

AMERICAN PLAN OF SETTLEMENT WINS AT PARIS

Agreement on German Reparations Is Victory for Yankee Idea of Fixing Definite Sum.

By David Lawrence (Copyright, 1921, by The Journal) Washington, Jan. 29.—Victories are sometimes related but history records them none the less. All Washington is pleased over the triumph at Paris of the American idea of fixing a definite sum that Germany should pay as reparation for war damages.

For months the American financial commissioners at Paris fought for the fixing of a definite sum, but both Prime Minister Lloyd George and Premier Clemenceau were afraid any sum that might be fixed will be disappointing to their peoples and they themselves be swept out of political power.

President Wilson admitted before the senate foreign relations committee at the White House that the failure to fix indemnity to be paid by Germany was "international secret" and Senator Borah did not press him for a reply.

PRODUCERS FEEL DELAY

American cotton-growers and wheat-growers and manufacturers who have been clamoring for foreign markets have been able to sell their goods because European money has been depreciated in value. German markets have been of doubtful value because the worth of German money has fluctuated so much.

DEBT IS IMPORTANT

Indeed, the far-reaching importance of the agreement at Paris of the allies is not exaggerated here, where most everybody believes the fixing of the indemnity is the biggest event that has happened since the peace treaty itself was signed.

PROBLEM NOT SETTLED

But the vital fact is that the allies at last have accepted the principle of the American commission, namely, the fixing of a maximum and minimum of some kind, with a definite term of years. Of course our officials have only read the newspaper reports thus far, but a personal canvass of the various men who know the reparation question both from a banking standpoint as well as our own government's connection with it, leads

to the conclusion that the problem is by no means settled. A start has been made. The allies have agreed among themselves, but when they approach the Germans it is certain the latter will show the quality of imposing such a large sum as \$5,000,000,000. And the Germans will find considerable support in the United States for this view. The allies will naturally have a good deal of respect for American opinion, for it is no secret that as soon as the Germans give the bonds to the amount of the indemnity the allies will endeavor to use those reparation bonds as collateral for foreign loans they may wish to place in the United States or as part payment of existing war debt.

NO REPARATION BONDS

But at this juncture it is opportune to reveal to all concerned what is in the mind of the Wilson administration and what will be in the mind of the Harding administration—for there is no substantial difference of opinion between Republicans and Democrats on this point—namely, that America will not accept any reparation bonds in exchange for government loans, nor will Americans generally buy reparation bonds as an investment until the United States is satisfied that the Germans can pay the amount imposed. In any event, conservative opinion here is that no one will wait anyhow at least a couple of years before buying German reparation bonds as an investment.

HOW FAR WILL FRANCE GO?

Back of the hesitancy which is reflected in official as well as banking circles, is a doubt as to how far the French mean to go in regulating German affairs. The more or less official view here is that the French have already gone too far for their own good in holding a military club over the Germans and interfering with their opportunities to get raw materials that are requisite to manufacturing. There is genuine sympathy here for the French, but a considerable difference of opinion as to what is best for France herself, economically speaking. So while the fixing of the indemnity is expected to relieve the European situation somewhat and start a revival of business, America as an impartial observer will not be reassured as to the value of the agreement until she knows absolutely that the Germans can pay the indemnity demanded. There is no disposition here to favor the reduction of the indemnity out of any particular consideration for the feelings of Germany, but it is a cold economic proposition of capacity to pay and out of which a thought and still think that \$5,000,000,000 is too much and that the Germans will never be able to pay it.

GERMANS STAGGERED BY FIGURE ASKED

The world-wide business depression has been traced by economists directly to the financial uncertainty that hovered over Central Europe. Not knowing how big a load they were obliged to carry, the Germans could hardly make future plans. Internal political disorders always thrive when there is vagueness and indecision in the central government.

The American financial commissioners at Paris, Norman Davis, who is at present under secretary of state, Thomas W. Lamont of J. P. Morgan & Co., and Vance McCormick and Bernard Baruch, insisted that the allies fix a term of 30 years. The reports from Paris indicate that the allies are willing to stretch it to 42 years. The American advisers didn't suggest a specific sum. Though it was commonly reported that they favored \$5,000,000,000, Paris reports say the indemnity will be fixed at \$5,000,000,000.

