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AN INDEPENDENT NEWSPAPER

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> We must not make a scare-crow of the law,
> Setting it up to fear the birds of prey,
> And let it keep one shape, till custom make it
> Their perch, and not their terror.
>
> —Shakespeare.

WILSON AT GETTYSBURG

STANDING on the field of Gettysburg, President Wilson voiced a nation's reply to President Lincoln's plea for happiness. Fifty years have worked wonders in America. The conception of liberty has broadened; error has shifted its base of operations. It is no longer a war in behalf of race; it is a war declaring that government of the people, by the people, for the people, has not perished from the earth.

I have been chosen the leader of the nation. I cannot justify the choice by any qualities of my own; but so it has come about, and here I stand. Whom do I command?

Whom does the new leader command? Fifty years ago it was a war against error. Today it is a war in behalf of all humankind. It is significant that the chosen leader is a Virginian, that his generals come from Alabama, from Texas, from New York, from Nebraska. For the first time in a generation a southern leader is in command at Washington, and there is no fear, there is no North or South.

What could be more fitting than that fifty years after, a Virginian should be leading in the "New birth of freedom", that Lincoln visualized at Gettysburg?

Lincoln pleaded for that greater patriotism which would know no North, no South. Wilson pleads for a patriotism that shall know no great, no small, no class or difference of any kind or race or origin. The pleas are identical except in the occasions calling them forth. Both leaders pleaded for the life of the nation and the happiness of its people.

Do not put uniforms by. Put the harness of the present on. Lift your eyes to the great tracts of life yet to be conquered in the interest of righteous peace, of that prosperity which lies in a people's hearts and outlasts all wars and errors of men.

Righteous peace is to be made at another Appomattox. There both North and South will be victors.

FOR A COMMITTEE

THERE is a plan to select 12 men for securing funds and generally directing the 1914 Rose Festival.

His friends are suggesting L. Samuel for a place on this committee. They offer good reasons for his selection.

He is said to be the first man who planted a rose hedge in Portland. He was one of the first to propose that Portland be designated as the Rose City.

For years, Mr. Samuel was in advance of average Portlanders in comprehending the future of Portland and in proclaiming that future to the world. His enthusiasm of earlier days, stronger now than it ever was, is an excellent asset for such a committee as is proposed.

Mr. Samuels' powers as a business figure are apparent in the fact that he has established and built up a life insurance business and made it a purely Oregon institution.

JOBBING THE INDIAN

WASHINGTON has finally been aroused to the necessity of a congressional commission to investigate the entire Indian service. Revelations have been of such a nature that investigation cannot be avoided. It should proceed with relentless justice.

Evidence is already before congress that Indians have been robbed of their lands; that many are becoming blind from trachoma and dying from consumption, as a result of the government's failure to care for them; that Indian schools are inefficient, and that the Indians have been subordinated to a system as archaic as it is vicious. Charges have been made involving integrity of officials and loose and improper expenditure of government and tribal funds.

The Indian population, according to the last census, is 265,000. The Indian bureau claims there are 322,000. The difference is said to be made up of whites and negroes intruding upon the allotment rolls. Evidence has been secured that negroes were solicited by white investors to claim connection with Indians receiving allotments.

An investigation made by the Marine hospital service shows that 22.7 per cent of the Indians are afflicted with trachoma, and 25.5 per cent with tuberculosis. One third of all the Indians live in Oklahoma; 68 per cent of these Indians have trachoma, and thousands of them are practically blind.

Senator Lane has charged that 40 per cent of the cattle controlled by the Indian bureau are tubercular, and 60 per cent of the Indian children are tubercular. He made the positive statement that tubercular glands were cut from beef carcases in Portland and the meat forwarded for Indian consumption.

Civilized America has a duty to perform.

THE ALBEE PROGRAM

IT IS announced from the city hall that there will be no transfer of liquor licenses during Mayor Albee's administration. The announcement is by the mayor himself, and the matter of liquor licenses is in his department of public safety. He is in control with the consent of the four commissioners, or at least of enough of them, to pass the ordinance which has been prepared for establishing the policy.

