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Nothing is so wretched or foolish as to anticipate misfortune. What madness is it to be expecting evil, before it comes.—Seneca.

NEW YORK'S BOSS

TO PREVENT any "unseemly struggle, I suggest that counsel for the lieutenant governor and for myself agree on a method of submitting the question to the courts for decision," was Sulzer's proposal to Glynn.

The entire matter is now in the highest court of the state—the court of impeachment. No order that any other court could make, no judgment that it could render, would have the slightest binding force upon this high court.

Has Boss Murphy set aside the courts of New York? Is every issue of procedure leading up to the impeachment to be passed upon only by the Tammany majority in the senate? Is a Tammany senate thus to sit in judgment on its own acts, thus denying all courts the right to question any of its moves?

Never did boss so completely assert his authority. He causes his puppet, Glynn, to deny the right of any court to question the things that the boss is causing his legislature to do. Not even under martial law was personal dominion ever more completely exercised.

Murphy is in command, and Murphy is for revenge. No court, no law, no constitution will be allowed to swerve the great boss from annihilating William Sulzer, from annihilating him as a frightful warning to other governors as to the terrible fate of those who disobey the boss.

It is a political Mafia that Tammany is now afraid. Sulzer refused to appoint Murphy puppets to office. He refused to accept Tammany's bogus direct primary law, and demanded a good primary law. For such refusal he is to be politically black handed.

Tammany says it is impeaching Sulzer for speculating with campaign contributions—a most serious offense, if true. But what cares a Tammany boss for speculating in campaign funds? What would Murphy have cared about Sulzer's campaign fund record, if Sulzer had only named a highway commissioner or that would have permitted Murphy to get a hand in the juicy highway contracts for expending millions of public money?

Tammany has sold nominations to judges, as was proved last year. It has committed every political crime in the calendar. It exists for plunder. Murphy, who has no visible means of support, has, as boss of Tammany, become very rich on plunder.

Plunder, indeed, is the cohesive force that holds the organization together, that gives it power, now manifest, to defy the courts, to put the commonwealth into a political receivership, to name the receiver, and to administer its affairs, make appointments to office, move the seat of government from Albany to Tammany hall, and award fat contracts in the office of the boss.

SEEKING TRADE
A NOVEL trade crusade is to be inaugurated by Philadelphia manufacturers. Within a few days a ship laden with home made products is to sail down the Delaware river and encircle the globe. The purpose of the crusade is to show the merchants of the world what Philadelphia can do and it is expected that an increased demand for her products will result.

HOME BONDS AT HOME
OAKLAND, California, is complaining that bond brokers have combined to prevent that city from disposing of five per cent securities. Last Monday the Oakland city council received only three small bids, aggregating \$14,000, for \$990,000 worth of five per cent bonds.

SPLENDID ENCOURAGEMENT
THERE could be no more favorable condition with respect to auto speeding than appears in Portland.

Nobody is more urgent for the police to arrest reckless and irresponsible drivers than are members of the automobile club.

Nobody is more anxious to have the municipal judge send reckless and irresponsible drivers to the reformatory for violations of law than

are members of the automobile club. Nobody has been stronger in urging The Journal to condemn reckless driving and advocate proper punishment of the practice than have members of the automobile club.

It should be a splendid encouragement for Municipal Judge Stevenson in his present policy of using the rockpile as a just reckoning with those who are making the auto an instrument of menace and manslaughter.

ON TO THE BONEYARD!

PUBLICATION of the San Francisco Call will be abandoned, and the plant be dismantled. A great sum has been expended by a San Francisco millionaire in an effort to keep the Call alive. The money so spent is variously placed at \$2,000,000 to \$5,000,000. It was futile, and the oldest San Francisco newspaper will go into the discard of the journalistic boneyard.

No newspaper can bear up under the burden of ownership by the idle rich. It cannot survive as the plaything or diversion of a millionaire. It cannot exist as a caudal appendage to a colossal fortune.

Conduct of a newspaper is a serious business. There must be mission and objective different to that of an ownership which holds the publication as a toy.

It is a paper's heart that keeps it alive, and lack of heart that lets it die. There must be pulse beat in response to the exquisite touch of the masses in their appeal for bettered conditions. There must be ear to hear the petition of poverty and eye to see the tears of the luckless.