WOULD BE YEARLY ADDITION

Paris, Jan. 29.—Germany must pay \$125,000,000 export tax annually. Next three years, 4,000,000,000 marks annually. Next three years, 5,000,000,000 marks annually. Next 21 years, 6,000,000,000 marks annually.

250,000,000 gold marks, normally about \$54,500,000,000, in war reparations, the allied supreme council decided last today.

Payment of the indemnity will extend over a period of 52 years, on the following graduated scale: First two years, 2,000,000,000 marks annually. First three years, 3,000,000,000 marks annually.

Next three years, 4,000,000,000 marks annually. Next three years, 5,000,000,000 marks annually. Next 21 years, 6,000,000,000 marks annually.

The total value of their exports in their best year before the war was about \$2,500,000,000. Their decreased industrial capacity, added to the loss of territory, probably would cut this down to at least \$1,000,000,000, perhaps much less. On a total value of their exports of \$1,000,000,000 they would have to pay a tax of \$125,000,000.

The financial conference at Brussels will reopen February 7, but the reparations terms will not be officially communicated to the Germans until February 28, when they will be invited to a special conference in London.

The agreement, which was signed at 5:30 p. m., included a protocol providing for German disarmament in successive degrees in portions extending to March 15, April 15 and July 1. Penalties for non-fulfillment of the disarmament clauses will include disarmament of Germany from the Ruhr industrial district and continued occupation of the Rhine-land. Premier Lloyd George will leave for London tomorrow. Premier Briand, after the conference at which the agreement was reached, told the correspondents that the supreme council was in a special conference in London.

ROAD ROCKY, BUT WE'LL WALK IT, SAYS MINISTER

Berlin, Jan. 29.—(U. P.)—Germany will not default on payments demanded by the allies, Minister of Finance Wirth declared tonight. "Bankruptcy is politically and financially impossible for me," he declared. "It would result in social chaos, and no German government would pursue so suicidal a course."

GERMANY CAN NEVER PAY SUM, DECLARES VANDERLIP

By Harold D. Jacobs United Press Staff Correspondent New York, Jan. 29.—"Germany will never be able to pay the war indemnity fixed by the allies," Frank A. Vanderlip, international authority on economics, declared in an interview tonight. In an interview with the United Press, Bernard M. Baruch predicted that if an amount were fixed "within Germany's capacity to pay," American industries would respond instantly as a result of the reopening of the world markets and unemployment would be quickly wiped out.

SISTER OF SLAIN MAN TO TESTIFY FOR MRS. PEETE

Woman Accused of Murdering Millionaire Denton Holds Conference With the Witnesses.

Los Angeles, Jan. 29.—(U. P.)—Twenty more witnesses, including a sister and the daughter of the slain man, will be called by the prosecution next week before the evidence against Mrs. Louise Peete, on trial for the murder of Jacob C. Denton, is completed, it was officially announced at the district attorney's office late today.

LEGISLATORS RARIN' TO GO ON NEXT LAP

The highway commission insists that this would put the road financing program close to the rocks, unless other and equivalent revenue is provided, and the highway committees seem more inclined to listen to the commission than to the governor. It is history that it requires but a small excuse to put the legislative and the executive branches of the government at loggerheads, and there are those in the present session who have been waiting for the governor to do something to jostle the chip upon their legislative shoulders.

daughter at the place where they were kept in seclusion by the district attorney's office from the time of their arrival until their appearance as prosecution witnesses. In conferring with the Denver women Aggeler acted on the order of Superior Judge Willis, who instructed them to remain in Los Angeles after they had testified for the prosecution, and to testify for Mrs. Peete if the defense needed them.

CLAIM DAMAGING EVIDENCE

Damaging admissions said to have been made by Mrs. Peete in a battle of wits with Chief Deputy District Attorney Doran and Detective Charles Jones, the officer who brought her here from Denver, will be told from the witness-stand Monday.