The mayor's announcement gives the first real view of commission government. The whole city is going to witness in full view the exact attitude of all the city government on the question of the transfer of these licenses.

On the issue each of the five men will have to stand up and be counted. There is no way to dodge, even should either of the commissioners desire to dodge, which is wholly unlikely.

In the new regime, there are no license committees, no executive boards, no wheels within wheels, no outer circles and inner circles, no labyrinthian division of authority and responsibility.

The transfer of liquor licenses is an extremely important policy. It indirectly involves the model liquor ordinance, which provides that Portland shall not have more than one saloon for each 1000 inhabitants. This was the promise made by the liquor interests when the Home Rule measure was up for adoption by the people.

The present number of saloons in Portland is 416. The population of the city under the 1910 census was approximately 208,000, which, by the terms of the model liquor ordinance would limit the number of saloons in the city to 208, or less than one half the present number.

By transferring a license when its holder dies, moves away or goes out of business, it is kept alive, and the number of saloons is maintained at a maximum. If the transfer policy is discontinued, the number of licenses will begin at once to decrease, unless the commission defies the model liquor ordinance that was prepared largely by the liquor people and passed with their cooperation. This is why, under the old system, there was great significance to a transfer of a license, and it was also one reason why with committees within committees and boards within boards, the dodging of the issue and the disregard of the model liquor ordinance went steadily on.

It will not be a matter of dodging in the present instance. There is no division of power. There are no side shows now in city government. The whole business is in the open. The people will get a good view of the working of commission government in the very first issue projected upon the scene.

SAVING THE FORESTS

E. T. ALLEN of Portland, forester of the Western Forestry and Conservation association, tells in World's Work of seven years' advancement in saving northwestern forests from fire. The article is timely because it illuminates the advantages of cooperation between nation, state and timber owners.

Sixteen private cooperative fire associations in the Pacific Northwest are tributary to the larger association. They patrol approximately 20,000,000 acres, containing 500 billion feet of timber. Expenditures vary, having been about $200,000 in 1912, one of the wettest years, and $700,000 in 1910, the worst year.

Last year the area of merchantable timber burned over was only 14,000 acres, or one sixteenth of one per cent of the area protected. The timber destroyed beyond use was one seventieth of one per cent of standing timber in the protected area. In 1910, the worst fire year in American history, the association's patrolmen extinguished nearly 6000 fires and kept the private loss in Idaho, Washington and Oregon down to less than a quarter of one per cent.

The association is efficient through cooperation among private owners and with state and federal governments. The association organizes new patrols, advises as to new methods and developments, helps to frame and pass forest legislation, studies the operation of laws and advises how to make the utmost use of them. It improves opportunities to bring private, state and federal agencies together, and carries on a systematic educative campaign directed at lumbermen and the public alike.

The advantages of intelligent cooperation are manifest when it is stated that Montana, Idaho, Washington, Oregon and California, states included in the association's activities, contain more than half the merchantable timber in the United States. These states are now producing about one-fifth of the lumber used, and the proportion increases yearly.

But Mr. Allen suggests that attention should be directed toward making the Pacific Northwest the nation's woodlot. Saw timber can be grown in from 40 to 75 years. In some localities a yield of 40,000 board feet an acre may be reached in sixty years. He says that 20,000,000 acres of burned and cut-over land, public and private, on the Pacific coast, which is not valuable for other uses, can yield 500 billion feet of timber in sixty years.

PORTLAND BONDS AT HOME

THE attention of the Portland city commission is respectfully directed to the conditions in the bond markets.

Oakland, California, recently attempted to refund $2,000,000 of her bonds, and failed. The interest rate was 4½ per cent and the issue was redeemable in forty years.

The situation has created an emergency, and the city commission has called a special election in which the people are asked to authorize a three-million-dollar issue of 40 year bonds drawing 5½ per cent interest. The Oakland authorities hope that the unusual interest rate will attract bidders sufficient to float the issue.