There must be soul to know the "cools where poor men lie and the chorés that poor men do." There must be purpose to build and power to conceive.

It must oppose government by money and government by the mob. It must fight for human rights, strive for human welfare, struggle for truly human ideals and seek to conserve human hopes.

In these things, the Call did not meet its responsibilities. Its amateur ownership by a millionaire robbed it of its power to know how to render human service. It was an ownership that destroyed the paper's kinship and sympathy with the great commonalty.

Its ownership was its blight, its connection with idle wealth its calamity!

THE COST OF WAR

COST of the Balkan wars in men and money have been estimated, and the totals are grim argument of the futility of war. It is now said that 400,000 lives were sacrificed in battles, massacres and epidemics. The money cost approximated \$1,300,000,000, and the Balkan states have dropped back in civilization's march so far that years must elapse before the lost ground can be regained.

The Boer war cost England 20,000 dead and \$1,000,000,000 in money. That conflict was a tremendous sacrifice, but the Balkan wars exceeded it in dire results. Turkey mobilized 450,000 soldiers, of whom 100,000 were killed at a cost of \$400,000,000.

Bulgaria had 350,000 soldiers in the field, of whom 80,000 were killed in the war with Turkey and 40,000 in the later conflict. The first war cost Bulgaria \$300,000,000, and the second \$180,000,000.

Servia mobilized 250,000 men, of whom 30,000 were killed fighting Turkey and 40,000 fighting Bulgaria. The Turkish war cost Servia \$160,000,000, and the Bulgarian war \$100,000,000.

Greece used 150,000 fighting men, of whom 10,000 were lost in the first war and 30,000 in the second. The money cost to Greece was \$120,000,000 in both wars.

Montenegro's army numbered 30,000 soldiers, of whom 8,000 were killed with a cost of \$4,000,000. The former allies spent \$524,000,000 and sacrificed 128,000 soldiers in the war against the Turk, and spent \$230,000,000 and sacrificed 130,000 additional lives in war over division of the spoils.

Armed conflict has not only crippled the combatants and set back civilization, but has saddled the future with almost unbearable burdens.

HOME BONDS AT HOME

OAKLAND, California, is complaining that bond brokers have combined to prevent that city from disposing of five per cent securities. Last Monday the Oakland city council received only three small bids, aggregating \$14,000, for \$990,000 worth of five per cent bonds.

up the city. Los Angeles is finding ready sale for 4 1/2 per cent bonds with Los Angeles residents.

These two cities furnish illustration of the difference between financing a city and bankrupting it. The experience of these two California cities with late bond flotations is eloquent proof of the value of offering bond issues in such a way that home people may become buyers. Los Angeles actually selling its 4 1/2 per cent bonds to home people while Oakland could not sell 5 per cent bonds to the usual bond buyers is unanswerable argument for a program under which home bonds in every city may be placed within the easy reach of home buyers.

BOUQUETS OR BUSINESS

FRANK WATERHOUSE is right. If Portlanders want a Steamship line to the Orient they must patronize it.

Steamship owners go where there is cargo. They operate their vessels for business. They can not pay salaries and fuel bills with promises or felicitous words.

Much as the Royal Mail or the Hamburg-American may love Portland, they cannot operate here on sentiment. They must have cargo. Our lines to the Orient in the past would not have vanished like morning mists if there had been profits for them.

The direct vessels of the American-Hawaiian line were withdrawn from Portland because there wasn't enough cargo. They may never be put back. In nine months of 1912, westbound freight via the line for Portland fell off fifteen per cent while every other port on the coast increased. San Francisco increased 23.4, Hawaiian Islands 62.7, Los Angeles 20.8, San Diego 20.8, and Puget Sound 31.9.

If Portland cannot have a Portland-owned and Portland-operated Oriental line, the next best alternative is to have service by powerful establishments like the Royal Mail and Hamburg-American. They are stable. They are responsible. They have the vessels and can at all times meet every need. They are good lines to tie to.

Portlanders should give them their business. Their vessels cannot afford to come into this port empty and go out empty.

Portland needs these lines worse than these lines need Portland, and now that we have them, we should sustain them not with bouquets but with business.

