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lators fattened upon their sacrifices. The abuse obtains to a limited degree in counties outside of Multnomah, notably in the purchase of school sites and other lands for public use. A further important consideration is prices put upon lands when money is to be borrowed from the school fund, which is not infrequently equivalent to future purchase of land by the state, is out of all proportion to values put upon the same land by assessors acting in a trust capacity for the larger. In no instance should a larger amount than the assessment value averaged for the five preceding years be loaned from the school fund.

A GOOD BILL BEATEN
A SPLENDID feature in Governor Withycombe's message to the legislature was his recommendation for a trade commission. The governor said: I propose that you authorize the appointment of an unusual committee of seven experienced business men whose duty it shall be to investigate the possibilities of profit to Oregon from existing institutions, and the establishment of new Oregon industries, created by the pending changes in international trade and manufactures due to the European war, the lifting economic conditions produced by the Panama canal, and our rapidly enlarging commercial openings in South America and the West Indies.

It is on two points that President Wilson vetoes the Immigration bill. In his own language, they are: It seems to all but close entirely the gates of asylum which have always been open to those who could find knowledge else the right and opportunity of constitutional agitation for what they conceived to be the natural and inalienable rights of men. It excludes those who have the opportunities of elementary education have been denied without regard to their character, their purposes, or their natural capacity. It is proposed to turn away from tests of character and of quality, and to impose tests which exclude and restrict for the new tests here embodied are no tests of character or of personal fitness, but tests of opportunity.

Those who come seeking opportunity are not to be admitted unless they already have the opportunity of education. Whatever may have been previous opinion of the literacy test, the clear and lofty analysis by the president must shake the confidence in their view of those who have been in opposition.

Rudimentary education is an issue of opportunity. Poverty of environment is almost always the explanation of illiteracy. Common school training is not as wide open to all peoples, as in our own land. Congested population, the burden of militarism, poverty of resources drive countless Europeans to the labor of breadwinning before late hours has been time to attend the schools to other than the most limited extent. The character of purpose or the capacity of the immigrant is therefore not in the least attested by the literacy test. There is rare, modest and beautiful thought in the message. Its poise, its adherence to American traditions, its grasp of American destiny and its delightful acknowledgment of the humane side of life are a crowning testimonial to the balance and majestic intelligence of the great helmsman in the American White House.

Not often do a people have a leader on whom they can look with such abounding confidence.

TILLMAN'S ADVICE
SENATOR TILLMAN advises congress to go slow in expending millions for battleships until they can be built in the light of lessons from the European war. As chairman of the naval committee he opposes building any dreadnoughts this year, despite the administration program and favors four battleships next year of a type most desirable in view of experience in Europe. He insists that we do not know just the type of battleship that should be built. He declares that half a dozen or more battle cruisers, strong enough to put up a good fight and swift enough to catch anything afloat or run away as occasion might dictate, would serve much better. He predicts that many theories about battleships and submarines will be exploded by the war.

It seems to be sound advice. It has been demonstrated that speed is an essential factor in a fighting ship. The slower Bluecher, although faster than any battleship the United States has, was sunk in the North sea, while the faster German cruisers escaped the British.

Senator Tillman does not protest against maintenance of an adequate navy, but he counsels that when the nation spends its millions it should get ships that will not be scrapped almost as soon as they are constructed.

THE LEWIS BILL
A BILL to limit the discrepancy between the assessed valuation and selling valuation of real estate required for public use, was introduced in the house yesterday by Representative Lewis of Multnomah. Conditions in connection with the buying of private property by public bodies for use of the public are better than formerly. But there is still need for legislation for regulating the practice. Properties have not infrequently been purchased in Oregon at four to ten times the assessed value, in spite of a law directing that property be assessed at its true cash value. Within five years, the Portland public is estimated to have paid \$1,250,000 in excess of a fair price for property needed by the public. The fact to such a height, and why workers are overburdened with a great load of public obligations while the idle rich and speculators

of 8 cents per ton-mile and the average haul be 5 miles there would be a saving of 72 cents per ton on all produce transported over the roads. This saving, applied to the 700,000 tons hauled yearly over the highways, means a total annual saving of \$504,000,000, enough to pay half the expenditures of the government of the United States.