In Baltimore, the city's request for bids for an issue of $5,300,000 4 per cent bonds brought proposals for only $500,000 worth, or but one tenth of the amount offered for sale. Thereupon, the Baltimore Sun bought $993,000 of the securities and sold them in only nine days to Baltimore people. The sale was at ninety cents, and it continued until the city authorities withdrew the securities from the market, to wait for better prices.

In Tennessee, an eleven-million-dollar refunding issue of bonds twice failed to sell, and a special session of the legislature increased the interest rate to six per cent, when the issue was taken by New York investors.

In Louisiana, $11,000,000 in state bonds are falling due, and the governor is seeking means of refunding them. He called the bankers of the state into conference and they refused to handle the loan. The problem is still unsolved, and for the present the state stands face to face with possible repudiation of its securities.

These are all instances in which the financial centers and big investors were relied upon to handle the securities. They are indication to the Portland commission of the glutted conditions due to a volume of hitherto unheard-of bond offerings. The difficulty of selling is in striking contrast with the popular sale in Baltimore to home investors, or in St. Paul to home investors, or in Duluth to home investors.

In Duluth, an issue of $100,000 certificates was oversubscribed by local investors in only four days. They are certificates against the water and light plant, and bear five per cent interest. In contrast with the sale of Tennessee state bonds at 6 per cent interest, the Duluth city certificates went at 5 per cent interest to home people, and at par.

THE LIMIT

RECENT dispatches told how a French aviator with bombs scattered federal forces and drove two Mexican warships out to sea from the harbor of Guaymas.

If a single airman dropping explosives can frighten an army and put warships to flight, what will happen when the machine of the air becomes more perfect? Does it not mean that there is almost a certainty that a limitation is going to come to armaments, if not by consent of the nations, then without their consent, and by the terrible arbitrament of warriors in the clouds.

There are limitations to human courage. There are conditions under which men in armies will refuse to fight and when men on ships will speed for safety. These conditions appeared in the episode of the aviator at Guaymas.

A New Pennsylvania law "forbids the granting of a marriage license to persons either one of whom is imbecile." Some Pennsylvania bridegrooms will be prone to wonder—after the wedding—why they were exempt.

Texas has a new statute which makes it unlawful for any person to become intoxicated except in his own home. Rather nifty legislative wrinkle for the encouragement of home-building in the Lone Star state.

"The day of our country's life has but broadened into morning," said President Wilson at Gettysburg. True words, beautiful words. With such an inspiration, those eyes are dull indeed that cannot see the dawn.

An eastern writer thinks it would be nice to be a fly because there's so little of a fly to get "all het up." Wouldn't be so nice when it came to changing his brand of tanglefoot.

The world's wealth is said to be $115,800,000,000, as expressed in the par value of stock exchange securities. The ciphers may be useful in estimating one's individual share.

St. Louis girl is traveling a distance of 10,000 miles to wed her missionary lover in the East Indies. Cupid is in for overtime to supply commensurate enchantment.

Old "Jupe" should really be acclaimed by Oregonians. He has thwarted Lucifer's every effort to waft his sulphurous breath across the Rockies.

Friday's road race for automobiles between Los Angeles and Sacramento seems to have afforded indifferent entertainment. Only one fatality.

Sereno E. Payne lately celebrated his 70th birthday. A nation will rejoice that the kindly old gentleman outlives his tariff child.

The "joy rider" is never prudent, else when passing a cemetery he would stop long enough to pick out a lot.

Letters From the People

(Communications sent to The Journal for publication in this department should be written on only one side of the paper, should not exceed 300 words in length and must be accompanied by the name and address of the sender. If the writer does not desire to have the name published, he should so state.)

"Discussion is the greatest of all reformers. It rationalizes everything it touches. It robs principles of all false sanctity and throws them back on their reasonableness. If they have no reasonableness, it ruthlessly crushes them out of existence and sets up its own conclusions in their stead."—Woodrow Wilson.

Mr. Kerr's Argument Unsound.