IN THE BAY STATE

ECONOMISTS and labor unions are watching with great interest the operation of a minimum wage law in Massachusetts.

Although the law was passed last year it did not go into effect until the first of last month. In keeping with Bay State caution this was to give time for preparation. The law applies to women and minors only and follows along the general line of similar laws in Great Britain. It is so conservative that it would seem that little can be expected of it. It has no teeth and the only way to force recalcitrant employers to comply with it is through the creation of a public sentiment by means of publicity.

The law is to be carried out by a commission of three appointed by the governor. This commission has wide latitude for the exercise of judgment and discretion.

The body is to inquire into the wages paid female and minor employees of any industry in the state. If it has reason to believe that any considerable number are receiving a wage inadequate to return the necessary cost of living and maintain the worker in health it may recommend an increase. In its investigations the commission must take into consideration the needs of the employees, the financial condition of the industry and the probable effect of an increased wage.

From this and other data is to be determined the proper minimum wage for time rate, or piece work for workers of ordinary ability.

The tango is good for ills of the feet, according to a Chicago chiropractor; but he would do better to point out a remedy that isn't worse than the disease.

"Many a man doesn't realize how small the world is until he begins trying to dodge his creditors," says an Omaha World-Herald paragrapher, who probably knows.

More than 1800 aeroplanes are said to be in regular service in France, which nation seems to be doing its best in this and other ways to hold the race suicide record.

A new drug called heroin is said to inflame the user with an exaggerated sense of his own importance—but nothing of the sort is apparently needed by Senator Works.

but as none is apparently available, the suggestion arises that our English cousins might be willing to spare him Sylvia Pankhurst.

Whatever may be lacking in the way of vexatious incidents arising from the Mexican problem is supplied by Henry Lane Wilson.

Recent diplomatic events have done much to show that Japan is a tactful and discriminating nation as well as a courageous one.

The best news from Mexico nowadays is no news of any further complications.

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 100 words, and should 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.)

Socialist Replies to Critic. Portland, Aug. 13.—To the Editor of The Journal—Socialists will all agree with J. E. Johnson in his recent contribution to The Journal when he says citizens should expose frauds and humbugs. I hope he will agree with us when we say that to deal intelligently with economic problems one must study them. Snag judgment, guess work and hearsay are of no value.

"How are things publicly used to be acquired?" In whatever way the people decide when they make up their minds to take over the industries. Socialism embodies an economic principle, and should not be mistaken for a mere dry formula.

There are two chief ways of acquiring the industries—confiscation and purchase. Confiscation was the method applied by the men of '76 to the "divine right" of George III in the American colonies; by Abraham Lincoln in freeing the slaves, and by public service commissions when they order reductions in charges, thereby depreciating the prices of securities legally acquired by the investors.

Who could the people purchase these industries? By issuing non-interest bearing bonds at their physical value, to be paid off at, say, 5 per cent per year. Socialism being against all profits, there would be no interest or dividends paid. The workers would own what was produced. In 20 years at 5 per cent the industry would be paid for. Under the present system the workers will produce much more than 5 per cent per year in dividends, and at the end of the 20 years the capitalists will still own the industries. There would be little interference by litigation after the people had once resolved on this course, and with the judiciary all subject to recall.

Confiscation would be a benefit to be derived from stock ownership in companies in which the investor is not "adapted" is ambiguous. The greater part of stockholders today have little personal knowledge of the industries in which they own stock. The managers and superintendents and other hired employees, and not the stockholders are who operate the industries. The employees may or may not be stockholders. Their wages are entirely independent of that, and the payment of dividends is not based on the usefulness of the individual receiving them, or on whether he is in any way connected as a worker with either that or any other industry.

Socialism can stand, and, in fact, invites, intelligent criticism. Those who condemn it would accomplish more by careful discussion of disputed points than by sweeping assertions that "the theories of socialism are the most absurd things that a person can conceive of." A few of these Mr. Johnson kindly specify, and we will operate the industries. The employees may or may not be stockholders. Their wages are entirely independent of that, and the payment of dividends is not based on the usefulness of the individual receiving them, or on whether he is in any way connected as a worker with either that or any other industry.

