

AMERICAN EXPORT TRADE BENEFITED BY BIG EUROPEAN WAR

Agricultural Interests Will Be
Chief Gainer From New
Readjustment.

SOME LOSSES TO RESULT

New York Is Today Financial Capital
of World, Says Dean Johnson of
School of Commerce.

New York, Aug. 13.—Joseph French Johnson, dean of New York University School of Commerce, one of the most distinguished economists of the country, has written for the Alexander Hamilton Institute an article on "War and American Business," which is said to be based on a thorough investigation conducted by a research department of the institute.

Dean Johnson is optimistic as to the effect of the war on American agriculture and the industries which cater largely to agricultural interests. He is of the opinion, however, that many industries will suffer severely. An interesting feature of his article is the summarized statement of the chief items of profit and loss to the American people, which follows:

Profit and Loss Shown.
Loss. 1. Tendency to drain gold from this country, and banking which must be connections of effect by accumulation of international reserves, national financing, restricting credits. 2. Opportunity to avoid inflation in South America and oriental markets and secure a larger share of this trade. 3. Sale of foodstuffs and sale of military supplies at low prices in European markets. 4. Stopping new production of goods and construction industries which have not been financed. 5. Probable permanent diversions of capital from the United States and Canada to large amounts of European capital which would otherwise have come to this country. 6. Cutting off of certain raw materials (chiefly chemicals), which are essential to some lines of manufacture; great reduction in European demand for raw materials, partly manufactured and manufactured goods, resulting in partial readjustments and in losses. 7. Increase in the cost of living.

See America's Chance.
Dean Johnson evidently believes that Germany has long been anticipating and preparing for the war. He calls attention especially to the increase in the gold holdings of the Imperial Bank of Germany, from \$194,000,000 at the beginning of 1913, to \$336,000,000 on July 17, 1914. "Following the lead of Germany," the banks of France and Russia also piled up vast stocks of gold. This extraordinary pressure for gold on the part of the great governmental banks of Europe beginning early in 1913, is regarded as highly significant by those who believe that one of the world powers deliberately planned and promoted this war.

Dean Johnson sees opportunities for the United States, both in extending our financial influence and in building our export trade. So far as exports are concerned, however, he emphasizes the difficulties of breaking into new markets, even if they may be temporarily left open. As to the opportunities of American financiers, he says: "New York is today the financial capital of the world. Up to the outbreak of the war the current of international trade flowed through London, and the London bill of exchange was the accepted standard of payment throughout the world. But the terrible finger of war has been laid upon the imposing financial structures of Europe, and they have shriveled under its touch."

The Banking Situation.
"It is likely that the bankers of South America and the Orient will increase their deposits in New York—the

only safe haven for the moment—and the New York bill of exchange will temporarily take the place of the London bill."

"New York bankers have no desire to take advantage of the difficulties of their English brethren, and in the long run it is to be hoped that London will regain her financial strength and prestige. Yet, there is likely to be a residue of permanent gain for American bankers and exporters. Enduring financial and trade relations with many countries now almost closed to American products will be established.

"For the present, however, we are confronted by a closed market for securities, with no definite prospect of its being reopened. Broadly speaking, only hand-to-mouth financing is possible.

"New projects, therefore, or any other large capital expenditures are out of the question. Construction that has already been financed may be carried on and there may be isolated cases of new financing, but they will be exceptional."

American and Canadian banking conditions, in Dean Johnson's opinion, are sound. He says: "Fortunately the war broke out toward the close of a period of liquidation. American and Canadian credit in the financial seas were already steering cautiously and with shortened sail. If the storm had burst in a period of expansion, its effect would have been far worse."

Relief Measure Wise.
"The Aldrich-Vreeland bill, which permits banks to take out emergency note circulation secured by deposits of commercial paper, is a wise measure of relief, insofar as it permits the free movement of our grain crop without imposing an unnecessary strain on bank reserves. Like other measures of relief, however, it contains possibilities of abuse and danger. Any tendency toward inflation of the currency should be carefully watched and prevented."

Dean Johnson finds few precedents in European history that are of value. He is summing up of the present situation is as follows: "Vaster, more intricate, and more rapid readjustments of industry are now called for than at any previous period in modern history.

"The general expectation is that the war will be short, but there is no clear cut line of reasoning that leads to that conclusion. Assuming that the German empire is well stocked with provisions and is able to raise its own food supplies for next year behind protected frontiers, and assuming that England and France are able to command the seas and bring in foodstuffs from abroad, the war may be indefinitely prolonged. Admiral Mahan has expressed the opinion that it will be a long war. Additional light will probably be thrown on this vital question by the events of the next few weeks."