Portland, Or., July 3.—To the Editor of The Journal—In answer to Mr. Kerr's disingenuous letter published July 2, kindly permit me to state that the only things the matter with his argument as to the inviolability of the so-called grants of tide lands on the Willamette by the acts of 1874 and 1876 are as follows:

First—The language of the act immediately preceding the clause he quotes is: "The Willamette river shall be deemed not a tidal stream within the meaning of this act." "And the title of this state to any tide or overflowed lands upon said Willamette river is hereby granted to the owners of the adjacent lands."

No legal authority has ever claimed that the words tide and overflowed lands, under the meaning of the act, applied to any part of the bed of the stream when within its banks.

This act, as was contended by the public's attorneys, was an amendment to the act for the sale of tide and swamp lands for reclamation, and virtually was a quit claim on the part of the state to the abutting owners of all tide lands that might exist or build up in front of their property and were the subject of sale.

That the banks of the river or the shallow water on the shore was the subject of sale is denied by the common law, the United States constitution, the enabling act (accepted by the state as its organic law), public policy and all decisions of the courts except the present one.

In Johnson vs. Knott, Justice Thayer says: "The banks of the river are the shore between ordinary high and low water." * * * "It is unreasonable to suppose that the legislature meant to convey away a part of the bed of the stream. They could no more do that than they could convey away the whole river."

Justice Lord, Wolverton, Eakin and others have conclusively upheld this opinion. Justice Wolverton says (Montgomery vs. Shaver): "It is suggested that the upland owner owns to low instead of ordinary high water; the contrary rule is so well established in this jurisdiction that it is only necessary to cite the cases involving it."

Justice Eakin in State vs. Portland General Electric (the late Oregon City locks case), says the "state's title goes to ordinary high water."

Mr. Kerr, as well as the learned court, reiterates that if there had been a "joker" in the act, it could have been repealed, but after "nearly 40 years' undisputed establishment," it is too late now to deny it.

But they were totally and specifically repealed without any reenactment in 1878. They have not since been in the code, and have, as I said, been unrecognized by all decisions as conveying away the shore lands.

The state did, in the Dabney island case, attempt to sell lands built up since 1874, to which the act would have been applicable if it existed. But as it did not exist, the court held the sale invalid.

That sale, by the way, demonstrates the necessity of the policy of the inalienability of the foreshore, as it undertook to sell 11½ acres of land within the harbor for $22.50 but a few years before the dock commission was compelled to pay $80,000 per acre.

Mr. Kerr says: "If the legislature did not grant these lands it certainly is not subject to criticism."

But the court is, for reviving the act, and it is the court which The Journal criticises.

The language quoted from the United States court decision, Shively vs. Bowlby, relates to tide lands not subject to the burden of commerce and navigation as being a constituent part of the bed of navigable waters.

The language Mr. Kerr quotes as law is not to be found in the Oregon code. The acts are dead, for many good and sufficient reasons besides the repeal of 1878 and the decisions of the court for 35 years.

It is the present court that indulges in "judicial legislation" by undertaking to revive the acts of 1874 and 1876.

Mr. Kerr seeks to apply to river beds the same policy as the federal government applied to uplands, that is, free grants to induce occupation and improvement. But he ignores the fact that all law, natural, civil, common, constitutional and statutory, as well as common usage and prescriptive rights, has drawn a most positive distinction between the public status of uplands and the beds of navigable waters. The federal government refused to donate the water beds and marked them off by meander lines. They are protected to the public in the federal constitution and the enabling act of Oregon, holding them "public highways forever free." They are usually held in the title of the state as sovereign, in trust for all the people, and inalienable except that the state is given the discretion to sell tide flats not useful for commerce and navigation. The misunderstanding, perversion and abuse of this discretion is what has given rise to the present trouble.

There is, as Mr. Kerr states, no question about which policy is the better—the recognition of the public title or the private claim.

Even under private use, there is no necessity for alienating the public title. Under private possession, for use, the title is unnecessary. The title is only useful to the private possessor for speculative purposes, which burdens, rather than benefits, these public easements.

Under public title, the dock commission could carry out its extensive improvements and terminate the unprogressive period of this ports history.

