained many adherents in Europe through the opposition of all these new warlike manifestations. In fact, there are many people professing socialism in Europe professing socialism in Europe today who disagree totally with the socialist theory, but are unable to find any other powerful party taking an uncompromising stand against renewed warfare.

Dort and others on the Pacific coast would be ited up. Constwise passengers that duditorium.

OREGON PUBLISHER HOST OREGON PUBLISHER HOST OREGON PUBLISHER HOST OREGON PUBLISHER HOST OR THE AMERICAN CONTROL OF THE AMERICAN

the move which only a week and about a settlement, was expressed by seemed to approve.

But it should plainly be understood that France has got to have guarantees. If persuaded by America to duration.

MILLS DIVIDED ON STRIKE

Some Paper Manufacturers Suspend, Others Keep Old Scale.

Monsignor Lane expects to reach Rome by the end of May. He will have an audience with Pope Benedict, and present the report of the archibishop on the condition of the diocase. After spending some time in this and the belief is current in increase. After spending some time in the case of a proposed wage of a proposed wage. pany and the Fort Francis Pulp & Paper company suspended operations today, several smaller concerns have agreed to continue the present wage scale and working conditions.

Passion Play May Return. The Passion play production, "B iold the Man," which has been shown cartoonist on the Oregon Journal; A. Munsey's farm last fall and took the

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of these resources offer to western enterprise.

in developing the resources of the West.

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meeds which the company alleges Munsey had contracted to sell it, will go to trial in the state cirhere tomorrow. It is a replevin case with rather unusual features When it filed suit Portland Seed.

OREGON

When it filed suit Portland Seed company asked for the seed and \$100 damages for Munsey's failure to deliver in accordance with the alleged contract. Munsey has asked for a return of the seed to him or, in the event that the seed cannot be returned, that he receive \$825 as the value of the seed and \$100 appendix that he receive \$825 as the value of the seed and \$100 appendix that he receive \$825 as the value of the seed and \$100 appendix that he receives \$825 as the value of the seed and \$100 appendix that he received that he received that he received that the seed and \$100 appendix that the received that the receive









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from the sour milk. I egg. Sift I eup flour, I teaspoon soda and 3 tablespoons Ghirardelli's Ground Chocolate together four or five times; add the creamed butter and sugar; then the egg, well beaten, and the sour milk. Stir well. Bake in a moderate oven; when cool, cover with chocolate frosting.

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