Jones will disclose the third chapter of the "Spanish woman" story, in which Mrs. Peete is said to have told him that friends of the woman killed Denton after Denton had shot and wounded the woman at the Catalina street "murder mansion."

WOMEN TO TESTIFY

A secret conference between Mrs. Ida Gregory, her daughter, Miss Maude Gregory and Public Defender Aggeler, representing Mrs. Peete, was held today, preparatory to the calling of the two women, brought here from Denver as prosecution witnesses, to testify in Mrs. Peete's behalf.

stretch when harassed committees labor by night and laboring orators fill up the day, when trades are made and feelings are hurt, when words get short and tempers grow brittle.

REAPPOINTMENT WITHOUT DOUBT

stands at the head of the list of trouble makers. The mere mention of it started a scrap in the senate and filled the house with heated words.

ROADS AND HIGHWAYS SITUATION

The roads and highways situation is also brooding above a breach between the executive office on the one hand and the highway commission and roads and highways committees on the other.

ROCKS ARE FEARED

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Representative Miles' logged off land bill is also on the way, as are the measures providing for the regulation of municipal bond sales, for the absolute reparation of the fish and game departments for the fish code, the game code, the Norblad bill regulating purse seines, the Bennett bill declaring state ownership in the beds of meandered lakes, the free textbook bill, the prohibition measures, and a whole raft of others not so full of dynamite or of general public interest.

FORT BILL LOOMS

The Port of Portland bills are scheduled to start the week's fireworks, while the Staples teachers' tenure bill bids fair to trot close behind it with a public hearing and debate Monday evening at 8 o'clock in the hall of representatives, at which 10 selected speakers will present arguments to the McNamara delegation, and the members generally, five speaking for and five against the measure.

GORDON'S TAX SUPERVISING AND CONSERVATION COMMISSION

Gordon's tax supervising and conservation commission bill may also be the center of a storm before the week is over, for it has passed through the trial of a public hearing and is nearing the time when it will come from committee and onto the floor of the house for final passage.

BONUS BILL PENDING

The bonus bill, too, is in the house waiting for the committee to begin its consideration. The measure providing for the reorganization of the state engineer's department, and the elimination of Percy Cupper as state engineer, is a tight breeder, and is ready to be taken up in committee.

ADDITIONAL STAY GRANTED

John Basich, convicted moonshiner, was given an additional stay of execution until March 1 by Federal Judge Bean on Friday in order that he might perfect his appeal. Counsel for Basich assured the court that no additional time would be requested. Basich was sentenced to one year in jail for operating the famous Newberg still.

SEMI-ANNUAL CLEARANCE SHOE SALE

380 Washington Street 308 Washington Street 270 Washington Street 270 Morrison Street

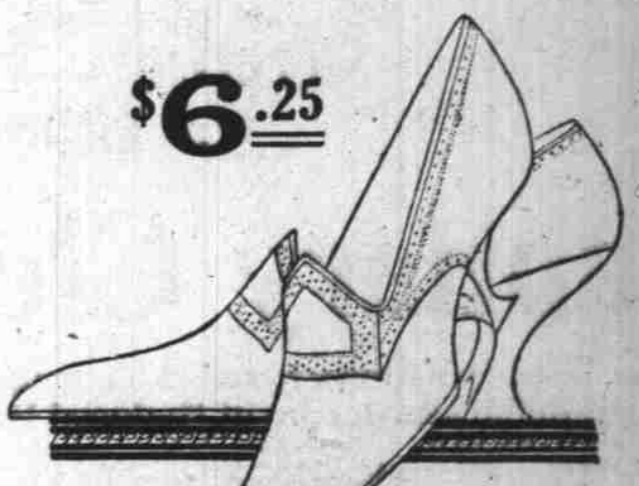
Reductions are final—prices are low—stocks are plentiful and widely assorted. So do not wait. NOW is the time to take advantage of this great sale. 150 different styles to choose from.