As to the equities built up, Mr. Kerr would hardly claim that a man coming in wrongful possession of a horse could save his illegal gain and outlaw the claims of the rightful owner, by selling to an "innocent purchaser."

However, the public would not object to present investors being repaid the amount of their investments, although they are so careless as to buy property without abstracts or a legal origin.

The most of them got their money's worth, without the bed of the river out to navigation line as now given them by the courts decree.

As to the security of titles, is it not good policy at this time to look to the security of the public's title to basic properties of public interests of such great import?

The foreshore is subject to the public burden of wharfage, the wharf act was to provide for that use of it. No such use was made of the wharf right on the tract for which the dock commission was compelled to pay $850 per front foot, and this decision of the court ignores the essential elements of the law.

J. B. ZIEGLER.

A Question as to Garnishment.

Gladstone, Or., July 1, 1913.—To the Editor of The Journal—A man with family gets wage of $16 a week, and is paid every two weeks. Can this man be garnisheed for fuel or grocery bill?

H. F.

(Section 228 of Lord's Oregon Laws provides that the earnings of any debtor of sums less than $75 shall be exempt from all debt garnishment, excepting for family expenses, such as grocery or fuel bills. In the latter event, 50 per cent of the wage shall be subject to attachment.)

An Oversight.

Portland, June 30.—To the Editor of The Journal—Editorially The Journal says that "Thinkers everywhere have abandoned the idea that crime must be punished by vengeance."

Is your failure to except the editor of the Oregonian an oversight, or an inference that intellectually he is your inferior?

A WOULDBE THINKER.

Portland is nearly the healthiest city of its size, or thereabouts, in the world now, but the new health officer proposes to make it even healthier, and doubtless can do so.

PERTINENT COMMENT AND NEWS IN BRIEF

SMALL CHANGE

Lents will lose its name only officially.

* *

No college ever has endowment enough.

* *

Sometimes a layman makes a fine preacher.

* *

The high schools' curricula may well be pruned.

* *

The world was never before growing better so fast.

* *

Innocent fun is far preferable to frowning pessimism.

* *

Yet one can't expect a quite noiseless Fourth in any town.

* *

It is a pity that Gettysburg hasn't Oregon's climate this week.

* *

Hearing fine noble addresses amounts to nothing unless doing follows.

* *

Now that his conquerors are killing one another off, the Turk can grin.

* *

Many people who really think they are doing their best, or nearly so, are not.

* *

As compared with most places the "drawbacks" of the Oregon country are few and slight.

* *

Dan O'Leary is 70, but not very aged in his legs, at least, having walked 70 miles on his birthday.

* *

Portland is a pretty good place now, as cities go, but after this week it ought to be perceptibly better.

* *

If an old veteran's time has come to pass away, Gettysburg is maybe the next best place to home for the end.

* *

Those distinguished visitors are glad they met in Portland rather than in Chicago or any other middle-west city.

* *

A certain man is such an extreme optimist that he believes and argues that humbug is actually and appreciably decreasing.

* *

Public docks for the great commerce to come must be had, though legislatures and courts have made them very expensive to the people.

* *

Now work on the Great Columbia Southern irrigation project can go ahead; a meddlesome, knocking lawyer has been knocked out by the supreme court.

* *

"We may search the history of the past in vain," exclaimed a distinguished speaker. Whether or not he would have us search the history of the future he did not say.

OREGON SIDELIGHTS

Louis Swanson, who was once a Portlander, homesteaded a quarter section in Lane county 23 years ago. The Eugene Register says he now owns 500 acres, including 20,000,000 feet of first class timber, and his milk check is more than $100 per month.

* *

Bend Bulletin: W. D. Cursey has received word that about 30 members of a United Presbyterian land colony will meet in Bend in the next few days, coming from all parts of the country. The party will be in charge of T. A. McComb of Plano, Ill.

* *

"Nim," a Llewellyn setter, owned by J. E. Brophy of West Salem, and renowned as the prince of pheasant dogs, is dead, and the Salem Statesman gives verisimilitude to a report of a pheasant convention in Brophy's pasture at which grim death tendered a vote of thanks.

