

RECOVERY OF MARK REVIVES OPTIMISM

Germany Breathing Bit Easier as Result.

HOPEFUL FACTORS FOUND

Nation Feels That Although on Brink of Ruin It Has Been Saved for Time.

BY CYRIL BROWN.
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BERLIN, Feb. 7.—(Special Cable.)—Germany is breathing a bit easier, and a feeling of slight relief and reviving optimism is noticeable. Saved on the brink of ruin but still hovering on the brink, the German view of the situation following the partial recovery of mark exchange after Wednesday's lowest level.

All Germany is eagerly watching whether the next few days will see a relapse or a continued improvement. The sensational depreciation of German money as measured by the exchange rate has not only interested the financial and business world, but has been the foremost topic of interest for all classes of the German people, who are thoroughly alarmed and almost panic-stricken at Germany's economic future.

The temporary improvement has tended to check a sensational rumor which for the past week has alarmed the people, that Germany was on the eve of state bankruptcy and would be forced to suspend payment of interest on war loans. Typically German financial writer says:

Pessimistic View Taken.
"Germany at present is playing the role of a once rich man gone bankrupt, who nevertheless puts out from notes and endeavors to keep up his old mode of living. Jail or a revolver bullet is the probable end of such a man, but for a whole nation these possibilities do not come into the question. It must continue to exist, but under what circumstances nobody can say, neither financial experts nor economists."

"Daily one talks of the approaching catastrophe, of inevitable collapse, but nobody can picture the extent of his condition. Meanwhile we hasten toward an abyss which will only become feasible as utter chaos. Every one who feels increasing prices tightening like a hangman's noose around his neck, thinks when the peak will be passed and a change for the better come. Unthinkable possibilities still await us—cost increases of 50 to 60 times pre-war costs and more. Despite this situation that takes our breath away, complete lack of discipline prevails in Germany's economy."

A particularly unfavorable factor in the condition of Germany's railroads, Prussian Railroad Minister Oser announces that more locomotives are going into the repair shops than are coming out repaired, and that on January 11 there were nearly 11,000 locomotives, or nearly 50 per cent of the total number, in need of repairs, despite the fact that nearly three times as many workers are employed in the railroad repair shops as before the war.

Three Hopeful Factors Found.
Against this there are three more hopeful factors in the situation. First, the government authorities feel themselves strong enough to force through a new policy of making state employees actually work. The beginning of this reform has actually been made by locking out all workers in the state railroad workshops and re-employing only those workers who sign an agreement to do an honest eight-hour day's work under the old piece system and to give up smoking during working hours.

So far about 10 per cent of the locked out workers are willing to return to work under the government's ultimatum.

The second hopeful feature is that the new coal strike to put over the six-hour day has apparently been averted. The bulk of the miners seem disinclined to follow their ultra-radical leaders.

Thirdly, unemployment in Greater Berlin has receded almost to pre-war normal. There are today approximately 25,000 out of work against 275,000 in February of last year and 34,000 December, 1918.

HOUSER HELD SPECULATOR

(Continued From First Page.)

The price to about \$1 a bushel above the government price.

Three Concerns Are Named.

The grand jury report on Houser is as follows:

"The Pacific Grain company, the successor of the M. H. Houser Grain company; the Pacific Coast Elevator company and the Puget Sound Warehouse & Elevator company are owned and operated in connection with the Portland Flour Mills concern, with headquarters at Portland, Ore. These corporations were owned by M. H. Houser, vice-president of the United States grain corporation for the northwestern district. At this time he became vice-president he made some kind of a transfer of his interests in these concerns and does not at this time appear as owner."

"The officers of the United States Grain corporation for the northwestern district and the officers of the above-named companies are all located in a building owned by M. H. Houser in Portland, Ore., and it is the belief of the grand jurors that he, Houser, is the real party in interest in the milling and grain concerns above named, and that by reason of his connection with the United States Grain corporation he has been able to manipulate and operate them to an immense profit to himself and associates."

The Pacific Coast Elevator company admits having bought 11,000,000 bushels of the 1915 wheat crop."

Propaganda Hinted At.
The report charges also that the proposed plan for an appropriation of \$150,000,000 for European famine relief is for the purchase of wheat "now owned largely by speculators and in some cases by interests directly and indirectly connected with some of the officers of the United States Grain corporation."

Reference is made to the reported purchase by Herbert Hoover, former federal food administrator, and Julius Barnes, president of the United States grain corporation, of an interest in a newspaper at Washington, D. C., and the report continues:

"We now note daily newspaper articles which seem to indicate that a propaganda is being carried on through the newspaper by Mr. Hoover urging the financing of a huge scale of wheat and flour shipments to European countries."