Socialism wishes to remove these natural conditions and develop to the utmost the possibilities of our growing civilization.

Cost of Things to Eat. Portland, Aug. 14.—To the Editor of The Journal—There is always somebody talking about the high cost of living. Can The Journal explain how it is that a man can go into a restaurant and get a steak cooked and served with potatoes, bread and butter, for the same price that he could buy the raw steak raw from the butcher? If the restaurant can make a profit, it must be the butchers' association that stings the housekeeper. Why not break the butchers' and grocers' associations? They are certainly the kings of the hour, more powerful than the whole lot of them they forbid to sell to anyone not belonging to their association.

I can get as big a rib steak, cooked, for 25c, as I can at the butcher's, raw. G. GORNOLD.

Transition to Socialism. Portland, Aug. 14.—To the Editor of The Journal—J. E. Johnson, writing in Tuesday's Journal, opposes Socialism because he claims to believe it to be a foundationless and an absurd thing. He bases his belief on the difficulties he thinks we would meet in the transition from individual to collective ownership of things publicly or socially used. I think Mr. Johnson magnifies the difficulties to be met, for we have already socialized many of these things without any great difficulty.

No sane Socialist expects this great transition to be made at once, but it can be made slowly and it will eventually have to be made, for it is the only logical course for civilization to pursue.

Mr. Johnson asks, "How can a person with \$20 buy property worth \$100?" I will answer by saying that I bought two lots in Piedmont eight years ago, worth much more than \$100 and I had but \$10 to pay for them with. I gave my obligation for the rest, and inside a year the lots were worth \$100, and in two years had built a home on one of the lots. How did I do it? By my industry. And I paid 7 per cent interest on my obligations, which would not be necessary in taking over property for public use.

The interest and dividends which the workers pay to the captains of industry and property holders would in 20 years pay for the property and invest-

PERTINENT COMMENT AND NEWS IN BRIEF

SMALL CHANGE

Was it cool enough for you? Oh, there'll be a bit more of summer yet. If you have nothing else to do, swat flies. Hoppickers don't have to carry guns, in Oregon. The youth who starts out to be a sport seldom gets rich. Leslie Scott didn't need or even want the office, but he made good in it. Tom Lawson isn't a titled "Sir," but he is a dead game sport, all the same.

Keep cool about President Wilson: he has a lot of sense in that head of his. Possibly Sulzer could be convicted of being foolish; that is apparently about all. Another ambassador to Turkey? Thought Turkey had been wiped out of existence. The wasted ground, yearning for cultivation, is one of Mother Nature's perpetual tragedies. Huerta may be a little smarter than his son, but he has not General Felix Diaz out of the country for a spell.

A lot of semi-civilized generals and I. W. W.'s would be yoked together; but we can't do it. It is a free country. The proud Castilians may sneer at us peaceful Americans, but we will continue to believe that mush is better for the first dish at breakfast than a revolution.

Woodburn Independent: Pastor H. H. Ford of the Christian church here will preach in the city hall on Sunday night. He leaves a monument here in the new church building, a large amount of the work or which was done with his own hands. Rev. Abyn Eason of Albany, president of the Christian church of Oregon for Oregon, will be the pulpit here.

THE PROBLEM OF MONEY

IV.—Curtailling Wall Street Speculation. By F. F. Searing. Wall street speculation will inevitably be curtailed by one provision of the Owen bill. Investment purchases will not be seriously interfered with, if interfered with at all. But the man who gambles on the market will find his gambling checked.

Good banking is an exact science. It cannot be successfully conducted in detail on certain natural laws. It is true that the accommodation it affords the citizens leads to the establishment of a bank in a community, but if that bank is to continue in business it must not only its capital but its deposits. Every dollar must be made to hustle for its keep.

Experience has shown that in ordinary times the country bank may safely loan out 85 per cent of its capital, surplus and deposits. The remaining 15 per cent is kept in a reserve fund. The federal reserve banking act provides that two-fifths of this fund must be in cash on hand in the bank's vaults, and the balance may be kept on deposit subject to check, with a reserve agent approved by the government in either a reserve city or a central reserve city, which cities are designated by law.