Business Is Uneven.
"A striking feature of the situation is the uneven influence of the war on American industries. We shall probably see, if the situation continues, certain industries and certain organizations working at top speed and making enormous profits, while beside them will be the empty offices and deserted factories of other industries. In the midst of this unexpected turmoil, it is necessary that American business men should be alert and should think quickly. A pitiful battle on the other side of the ocean can have a great and almost immediate effect on the price of provisions in some country; on the policy of a manufacturer who is considering changes in his products or his markets; on the decision of an advertising manager to extend or cancel his advertising; on the willingness of an employer to continue at his present salary.

"There has never been a period in history when great world events came closer to some business men's practical business affairs, the ambitions, the fears, and the hopes of everyday people."

Business Needs Readjustment.
"There is scarcely a business in the country that does not need immediate readjustment. It may not be radical in most cases, but it will be enough in thousands of instances to make the difference between profit and loss, between success and failure. The readjustment may consist simply in revising orders for stock and raw materials; it may consist in reducing or extending sales and office expenses; it may consist in securing additional capital for some big, timely expansion. Every business needs, more than ever, hawk eyed watching and quick decision.

"It is equally important not to be led into false moves. The crisis in the war may be reached shortly. Profits that are to be taken must be taken quickly, without large investment of fixed capital.

"Whatever losses have to be faced should be quickly reduced to a minimum side about, make up his mind whether he will garner benefits or suffer reverses and take steps to meet the situation."

Spokane Girl on Novel Tour Wager Inspires Horseback Trip



Miss Gladys Hardy and her steed.

Because she loves horses and the great outdoors, Miss Gladys Hardy, a pretty Spokane girl, is making, on a wager, a horseback trip from Spokane to San Francisco. She arrived in Portland yesterday and is staying at the Oregon hotel.

She is but 18 years old and this is her first venture of the kind, yet she says she is enjoying every day of the trip. She is slender, girlish, with a heavy braid of rich auburn hair down her back, and at her belt swings a holster with a small .32 calibre revolver. She says her friends laugh at her gun because it is so small, so she is going to get a big, savage looking automatic.

Her mother, whose home is in Spokane, is visiting with a daughter in Centralia, Wash., while Miss Gladys is taking her long ride.

"And after I get to San Francisco," said Miss Hardy, "I intend to keep right on traveling and make a circle of the states. I am going to ride on down through the south, up the Atlantic coast and then across Canada back home."

"I've never lived on a farm or had much chance to get out in the open, and I'm making this trip because I love horses and riding. My horse is a chestnut single-footer and a pet. I hope to ride him on the entire trip."

Miss Hardy left Spokane, June 18, and she expects to reach San Francisco early in October. She says she is taking her time and enjoying the beautiful scenery through which she is passing.

When she left home she was accompanied by a large colt, which had been given her, but at Cle Elum, Wash., the dog was stolen. She was given a small terrier, which she carried on her

horse for a day or two and then decided to send the dog back to her little nephew. She says she hopes to get an Alredale to finish the trip with her.

From Spokane she rode over the northwest trail to Waterville and Wenatchee. From Wenatchee to Peshaw, she was like riding through a park, she said. She had a good road most of the way, except when she crossed the Cascade mountains.

She reached the foot of Saddle Mountain one sultry afternoon, too late to attempt to climb over it, so she made herself at home at Allen's ranch, which was deserted for the day. She said she found feed for her horse and for herself and was curled up in a hammock asleep when the Aliens returned.

Starting at 4 o'clock the next morning she crossed the mountain, reaching a greater elevation than at any time when crossing the Cascades. She said the scenery was beyond description.

She encountered difficulties when she reached Lake Keechelus, as she couldn't find a ferry to get across. Finally she had to retrace her steps several miles to a government camp, where she stayed for the night, and then got across the lake the next day.

She visited Seattle, Tacoma and rode down the Pacific highway to Chehalis, from where she followed the Northern Pacific tracks to Castlerock and then caught the Pacific highway again.

Only once was she denied hospitality, and that was at Easton, where she arrived late at night. At the first place she applied for a place to sleep the woman refused to let her in.

"I guess I looked too tough that night," said Miss Hardy, "but I got in at the next place and everything was all right. I had to ride late at night a number of times, sometimes through the dense timber, but I never felt afraid."