THE CONSPIRACY BILL
The house shows signs of hostility to the conspiracy bill, introduced by Miss Towne. Here is the vital part of the bill: If two or more persons conspire either to commit any offense against the state of Oregon, or to defraud the state of Oregon, or any city, or county, or town, or road district, or school district therein in any manner or for any purpose, and one or more of such parties to such conspiracy, in any manner or for any purpose, conspire with another party to such conspiracy, each of the parties to such conspiracy shall be fined not less than the sum of \$100, etc.

What explanation can any member give the folks at home for opposing such a bill, when there is scarcely a road district, a school district, or a city, or a town, or a county that has not, at one time or another, suffered from the collusion of bidders or contractors in rendering service or supplying material? If men conspire together to defraud these communities, why should there not be a law to punish them, especially since we have laws to punish men for stealing a loaf of bread?

The laws of the United States include a conspiracy statute. In the following states of the Union, there is a law similar to that pending at Salem: Alabama, Arizona, Connecticut, California, Colorado, Illinois, Iowa, Indiana, Kansas, Kentucky, Massachusetts, Maryland, Montana, Minnesota, Michigan, Maine, Missouri, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Nebraska, Tennessee, Texas, Vermont, Virginia, Wisconsin, West Virginia and Washington.

These are highly respectable states. Many of them are highly conservative states. In number they are nearly two thirds of the states in the Union, and in population and wealth they are probably four fifths.

Why should the Oregon house hesitate to enact into law provisions that are a valued and vindicated statute in states of such eminent rank and repute?

WITHOUT HIS ASSISTANCE
THE victory of the single-item veto forced in the senate is, in effect, a marked triumph for Governor Withycombe.

In his inaugural address, the governor asked for the single-item veto. Salem dispatches state that Governor Withycombe did not, in his inaugural address, ask for the single-item veto. Not with a microscope or an X-ray can anybody find it in his inaugural address. Nor can there be found any message to the legislature in which Governor Withycombe asked for the single-item veto.

A Trade Commission for study of conditions and promotion, activities for which this unprecedented economic situation affords scope, would be in position to render valuable service affecting favorably every resident of this state. There is a kind of economy that is expensive. There is a brand of so-called retrenchment that is not retrenchment but downright extravagance.

A VALUABLE REPORT
ONE of the most complete treatises on good roads ever issued is the report of the Joint committee on federal aid in the construction of post roads, of which former United States Senator Jonathan Bourne was chairman. It contains data showing the laws, customs and practices in highway construction and management in the several states and in foreign countries, the results accomplished, cost of construction and maintenance, plan of raising revenue, etc.

THE REVERSE VIEW
IN THE midst of universal grief over the ravages of war and the appalling waste that is to come in its wake it is consoling to read the reverse view presented by Professor Edwin R. A. Seligman of Columbia University.

He ridicules the idea that the terrible slaughter of men is going to set back the normal increase of population a third of a century and that the recovery from agricultural and industrial paralysis will be delayed for decades. As soon as the war ends, according to Professor Seligman, an unusual percentage of male children will be born. He does not know why this will be so but says it will be the result. Even if peace does not come until 1918 it will be only a few years, he thinks, until the percentage of increase of population will be normal.

never farther than eighteen months ahead of starvation. While lives can never be restored or lost limbs recovered it is a comfort to have these assurances and to feel that if the professor is correct material wounds will heal.

THE JOURNAL NATIONAL EDITORIAL

How "Trade Follows the Loan"
By CHARLES M. PEPPER
Former Trade Adviser U. S. Department of State.