Because the reserve agent allows the country bank interest upon its daily balances, as much of its reserve as it can safely spare is ordinarily kept with the reserve agent. The reserve agent is required to keep 25 per cent of the reserve deposits on hand in their own vaults. Thus the system of call loans has grown up in Wall street.

Call loans are secured by collateral quoted on the New York Stock Exchange. If the loan is not paid when due, the collateral is sold in the open market. The daily speculation on the exchange is financed almost wholly by call loans or limited time loans. The investor—the man who pays for what he buys and takes it away—is only seen in Wall street occasionally. He is the speculator, the backbone of the market. Often he is the only man with courage enough to buy when the investor is frightened enough to sell. Cripple the speculator and you cramp the market.

This is how the speculator will be crippled under the Owen bill. At present the reserves of all the national banks amount to \$762,176,994. Not all of this is on deposit in New York. Not all of the reserve deposited in New York is used on the exchange. But a great share of it is. So that if the speculator is denied access to this bulk of money his operations must necessarily be hampered. And the Owen bill specifically provides that the federal reserve banks may not loan money for "the purpose of carrying or trading in stocks, bonds, or other investment securities." Under the Owen bill all of this vast reserve fund must be taken from the national banks and deposited with the federal reserve banks within 30 months. One-third of this fund must be transferred to the federal reserve banks at once.

This will obviously take from certain national banks the greater part of their business. These banks located in the central reserve cities, are the reserve banks for many country banks, who are their chief depositors, and employ practically all of the funds thus secured in financing the speculative operations in Wall street. Such banks will very likely make good their threats to give up their national charters and become state banks. By so doing they can avoid the necessity of investing one-fifth of their paid up and undivided capital in the stock of the federal reserve banks.

The national banks which retain their charters will not be debarred from offering call loans, but their capacity will be pared down. Not only are they deprived of one-fifth of their capital by the forced investment referred to, but they lose at one stroke all of the reserve moneys heretofore deposited with them. Nor is any provision made in the Owen bill for carrying on the

ments three times over, and there need be no confiscation, either. I predict that the change from private to public ownership will come about naturally and peacefully. As I also maintain that Mr. Johnson is wrong when he says that the theories of Socialism conflict with natural laws and natural conditions, Socialism would harmonize mankind, as it is in accord with the highest and best sentiments of the human mind. The people investing in railroad stock, who are completely muddled, for under Socialism there would be no such thing.

W. H. BLACK. About Mr. King's Protest. Anny, Or., Aug. 13.—To the Editor of The Journal—See in The Journal of August 9 that Charles H. King is making a kick about the high telephone rates. Now if he is not careful he will soon be classed with the I. W. W. and

OREGON SIDELIGHTS

Silverton, with three miles of concrete paved streets and two of macadam, claims to be the best paved town of its size in Oregon. Astoria has a new ordinance with stringent provisions for muzzling dogs and specifying June, July, August and September as the closed season.

Among the improvements urged upon Sherwood people by the News-Sheet are a public drinking fountain and a complete set of street sidewalks. The News-Sheet says there are residents who "do not know what street they live on, or even that the streets are named."

In its reminiscence column the Prineville Review reproduces this street improvement item under date of August 15, 1881. It is a very interesting item recently put in are so appreciated by Prineville pedestrians that in order to preserve them for future use they walk through them in the middle of the street.

Grants Pass Courier's best hunting story to date: "Mr. and Mrs. M. Steward of Wolf creek camped for a time on Coyote creek to hunt for deer, but failed to make any headway. Presently while absent from their homestead, however, Mr. Steward's brother killed two fine bucks that came down into the family orchard."

Woodburn Independent: Pastor H. H. Ford of the Christian church here will preach in the city hall on Sunday night. He leaves a monument here in the new church building, a large amount of the work or which was done with his own hands. Rev. Abyn Eason of Albany, president of the Christian church of Oregon for Oregon, will be the pulpit here.

They may purchase from member banks and sell, with or without indorsement, checks or bills of exchange arising out of commercial transactions; such bills may not have more than 90 days to run and must bear two good signatures, of which the last must be of a subscribing bank.

They must establish each week or oftener, if needed, a minimum rate of discount to be charged for each class of paper, subject to the review of the federal reserve board.