270 Washington St. Store TO BE CLOSED March 1st

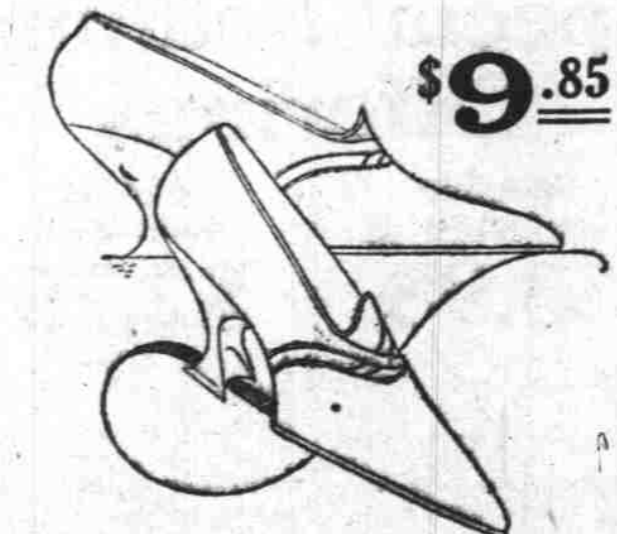
Every Shoe in This Stock a Bargain. Take Advantage of This Opportunity to Satisfy Your Shoe Needs at Prices Far Below 1921 Spring Prices.



K1210—Disie Tie in black or brown kid, turn sole and wood covered French heel. Former price \$13.50—



J1216—Black kid tongue pump with perforated leather buckle, turn sole and kid covered wood L.V. heel. Former price \$12.50.



1207—New tongue pump in either black kid, suede or satin with black suede or kid inlay. Made with turn sole and covered L.V. heel. Former price \$12.50.



1217—Gray suede strap pump with imitation perforated tip, turn sole and suede covered French heel. Former price \$10.00.

WALKER

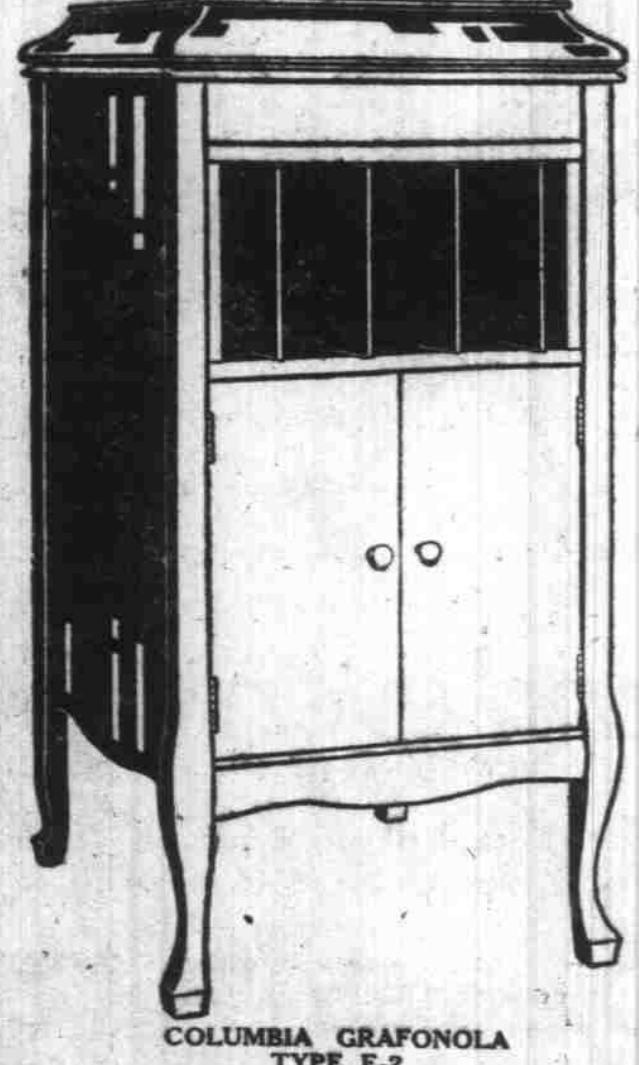
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