THERE is a greater significance in the taking of the \$10,000,000 loan of the Argentine Republic by New York and Philadelphia bankers than the mere matter of a financial transaction. It opens the way to closer trade relations of a most important character. Investments by our people in South America have not hitherto been large enough to bring much return to the United States in the way of orders to manufacturers.

C. M. PEPPER They have been through mining investments—especially some recent ones—have resulted in the buying of machinery and miscellaneous supplies in this country. Our British and German rivals may have something to teach us in this respect.

As pointed out by J. Selwin Tait in a recent comment on the order of the British treasury last week forbidding capital issues outside of the empire, it is her readiness to raise a quickly vast sum of money for foreign countries more than anything else which has given England her international commercial superiority, and no phrase was ever truer than that "trade follows the loan."

The tradition of British railways in the Argentine Republic is that a coupling pin may not be bought without the London directors authorizing it. A business principle involved in buying the coupling pin through London. It is that when orders for supplies are to be placed, British mills shall have the benefit of British investment in foreign countries. Upward of \$750,000,000 of British capital is in Argentine railways, and the purchase of coupling pins and other articles which mount up into millions is one form of insuring return on the capital.

How the policy of making British foreign investments pay, not only in the dividends on bonds and stocks, but in assuring dividends to iron and steel mills in Great Britain, is shown by an analysis of purchases of railway material. Argentine railways, in a recent year, bought bridge material to the amount of \$1,000,000, and of this amount the United Kingdom supplied \$775,000. Purchases of locomotives were a fraction under \$2,200,000, and of this sum \$1,850,000 was credited to England. Passenger coaches amounted to \$1,200,000, of which the United Kingdom furnished nearly \$1,100,000. In freight cars the showing was not so good, since these were bought to the value of \$3,800,000, and the United Kingdom supplied \$2,650,000.

Though urged to do so, Governor Withycombe refused to ask the legislature to submit the Kellogg resolution, giving the people the right to write the single-item veto into the constitution. He said he proposed to keep hands off, and explained that in doing so he is adhering to his pre-election promises. He said that "his duty obligates him only to approve the resolution in case it is passed, and not to use any influence in its behalf."

Governor Withycombe made some good recommendations in his inaugural address, one of which was the proposed trade commission, the bill for which has been killed in the senate. But, he distinctly refused to use the power of his office in favor of the single-item veto, a course that, in the late campaign, it was charged he would take. The single-item resolution passed without his assistance, and since, unlike a bill, the resolution does not pass through his office for assent or dissent, the measure will go to the people without his approval.

German investments have not been of the same kind as British, because Germany has had little surplus capital to send abroad. But where investments of this character are made, as in tramway lines, the German banks see to it that the construction material is bought in Germany. The more common form of German investment has been in partnerships or branch houses. There are, roughly speaking, 1000 Hamburg firms engaged in foreign business. Many of these are partners in importing houses in South America. The partnership investment may not be large, sometimes not more than \$25,000, but it answers a definite purpose. Usually the money so invested is like that in national debts. The time when the principal shall be paid is indefinite. In most cases, doubtless, the withdrawal of the partnership capital would be impracticable.

United States, and with the extension of banking facilities, purchases of commodities should become much greater. But they will not assume satisfactory proportions until the United States is a genuine participant in all forms of legitimate investments—government loans, public utilities and other enterprises. The success of the policy of investing in South America in order to get South American trade is one of the encouraging signs of the movement for foreign markets.

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 writer. The publisher does not hold himself responsible for the return of such communications.)

"Discipline is the greatest of all reforms. It rationalizes everything it touches. It robs principles of all false sanctity and drives them back to their real responsibility. It has no reasonableness, it ruthlessly crushes them until only the essential conclusions remain in their stead."—Woodrow Wilson.