They may maintain in their foreign accounts in foreign countries for the purpose of dealing in foreign bills of exchange, and checks or private foreign bills of exchange, which have not more than 90 days to run, and which bear two responsible signatures.

That is all that may be done by the bank in dealing with the public at large. It cannot loan money, on time or on stock exchange collateral, except as authorized in dealing with its stockholders. It may not issue any notes or bills of exchange of more than 45 days maturity, arising out of commercial transactions; but such definition "shall not include notes or bills drawn for the purpose of carrying or trading in stocks, bonds or other investment securities."

Upon the indorsement of a member bank, a federal reserve bank may discount or purchase such bills which are based on the exportation or importation of goods, which mature in not more than 90 days, and which bear the signature of a member bank in addition to the acceptor.

When in the opinion of the federal reserve board the public interest requires, the federal reserve board may authorize the reserve bank of the district to discount the direct obligations of member banks, secured by the pledge of such bills of satisfactory securities; but in no case shall the amount so loaned exceed three-fourths of the actual value of the securities so pledged, or one-half the amount of the paid up and unimpaired capital of the bank."

These are the only ways in which the tremendous capital and deposits of the reserve banks may be used. It will be observed that whatever paper they discount must be indorsed by the member banks—their stockholders. This not only makes certain of a scrutiny of such paper, first by the officers of the member bank and then by those of the reserve bank, but it places the whole strength of the member bank behind each such piece. And as the federal bank can loan in no other way, the business of banking, the initial loaning of funds, is left precisely where it is now. There can be no complaint that loans will be made upon the say-so of politicians. Every official who passes on a transaction must be an experienced banker.

An in the direct loans to the member banks—which alone might be taken for the purpose of loaning on call—the consent of the federal reserve board must first be secured. It is to be had only "if a public necessity is served." And that is not a very high standard of value of the collateral may be loaned, and no more than one-half of the unimpaired capital of the member bank which appears as the borrower. Not only is every requirement of safety met, but the total amount of money available for call loans is infinitely small, as compared with that now placed daily. Further, the indorsement by the member bank does away with the possibility that the federal bank may ever discount a dummy note secured by collateral.

If there is an error in this it is on the side of safety. Conceding that Wall street speculators and Wall street banks will be pinched, let us see how the rest of the country will be affected. Socialists, for they have been making a protest against all abuses of such corporations and have been asking such people as Mr. King to help. Now if that is the only thing he has got to kick about, he had better pay his extra expense and help the poor phone company all he can; for it would be too bad to have him classed with the I. W. W. or Socialists. JAMES MAHOOD.

Questions. Portland, Aug. 14.—To the Editor of The Journal—Kindly permit me, through the columns of your valuable paper to ask the thinking people a few questions in order to determine whether or not my theory may be correct. Will some one please define the meaning of the phrase "the end of our flag" and "the end of our civilization"? What invention is of the greatest known value or benefit to all mankind? E. C. CAMPBELL.

IN EARLIER DAYS

By Fred Lockley.

"Thirty years ago robbing stages was one of the recognized businesses of eastern Oregon," said Lot Livermore, Pendleton's oldest pioneer. "I come pretty near knowing, for I was the Wells Fargo agent as well as the agent for the stage line for many years. One day word came to us that the stage from Pendleton to Umatilla had been robbed. It was held up just about where Section 10 is now located. I went down there with the deputy sheriff. It had rained just before the hold up, so we were able to track them till we lost their tracks on the mountains this side of Meacham."

Five days later John Bowman, the livestock man, told me of a party of a couple of strangers camped near Weston. He suggested that we drive up there and see who they were. As we were putting our team at Weston, we saw a horse turn up. Presently a horse ridden by one of the outlaws. The livestock man thought the other man had ridden on to Walla Walla. Bowman went on to Walla Walla while I hid in one of the stalls to wait for the owner of the horse to turn up. Presently a man came in. The livestock man gave a nod. I stepped out. "Hands up," I said. He whirled like a flash on me. He saw he was covered. "All right, you've got the drop on me," he said and stuck up his hands. We searched him and I turned him over to a couple of men who came to me that the other man was still in town and was at the hotel eating dinner. I went there, made him put up his hands and turned him over and turned him over to the guards. I had with the other man.

