

# U. S. SUCCEEDS IN ABOLISHING CABLE MONOPOLY

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Washington, Jan. 10.—The United States government has succeeded in its first effort to abolish monopolies in cable communication throughout the world.

An agreement has virtually been reached with the Western Union Telegraph company, the All-American Cable company and the Brazilian, Peruvian and Ecuadorian governments which will mean a revolutionary change in cable communication between North and South America, bringing with it unquestionably later on lower rates as well as improved service and establishing ultimately freedom from cable monopolies in the Western hemisphere.

The basis of the new agreement, which brings to an end the spectacular fight between the Washington government and the Western Union over the landing of a cable at Miami, Fla., is this: 1. The All-American Cable company shall surrender the monopoly it enjoys in the landing of cables in Peru and Ecuador, while the Western Union, which is affiliated with the British-owned Western Telegraph company, shall surrender its monopoly on the Brazilian coast and the eastern shores of South America, and thereafter neither company shall have monopolies on either coast.

2. The Western Union will be permitted to land its cable at Miami, Fla., connecting the island of Barbados, which the Brazilian cable has reached, with the United States.

3. Settlement is conditioned upon consent of the Brazilian government and the British company, the Western Telegraph company, to the revocation of the original monopoly on the Brazilian coast.

**ACTION FAR SIGHTED**  
The willingness of the Western Union and the All-American Cable companies to surrender their respective monopolies is an evidence of their far-sightedness as well as their recognition of the fact that, sooner or later, when the present monopolies did a pipe, the influence of the United States government, whether the administration be Republican or Democratic, was sufficient to prevent the renewal of such monopolies and that by an agreement at this time competitive conditions could be brought about which would enhance not only the revenues of the cable companies, but help to build communication and commerce between North and South America.

Trade in the Western hemisphere has been hampered by poor communication. Indeed, before the All-American company came into the field, most of the cable traffic from the United States to South America was by way of Europe, necessitating delay on the one hand and breeding a certain suspicion on the other that European business men were able to outbid Americans through the prior knowledge of American offers. These charges have been denied again and again, but it has been admitted that the opportunity for such tactics would be minimized if the United States had speedy communication with South America.

**WILSON BEGAN FIGHT**  
The fight for untrammelled communication in the Western hemisphere began under the Wilson administration. Secretary Coby adopted practically the same policy as did Secretary Hughes. There was no politics in it, simply a deliberate effort on the part of the American government to see to it that cable communication with the all-important continent to the south of us was not controlled by foreign-owned companies, which might discriminate against the citizens of the United States.

President Harding, however, has the opportunity now to go even further and to use the example of what has been accomplished in the Western hemisphere as a means of securing freedom from monopoly in other countries with which the United States has direct communication. For, admittedly, world peace and extensive commerce depend largely upon communication.

The Harding administration is saying nothing for the present about licenses to companies landing cables from European points, preferring to settle the South American situation first and offer an example of what can be done by abolishing cable monopolies, but the fact is that the Kellogg bill, enacted recently into law, gives the chief executive powers which may revolutionize the whole question of cable communication, if properly exercised.

It will be recalled that the Wilson administration, feeling confident of the constitutional rights of the executive in refusing to grant permits to companies to land cables if the interests of the United States seemed adversely affected, found itself in the midst of litigation with the Western Union. The federal court never did get a chance to decide whether the executive had the power to grant or revoke cable licenses, for in the middle of the controversy congress acted and specifically vested in the chief executive all the discretionary power needed. It then became a matter of further negotiation between the state department and the cable company.

# Portland Men on Coaxet



With the rebirth of Portland as a great port and a new generation of Oregon boys is becoming familiar with the sea and is learning at first hand of the strange lands they read of in their school geographies. The picture shows a group of Portland men who recently returned from a voyage on the Coaxet, steel freighter built at Vancouver, Wash., and operated to the Orient out of Portland. In the photograph, which was taken in mid-Pacific, are, left to right—Fred Richardson, Lester L. Wilson, Karl Stetter, Lee Moyer, William Summers and Thomas Murphy.