In Reply to P. A. Linscott.
Vancouver Barracks, Wash., Jan. 26.—To the Editor of The Journal: I, the undersigned, feel it my duty as a United States soldier, to make known the truth out of a glass of beer does the same. Before congratulating yourself when you come out on top, bear in mind that the truth is a glass of beer does the same.

The Streetcar Company's Side.
Portland, Jan. 27.—To the Editor of The Journal—Some people speak of the streetcar company as a going concern. How about persecuting the street railway company? There are two sides to this question. Many people are willing to see only one. Let's take the other side for a minute.

Money we get has to be paid for. How many have a right to be willing to pay. How much income do we want? As Stevenson put it: "A thoroughly respectable income is as much as a man spends."

The Right Kind of Newspapers.
Canby, Or., Jan. 23.—To the Editor of The Journal—Seeing a letter in The Journal of January 14 by R. J. W., "the boy who reads his newspaper," I will say I have had the same experience with two of them. When they told me their errand I did not mind things. I told them I had been reading the Oregonian for many years and had got disgusted with it.

Two Types of the Needy.
Portland, Jan. 26.—To the Editor of The Journal—On the first page of your paper I read of the loading of the mercy ship Cranley. She starts on a trip to the coast and carries some \$43,000 to the many dollars already sent.

Movie Love.
The movie actress wrings her hands over the fact that she has to read. She madly loves, or has a chill. And now the hero bold appears—No woman could resist his eyes. He tells her she's too young and old. "Are very damp and movie size."

PERTINENT COMMENT AND NEWS IN BRIEF

SMALL CHANGE
Easy money is easy to get rid of. Ready money is seldom ready when you want to borrow some.

OREGON SIDELIGHTS
Burns is henceforth to have telephone service in the same hours on Sundays and holidays as on other days.

Letters From the People
Who ever saw a free show that didn't give some kind of a string attached to it? If a man didn't make an occasional mistake his friends would have no kicks coming.

COST OF GETTING MONEY
A luxurious income, of true opulence, is something more than a man spends. Which shall it be? If you want to get money you must spend money.

A FEW SMILES
A friend I can't let you go by without the password, sir. "But, confound you! I tell you I've forgotten it. You know me well from the time you were Major Jones."

The Echnation of Progress.
From the New Orleans States. Jonathan Bourne of Oregon has found a perfectly good word. He starts an interview in the Washington Times today.

The Ragtime Muse
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THE OREGON COUNTRY
"IN EARLY DAYS"
By Fred Leckley, Special Staff Writer of The Journal.
Mrs. Rosemond Roberts Emery of Portland, celebrated her 101st birthday five days ago. She lives with her husband in the house at 547 Fourth street. "I did all of my own housework until I was 98 years old, but now an beginning to feel my age," said Mrs. Emery.

Salem Journal: Begins to look like the Salem-Salmon railroad was going to be built at last. Not a word of surprise of this kind brings more development of the country, and construction operations which are going on in all directions are backing up the optimistic talk and signs of coming prosperity which abound on every hand.

Believing the day of its vindication, the Bulletin is not better than the time to time with having been something else. It was not so pleased to see the Bulletin's attention to the laborer in our efforts of the newspapers of Portland and the other cities of the Oregon coast. Perhaps we are right after all.

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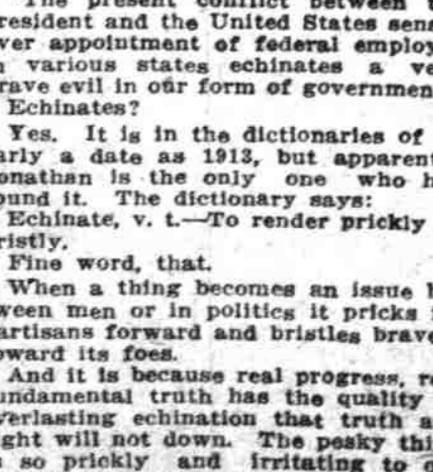
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