* *

In his address of welcome to the Esperantists who recently assembled in state convention at McMinnville, former Mayor McPhillips said: "Nia urbo estas urbo de logejoj, pregejoj kaj lernejoj," and anybody who has ever visited McMinnville will heartily agree with the speaker.

* *

Medford Mail Tribune: The June rains, heavier than usual, have dispelled any danger of forest fires in this section for several weeks, the ground and underbrush being soaked. It is aslo predicted that by reason of the rain the timber loss in southern Oregon will be below 1912—the lowest year for losses.

* *

A problem in efficiency has been worked out by Street Commissioner Lawhorn of Marshfield, according to the Record, which quotes the commissioner as saying that the men, when sent out after a drunk are in no condition to work, and on being put on a job soldier until the boss is called away, and then they skip out.

* *

In the Hood River Glacier is a timely lecture addressed to a numerous class of amateur rainmakers. The Glacier says: "We notice that many place their sprinklers beside the sidewalks and allow them to ramble gayly along, never thinking that people have to pass along the selfsame streets. Pedestrians do not like to carry umbrellas on fine days."

* *

When Sheriff Castling left Pendleton for Arkansas last week with an escaped convict, he encumbered him, as described by the East Oregonian, as follows: "He double handcuffed his prisoner, ran a chain around his waist and through the handcuffs, down through a bracelet on the man's ankle, and back up to the handcuffs. The end of the chain he held in his hand and it served as a trip rope in case the man, manacled as he was, should attempt to make a getaway."

WHAT'S WRONG WITH THE CURRENCY?

John Laurence Laughlin in Review of Reviews.

A man dislikes a leaky house, or a coat that does not keep him warm. An enterprising man devotes his ingenuity and power to putting his house and clothes in good order, and to keeping them so. Why should we not expect a nation as big and rich as the United States to do the same thing with its banking and currency system? Our system has ugly holes in it which cause suffering and disgrace. Perhaps the chief craftsman of the nation is even now coming with his tools to mend our credit and monetary system. Certainly we ought to point out to him and his aids in congress what we wish repaired.

Obviously, we have suffered too long from two defects: (1) the rigidity and inelasticity of our note issues, and (2) the mischievous inelasticity of our credit system, on which the borrowing business public depend. We should not be satisfied with an old hat stuck in the hole; we need a courageous, constructive measure, which will stand forth as the most important enactment since the Civil war.

Banking reform is tied up with currency reform, because banks in this country provide a currency in the form of checks drawn on deposits, and because the question of the organization of credit is even more important than the issue of bank notes. The unnecessary expense of obtaining credit under a bad banking system is borne by the borrower; the impossibility of getting loans in a time of stringency, or panic, shuts up factory and shop and falls most severely upon the wage earner who loses his employment. The defects in our banking and currency system are obvious.

It has long been seen that our currency is needlessly inelastic; that our credit system is even more dangerously inelastic; that our large gold supply is ineffectively used; that the scattering of reserves forbids cooperative action by the banks in time of stress; that our rigid reserve system even breeds panics; that state banks and trust companies are doing commercial banking, but without cooperation with national banks; that our independent sub-treasury often attacks the reserves of banks at times of danger and works without business-like economy and efficiency; that idle funds of banks drift to New York and, on call loans, feed stock speculation; and that our trade is greatly hampered by lack of American banking facilities in foreign countries.

The main features of the remedy needed to cure these defects are easy to understand. It is as plain as a pikestaff that no man selling staple goods like wheat, cotton, drygoods, and the like, ought ever to fail, in any financial emergency, because of inability to convert his commercial paper into a means of payment by which to meet his debts. Last autumn (1912) it was as difficult for a business man to get a loan as it was in 1907. There must be something wrong in our system if the lending power of our banks is thus seriously crippled. Just when wheat and cotton—the best basis of loans in the world—are most abundant, that is the time when it is hardest to get a loan. Such a condition of affairs is a menace to our prosperity. The business world is unwilling to face such another situation in 1913.