GERMANY'S IMMENSE MILITARY MACHINERY DESCRIBED BY PAPER

Full Strength of Nation in
Time of War Is About
4,500,000 Soldiers.

Germany's immense military organization is graphically described in a recent issue of the illustrierte Zeitsung, Leipzig, which shows that the foundation of the system is just 100 years old, for 100 years ago Prussia made it a legal requirement that every able-bodied citizen should subscribe to military training.

Today under the German empire the peace footing is 32,000 commissioned officers, 109,500 noncommissioned officers and 817,200 men; the war strength is about 4,500,000 soldiers. For purposes of defense and mobilization Germany is divided into 10 fortress districts, each with its groups of fortified cities. Fortresses and military camps of the first class are located at Koenigsberg, Danzig, Osnabruck, Spandau, Magdeburg, Kuesten, Mainz, Ulm, Rastatt, Metz, Cologne, Kiel, Strassburg and Ingolstadt.

Coast defenses are located at Danzig, Pillau, Memel, Cuxhafen, Geestmuende, Wilhelmshafen and Swinemuende.

Every German Must Serve.
The towns of Gogau, Torgau, Diedenhofen, Bittsch, Sagarious and Gerneheim are designed for railroad defense and obstruction.

The entire railroad and telegraph system of Germany has been planned so as to put these places at the highest strategic advantage.

The German army is now using the Mauser rifle, model 1898, while the cavalry carries a Mauser carbine. All classes of mounted troops carry Krupp guns firing a 15 pound shell are used by the field and horse artillery. Howitzers firing 30 and 94 pound projectiles are also used.

Every German, physically able must serve his time in the army. After a youth reaches the age of 17 he cannot leave the country without the consent of the military authorities. At 20 he is assigned to service in the infantry, artillery or cavalry. Farmer lads are preferably assigned to the cavalry due to their greater experience with horses. As a recruit the cavalryman and the sailor must serve three years, the infantry and the artilleryman two years.

Reservist for Five Years.
At the completion of his active service the soldier enters the reserve for five years but is required to serve only eight weeks of each two years. Leaving the reserve he enters the Landwehr, serving occasionally until his forty-fifth year.

The Landsturm comprises all the remaining citizens capable of bearing arms, whether physically perfect or not. After having completed his continuous service the citizen is always on call and must have his leave of absence renewed every two years.

The German navy is manned from the maritime population although of recent years the number of volunteers is said to be increasingly large.

The German naval strength is about 73,000 men with a reserve of 110,000. Germany has 21 dreadnoughts, 20 dreadnoughts, 9 armored cruisers, 38 protected cruisers, 152 destroyers, 47 torpedo boats and 37 submarines.

The heavily fortified island of Heligoland in the North sea guards the mouth of the Elbe and the principal seaports of Hamburg and Bremen. Germany maintains a garrison of about 2700 men in China and a few soldiers in German East Africa.

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Youngsters Enjoy Day at Hood River

Boys and Girls of Portland Aid Society Entertained by Leslie Butler and Members of Woman's Club.

Hood River, Or., Aug. 13.—Fifty-five boys and girls of the Boys' and Girls' Aid society of Portland, spent yesterday in Hood River as the guests of

Leslie Butler, president of the Butler Banking company, and the local Woman's club. The children were in charge of Assistant Superintendent Kilpeck and Mrs. Graham of Portland. On their arrival in Hood River they were met at the train by 10 automobiles and taken to the Butler ranch on the banks of Hood river, where the Woman's club served luncheon.

The handle of a new shoe buttoner terminates in a device to unbutton footwear.

President Signs Bill to Admit Ships

Foreign-Built Vessels Admitted to American Registry in Trade Over Seas by Canal Act Amended. Washington, Aug. 13.—President Wilson signed the Panama canal act amendment, effective immediately, admitting foreign-built ships to American registry for overseas trade.

New Modart Corsets

Lipman Wolfe & Co

"Merchandise of Modart Only"

New Fall Pictorial Review Fashions

This Great Sale of UNDERMUSLINS Holds Rich Opportunities!

\$1, \$1.25, \$1.50 to \$2.25 Combinations
This Sale 89c, 98c, \$1.19 to \$1.59

—Combination of fine nainsook and muslin, in Princess and waisted style, with knickerbocker or straight-leg drawers. They are trimmed with dainty laces, embroideries, medallions and ribbon-drawn beadings. All sizes.