Proposed Plan Opposed.
The report opposes such a plan, declaring "sales to Europe will benefit only individuals, and the consumer will pay the bills."

Mr. Houser's alleged connection

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North Fork of Lewis River to Be Dammed.

COST ABOUT \$5,000,000

Northwestern Electric Company of Portland Plans to Hold Back Flood Waters of Winter.

VANCOUVER, Wash., Feb. 7.—(Special.)—A huge electric power house driven by water dammed on the north fork of the Lewis river, and to cost possibly \$5,000,000, is to be built by the Northwestern Electric company of Portland, it rumors to that effect are true.

The company has for some time had surveys at work about half a mile above the bridge known as the Yacolt-Yale bridge, and built jointly by Clarke and Cowitt counties. The big dam at the head of this canyon is to be built to hold back the flood waters of the Lewis river and used at will when needed to drive the immense turbines to be installed. The electricity generated will be brought out and to Portland by high-power lines.

Vast Power Possible.
It is said that the amount of power that can be generated by this water power is almost unlimited.

The company, it is learned, has been thinking about building this plant for several years, but not until the construction of the Yacolt-Yale bridge did it send surveys in to make plans for the building of the dam and powerhouse. The company will build a road on the north side of the stream, in Cowitt county, but cannot on the south side, owing to the formation of the walls of the canyon.

The north fork of Lewis river flows between Clarke and Cowitt counties and empties into the Columbia river at a point just below Ridgefield and above Woodland two or three miles.

Work to Begin This Summer.
It is believed that with such a source of power that electricity can be furnished to this part of the state considerably lower than it is at this time. It is understood that the construction work will begin this summer.

G. C. Pierce, vice-president and general manager of the Northwestern Electric company, said last night that the company had men looking over their holdings on the north fork of the Lewis river, but that no definite plan for building there had been completed. It is possible, he said, that work on a hydraulic or steam plant on that site may be started next fall, although no arrangements for financing the building had been arranged yet.

Work Not Yet Financed.
"Our company has owned some holdings on the north fork of the Lewis river for years," said Mr. Pierce. "During the severe weather this winter we sent a man up there to study climatic conditions to indicate amount of snow and the possibility of slides. But we have decided nothing definite. We may build either a hydraulic or a steam plant there. We may begin work next fall. But we have not attempted to finance the work as yet and there really is nothing that can be said about it."

Woman Killed, Baby Is Saved.
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Others Had Also Puzzled.
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Mr. Goetsch was at a loss as to how the man's head could have been torn from the body if it was a case of ordinary drowning. He said it was impossible to say last night whether it was a case of drowning or violence.

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Deputy Coroner Goetsch said it was unlikely that the body of a man drowned where York was would be carried to the position where the head was found late yesterday. He was also puzzled as to how the head could have been severed from the body. There is a possibility that the body came in contact with a motor boat, the blade of the propeller cutting the head off, it was declared.

Further investigation will be made by Deputy Coroner Goetsch today in the hope of clearing the double mystery. Detectives worked on the case nearly all last night.

Danes Prepare for Plebiscite.
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Stiff Neck, Lumbago.
Aches and Pains of Rheumatism Sometimes Almost Unbearable.

There are weather conditions that make rheumatism almost unbearable. They are not the same in the cases of all persons. Some victims of this disease suffer more in dry warm weather than in moist cold weather, but all suffer more or less all the time.

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The assistance of the United States department of justice and of President Wilson is asked to prevent the grain companies of this section from carrying out an alleged threat, in case an effort is made to compel them to sell their grain to the mills at cost price, plus a fair charge for handling, to close their mills and ship the grain to eastern centers.

Simultaneous action by the department of justice throughout the United States to prevent such course is asked, and the president is asked to fix, under the terms of the wheat port decree, a maximum selling price for wheat at the price paid the farmer, plus a reasonable carrying charge. It also is recommended that similar price be fixed on flour and mill feeds, the price of which, it is declared, is unreasonably high because of alleged manipulation of wheat sales. Such a price, the jury recommends, should not apply to the farmer.

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Easy Terms—No Interest

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Bed Davenport \$96.75

Other Bed Davenports DISCONTINUED

THREE-PIECE Parlor Suites (CLOSE-OUT NUMBERS)

Wicker Furniture

Substantial Saving

Overstuffed Pieces Also Reduced

Beautiful Overstuffed Rockers

Bridge-Beach & Co.'s

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Elegant Bedroom Pieces

Full-Size Bed

Chiffonier With Mirror

Three-Mirror Dressing Table

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