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**ACTION ONE OF POLICY**  
The Washington government made it clear that its views did not involve preference in cable companies nor was it attempting to dictate how those companies should handle their business, but that broadly speaking communication was a matter of policy as well as law and that the United States could not agree to permit the Western Union to land a cable at Miami, Fla., if that meant a connection with a British company in Brazil which, having an exclusive monopoly on the Brazilian coast, virtually prevented an American cable company, operating on the west coast of South America, from reaching around the continent and developing its lines.

The Western Union always replied that the All-American company had similar monopolies in Peru and Ecuador and that the Western Union was prevented from developing its lines north of Chile on the west coast of South America. Thus the controversy dragged on, but it became evident to all concerned that it was only a question of time until the United States, through its diplomatic influence, would see to it that the monopolies were not renewed. So all the companies were brought into harmony and the impression this correspondent has gained by investigation of the subject in official circles, is that the agreement satisfies all parties and means a step forward in rapid communication as well as in the development of better political and commercial relations with South America. There are some monopolies in Central America which will in time also be abolished.

The principle of the American government is that any time any companies which are connected with America by direct cable, and which are not giving American companies reciprocal privileges abroad will find their permits in danger of being revoked unless they live up to the spirit of reciprocity. For the Kellogg law removes all doubt as to the power of the executive and gives the president the right to grant or revoke permits at any time that the conditions are not fulfilled by cable companies, in peace as well as in times of war.

**TREATED IN PORTLAND**  
Freswater, Jan. 10.—S. O. Saunders, prominent alfalfa farmer, returned from Portland, where he went for surgical treatment.

**COUNTY PROSECUTOR WEDS**  
Aberdeen, Wash., Jan. 10.—George Acorn, county prosecutor, and Miss Nettie Kaitia of Tacoma were married in Hottel Monday.

# NEED FREIGHT CUT, WALLACE INSISTS

(By United News)  
Philadelphia, Jan. 10.—Freight rates must be reduced if agriculture is to recover from the worst depression in its history, in the opinion of Secretary of Agriculture Wallace. And the recovery of agriculture is essential to the recovery of all business and industry, Wallace declared.

He spoke before the Traffic club here Monday night. "We cannot hold the increase of freight rates solely responsible for the troubles of the farmer," said Wallace, "but they contribute very much to those troubles. It is doubtful whether agriculture can make a complete recovery for many years unless the normal ratio between the prices the farmer receives for his crops and the freight rates he pays both on what he sells and what he buys is re-established very soon.

High freight rates are no longer justified in view of the decline in prices of commodities, he argued. He urged an adjustment of rates to correspond with the adjustment that has occurred in farm prices.

Wallace declared either farm prices must come up, or other prices be lowered. It would be better, he said, to "valve" farm prices, than to "valve" the plight of the farmers he characterized as a "national danger."

"If we do not take prompt measures to cure it the cure will come through the operation of brute force which will lay upon the people who do not live upon farm, burdens as heavy as the farmers now bear, he said, "and burdens which will cause them greater suffering."

# Use Table Leg to Pry Cell Door; Four Have Brief Liberty

Wenatchee, Wash., Jan. 10.—Prying open their cell door with a table leg, four prisoners escaped from the Chelan county jail early Monday and took refuge in a packing shed north of Olds Station, where they were recaptured by officers about 11 o'clock. The prisoners involved are James Kosmell, charged with grand larceny in connection with the conduct of the Elman cafe; Ray Stenow, aged 16, charged with highway robbery, larceny and suspected of being implicated in the murder of Jacob Weber, and Harry Miller and Alfred Ashby, both Canadians, arrested in Northwest mounted police uniforms and held for investigation.

By breaking up an oak table in the cell where the four men were confined, they managed to spring the lower part of the steel door open wide enough so that all of them could squeeze through.