\$1.25, \$1.50, \$2, \$2.50 to \$4.50 Gowns
Sale 79c, 98c, \$1.29, \$1.69 to \$2.95

—Slipover and empire gowns of crepe and fine nainsook, with kimono or set-in sleeves, fine laces, embroideries, nets, tucks, beadings and ribbons forming the trimmings. All sizes.

\$1.50 New Nainsook Skirts 98c

—Made in the new narrow style, with ruffle of embroidery and Val lace or lace and embroidery combined. Made of nainsook, and come in all lengths.

\$1.25 Double Panel Skirts 98c

—Skirts of fine longcloth, with double panel in front, finished around the bottom with scalloping, and some have floral designs across the front. These skirts are made in narrow-cut style.

75c, 85c to \$1.50 Corset Covers 49c, 59c to 98c

—Pretty corset covers of fine longcloth, nainsook or crepe, trimmed with medallions, laces, insertions and embroidery. Some have the new cap sleeves.

—Fourth Floor



Tomorrow the Opportunity for Women Summer Blouses

In Exclusive Styles at Remarkable Prices
\$2.00 Crepe, Voile and Lingerie Waists for \$1.00

—In trimmed and plain tailored styles, long or short kimono or set-in sleeves.

\$2.25 Plain and Novelty Voile and Crepe Waists \$1.18
—Made with organdie or pique collars, lace or embroidery trimmed.

\$2.50 Colored Crepe, Voile and Lingerie Waists \$1.50
—In many styles, allover embroidery panels, Gladstone collars, mannish styles.

\$3.50 Lingerie, Voile and Crepe Waists, \$1.95
—Lace trimmings, net and lace rufflings, embroidery trimmings, hemstitching.

\$4.50 Colored Handkerchief, Voile and Lingerie Waists \$2.95
—Showing organdie and lace collars, vest effects and fancy buttons. —Third Floor

A Pleasing Sharpness

that quenches the thirst. A purity that invigorates. These features make



the ideal Summer beverage. It's brewed for family use.

**Portland
Brewing Co.**
A-5325 Main 708

Representative Scores Colleagues

(Washington Bureau of The Journal.)
Washington, Aug. 13.—The House Democrats today greatly enjoyed the scoring given to Representatives Humphrey and Johnson by their colleague Bryan because they had attacked Pinchotism. Bryan called them fakers and praised Pinchot.

Bryan's condemnation of labor union lawlessness. When Bryan's time expired the majority side shouted for him to go on. Johnson replied at some length, saying that the west had had a great deal of hardship and suffering as the result of the theories of Pinchot.

Peruvian Destroyer Goes Through Canal

First Warship of Any Power to Make
Passage of the Great Ditch
Across the Isthmus.

Washington, Aug. 13.—Word was received from Colon that the Peruvian destroyer Teniente Rodriguez was the first warship to pass the Panama canal.

Lost Men Are Found.
San Bernardino, Aug. 13.—Charles Swass and V. L. Rehn of Newport Beach, lost in the San Bernardino mountains, have been rescued.

Killed by an Automobile.
Los Angeles, Aug. 13.—William A. Todd, 46, of New York, was struck and killed by an automobile.

Dies in a Thirsty Land.
Needles, Cal., Aug. 13.—"Frenchy" Reed, a prospector, died of thirst on the desert yesterday.

Journal Want Ads bring results.

BETTER than ever, and that's saying much— Moyer's \$15 Fall Suits

The new models and fabrics are now being
shown at all of the Moyer stores—the biggest lot
of good-clothes service you'll find for the money

Fine blue serges, finished and unfinished worsteds, hairline stripes, tartan plaids, novelty weaves—all the new things, all the good things

Everything Is at Moyer's That a Man Needs to Wear

When You See It in Our Ad, It's So

MOYER

First and Yamhill Second and Morrison Third and Oak

The Oldest Reliable Dental Co.

Incorporated in Oregon—Making the Guarantee on work turned out absolutely good



Our BRIDGE WORK has been brought to the highest state of perfection. The teeth on this bridge are interchangeable at will without removing from the mouth.

Drs. Fellows and Massey
make a specialty in Crown and Bridge work.

LOW PRICES FOR HIGH-GRADE WORK
Good Rubber Plates—\$5.00 each
The Best Red Rubber Plates—each \$7.50
22 - Karat Gold or Porcelain Crown for... \$5.00

Phones: Main 2029, A-2029. **WISE DENTAL CO.** Main 2029, A-2029.
Failing Building, Third and Washington, S. E. Corner Entrance on Third Street, Portland, Oregon