First of all, there is a great fear of centralization of power over credits. Of course, where there is the most trade there will be found the largest transactions, the largest banks, and the largest credit operations. There should be no disposition to disturb any such natural tendencies. But every small dealer, every small bank, should be protected in his equal right to credit where his security is equally good with that of another. That is axiomatic. Today the tendency of our highly individualistic banking system is to pull apart, snatch for reserves, and let the devil take the hindmost. We need cooperation; but we do not want centralization. Without having had practically any changes in our banking legislation since the Civil war, there has yet gone on a phenomenal development of credit methods, irrespective of statutes. Consequently, we now have an unregulated, irresponsible centralization of funds in great financial centers. No one is to blame if congress has been asleep at the switch. Now it is proposed that the law should catch up with the growth, so that credit control in time of stress should be regularized and democratized.

Instead of one centralized institution, we may get a cooperation of banks by creating several regional reserve associations. Instead of a mob under a dictator, we may have organized divisions, each led by its own officers, but acting together in some cooperative council of war. If these reserve associations are limited in number and so imposing as to excite confidence by their solidity, and capital, then when the Red Indians of panic break loose each borrower will have a blockhouse of credit within reach, where he may always find safety. We would then get decentralization, home rule and cooperation.

How would this regularization of credit methods help the borrower who has no "pull"? It is simply made a question as to the kind of paper he can offer for a loan; the note of a man who has sold goods, in any part of the movement from producer to consumer, should show the legitimate nature of the transaction; no matter whether the man is a big or little borrower, such paper is always sure of discount—unless the man has no character. Consequently, any bank can loan to such a customer, no matter what the stringency may be, because that bank can have such paper made the basis of credit at the reserve association of his district. Then what? The proceeds of that credit can be counted as reserves by the individual bank; or the bank can get notes for it which can be passed out to the public. If its resources are increased, its power to lend is made elastic. Then away goes our mischievous rigidity and inelasticity of credit. Instead of clearing houses, to which banks now resort in time of stress, we should have legalized, normal institutions, created in the common interest, working cooperatively for all banks alike, caring for imports or exports of gold for the protection of all of its members, and providing security against the unnecessary and frequent paroxysms of credit which have afflicted our country. Centralization is displaced by decentralized cooperation; and resources would be mobilized to the advantage of all banks, big or little, under due government supervision.

If we can thus remove the dangerous panic producing inelasticity of credit, we have touched the very center of our difficulties, because the elasticity of credit, once obtained, will bring with it the elasticity of our currency. It is to be remembered that in 1907 when a manufacturer needed currency for his weekly pay rolls he could not get it; and his banker could not get funds from his reserve bank in Chicago or New York, even if he had a large deposit to his credit there. Currency could not be had. It was a national disgrace that solvent business men could not have cash, and that the banks of the country, although also solvent, had practically suspended payments.

"WHERE THE SUN IS SHINING"

From the Omaha World-Herald.

When President Bush of the Missouri Pacific said he was quitting the gloom of Wall street to go back west, "where the sun is shining," he spoke like a wise man and a philosopher. Where the gamblers gather there may be some reason for despondency and chills because of the manner in which railroad and other stocks are gradually being transferred from the speculative to the sure and substantial basis. Gamblers cannot get rich or stay rich unless there is a game of chance for them to play—with theirs the long end of the chance. The more violent the fluctuations and the greater the uncertainties, the richer their pickings. But when fluctuations and uncertainty give way to a stable equilibrium then there is little for the gamblers to do and loud is their caterwauling.

Here in the west we are workers not gamblers, and that is why "the sun is shining." Why shouldn't it shine? The prospects are for the greatest crop—the greatest production of agricultural wealth—in history. And all the tremendous riches the soil promises to yield this year will be heaped on a very substantial foundation — the foundation of riches laid deep and secure by a great many years of big crops marketed at good prices. The central and western states—the corn belt states—are literally swimming in prosperity, and the railroads, like every other legitimate business enterprise, are sure of getting their full and fair share of it. They will not be allowed to absorb the lion's share, it is true, but neither are they in the slightest danger of bankruptcy. A generation ago a few railroads made excessive profits, and the great majority of railroads were either in the receiver's hands or struggling desperately to escape getting there. At the present time extravagant profits are very rare—but so, too, are receiverships, and railroad securities are getting onto the "safe and sane" basis. The gamblers may complain, and be fearful, but why should the rest of us worry?