"I returned to Pendleton and got a warrant for their arrest and sent the deputy sheriff to Weston for them. When they were tried, convicted and sentenced to 10 years, one of them, Billy Maxon, became very friendly with me. On the morning the sheriff left with them for Umatilla Maxon asked the sheriff if he could speak to me. He told me he would locate the stolen treasure from the Wells Fargo express box if we would try to get it. I was somewhat shorted. I told him I could not make promises for the company.

"A few months later Superintendent Meacham, at Boise, told me to go to Meacham and ask a passenger way bill as William Maxon had gone to the camp of the outlaws near Meacham. We had discovered where the two outlaws had made camp in the timber near Meacham and the passenger way-bill as Maxon was in reality the father of Billy Maxon. I met him and we spent all afternoon looking for the buried treasure, but it could not seem to get the lay of the land from his son's description. I told him I would deadhead him through to Portland and he would pay my expenses if he would go to the penitentiary and see his son and get a map of the place the money was buried. He was a farmer near La Grande and a good citizen.

"He went to Salem, secured the information and came back to Umatilla, where he was met by J. C. Paige, one of our division superintendents. The stage went through Pendleton at 2 o'clock in the morning. Maxon wanted to stop and have me go along, but Superintendent Paige would not consent. He said he was in charge of the case and he would not let me come along. Maxon said 'very well, I will stop off here and see Livermore. I will not go a step unless he goes along.' Paige refused and stormed and threatened but Maxon said 'go on, go on, they can't past my house, wake me up and I will along."

"When we got to the camp Maxon took out his directions and read them to us. They read: 'Go to the elbow of the point of the above our camp. At the point of the elbow there is a dead pine, the only tree there. Look down east to where a large fir has been stripped of its limbs on the south side by a falling tree. Beside this big fir there are two trees down, one across the road and one to the west. The signature of a member bank in addition to the acceptor.

"When in the opinion of the federal reserve board the public interest requires, the federal reserve board may authorize the reserve bank of the district to discount the direct obligations of member banks, secured by the pledge of such bills of satisfactory securities; but in no case shall the amount so loaned exceed three-fourths of the actual value of the securities so pledged, or one-half the amount of the paid up and unimpaired capital of the bank."

These are the only ways in which the tremendous capital and deposits of the reserve banks may be used. It will be observed that whatever paper they discount must be indorsed by the member banks—their stockholders. This not only makes certain of a scrutiny of such paper, first by the officers of the member bank and then by those of the reserve bank, but it places the whole strength of the member bank behind each such piece. And as the federal bank can loan in no other way, the business of banking, the initial loaning of funds, is left precisely where it is now. There can be no complaint that loans will be made upon the say-so of politicians. Every official who passes on a transaction must be an experienced banker.

An in the direct loans to the member banks—which alone might be taken for the purpose of loaning on call—the consent of the federal reserve board must first be secured. It is to be had only "if a public necessity is served." And that is not a very high standard of value of the collateral may be loaned, and no more than one-half of the unimpaired capital of the member bank which appears as the borrower. Not only is every requirement of safety met, but the total amount of money available for call loans is infinitely small, as compared with that now placed daily. Further, the indorsement by the member bank does away with the possibility that the federal bank may ever discount a dummy note secured by collateral.

If there is an error in this it is on the side of safety. Conceding that Wall street speculators and Wall street banks will be pinched, let us see how the rest of the country will be affected. Socialists, for they have been making a protest against all abuses of such corporations and have been asking such people as Mr. King to help. Now if that is the only thing he has got to kick about, he had better pay his extra expense and help the poor phone company all he can; for it would be too bad to have him classed with the I. W. W. or Socialists. JAMES MAHOOD.

Questions. Portland, Aug. 14.—To the Editor of The Journal—Kindly permit me, through the columns of your valuable paper to ask the thinking people a few questions in order to determine whether or not my theory may be correct. Will some one please define the meaning of the phrase "the end of our flag" and "the end of our civilization"? What invention is of the greatest known value or benefit to all mankind? E. C. CAMPBELL.

Pointed Paragraphs. "Dead Game Sport" is a most expensive title. The strut of a turkey gobbler is in it with that of the leading citizen in a village. A pair of yellow shoes doesn't age more quickly than a pretty girl