The New York Times takes the sensible view of the situation when it says:

"Undoubtedly the time is past when very great returns from railroad investments can be hoped for. The setting up of machinery for careful regulation and the establishing of the principle of reasonableness in rates have practically done away with great speculative opportunities in such investments. It would be sheer blindness to ignore the offsetting advantage of greater security. Immune from confiscatory rate making, protected against the demands of shippers for favors and rebates, delivered from the free pass burden, and brought altogether within the domain of the law, the railroads have acquired a stability of right and position that in the long run will be found to be worth a great part of the privileges and immunities they have lost."

Worth not only "a great part" but the whole—and even more than the whole. No industry that depends upon "privileges and immunities" for its prosperity is on a sound basis. No such industry can ever sleep well of nights or feel sure of the morrow. It can only hope to flourish by making enemies and by its ability either to hoodwink or defy its customers. It is a good trade, in the long run, to give these things up to come within the domain of the law, under the shelter of justice, and enjoy "a stability of right and position" that rests on square dealing. There is more enduring prosperity to be had out of dealing with friendly customers than with hostile ones.

Let the railroads heed the wisdom of the New York Times, let them show the buoyant spirit shown by President Bush and act on the realization that "the sun is shining," and they will have little to fear. Let them trust the people and the people will be fair to them. It is when the people are flaunted, despised and defied that they become dangerous.

The Suicide of Thor.

From the Ottawa Citizen.

It has been popularly supposed that if ever Thor the god of war, should die, it would be before the triumphant forces of the army of Peace. And while this may be true in the larger sense, there are increasing signs that the end of war will come by reason of the suicide of Thor. War shall die by its own act.

Striking evidence of this is found in several quarters today. It is known by all that the war-debts of the past press heavily upon all nations. Every national debt is in large part caused by past expenditure for war, and every cent paid in interest is a reminder of its costly evil. During the last year much has been done, especially by President David Starr Jordan, to show how war debts fetter the world.

On July 15, 1910, Mr. Lloyd George, referring to naval expenditure, told the House of Commons that "the countries of the world are spending annually 450 million pounds upon this machinery of destruction. In 20 years there has been an increase of 200 millions per annum in this expenditure. All nations seem to be infected with an epidemic of prodigality in this respect, which seems to be sweeping over the world, and sweeping it to destruction." He might have added that Great Britain and Germany were responsible for 40 per cent. of the whole naval cost, and every cent of it a tax on German and British toil.

The Healer.

From the Washington Star.

A physician at a luncheon in Providence told a dialect story:

"A physician from the south," he began, "said he was glad that a new was now better understood—that it was not looked on like the treatment of Dr. Mose.

"A white physician, meeting Dr. Mose, said:

"'Well, Mose, where have you been?'

"'Been to see Cal Clay,' Mose replied. 'He busted a blood vessel wrestlin' with Wash White.'

"'Why, Mose, that's serious. What did you prescribe?' asked the white doctor.

"'I fixed him up all right with alum and gum arabic,' Mose answered. 'Alum to draw the pahts together, and the gum to stick 'em.'"

Pointed Paragraphs

If a woman keeps her face closed when she has nothing to say, it's a safe bet she has reached the age of discretion.

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It's the easiest thing in the world for a man's wife to convince him that he ought not to work so hard during hot weather.

* *

We know a persistent salesman who wonders if it would be worth while to show St. Peter the latest card index system.

* *

After dreaming they were soul mates, an Ohio couple got married. May they never wake up.

* *

This is the open season for young men who clip all the poisoned ice cream paragraphs from the daily papers and show them to the dear girls.