# Three Bank Theft Suspects Are Held

Prosser, Wash., Jan. 10.—Sheriff Ralph has taken Charles Huff, alias Kid Snyder, member of the Brunfield gang, held responsible for a series of crimes committed recently in the lower Yakima valley to Yakima. At least 15 charges stand against them, including looting of stores at Benton City and Granger and robbery of the bank at Mabton. Roy Brunfield and James Kelley are in jail at Yakima.

Washington, Jan. 10.—(I. N. S.)—The United States supreme court today held invalid the North Dakota state capital stock tax as applied to railroads doing business in the state.

The lower courts had upheld the tax, but its invalidity had been contended by James C. Davis, director-general of railroads, the Northern Pacific Railway company and other roads, on the ground that the law violated the commerce clause of the federal constitution.

The law provided that railroad companies should be taxed on the value of the entire capital stocks, measured by the value of the railroad property in the state.

# Girl Is Wounded in Rioting at Belfast

Belfast, Jan. 10.—(I. N. S.)—Three men and a girl were injured during disorders in this city throughout the night. There was heavy firing in some streets.

# Award to Portland In Rose Tournament Arouses Glendale

Glendale, Cal., Jan. 10.—(I. N. S.)—Glendale has refused to accept from the Rose tournament association the award of second place made to it by the judges at the rose tournament parade in Pasadena, January 2.

Portland was awarded first place in the division in which Glendale was contestant. The Glendale Chamber of Commerce insists Glendale should have had first prize and announces it will not accept second place.

Little mention was made of Portland having won first prize at a fiery meeting of the chamber of commerce when a letter was drafted to the executive committee of the rose tournament. This was in respect to the Rose City, which although located at a distance, took part in a Southern California event.

"We do not envy Portland. We hope it will return next year and bring other cities, because it may be necessary to get exhibits farther away from home in the years to come."

# Lookout Houses for Forest Service to Be Improved Much

The latest style in the standard forest service lookout house has a complete set of lightning rods projecting at every corner of the building, as well as from the cupola. Storm windows to be placed over the glass ones in the cupola during the winter are attached by hinges and let down in the summer, rather than removed entirely. Other minor changes of an improved nature have been worked out of the forest lookout experts and included in the new plans and specifications just completed under the direction of C. M. Allen, telephone engineer. From 12 to 15 lookouts will be built from the new plans, the work being done by the rangers during the winter, and the cut-out pieces put together on the mountain top in summer time. By this method, a saving of from \$200 to \$300 is made.

# Ambassador Harvey Reported as Resting Easy After Mishap

Cannes, France, Jan. 10.—(I. N. S.)—George Harvey, American ambassador to England and observer for the United States at the supreme council meeting, who was injured about the back and head in an automobile accident yesterday, was resting easily today. Friends in Europe and the United States have sent scores of messages congratulating Mr. Harvey on his escape from death.

# Award Portlander Cruising Contract

Roseburg, Jan. 10.—The contract for cruing the remaining uncrused timber in Douglas county was awarded Monday to Thomas Pierce of Portland, who bid \$4.8 cents an acre. This year's bid is much lower than that paid last year. A total of 173,000 acres will be cruised this year, the total cost under Pierce's bid being \$11,500. Pierce has been employed with the Crown-Willamette Paper company of Portland.

# Cheaters in School Of Law Ostracized By Fellow Students

University of Oregon, Eugene, Jan. 10.—The value of the honor system was successfully tested this week when two students in the school of law at the university were ostracized by their fellow students for cheating in the fall term examinations, according to an announcement made Monday by Dean W. G. Hill.

The honor system was adopted by the students at the law school a year ago and this is the first time a case has arisen. When evidence of cheating was found, an organization for the operation of the system was put into effect and Borden Wood was elected president. Then the case was considered.

The offenders knew that the case was pending, and they did not register for the winter term. The honor system committee could recommend only that they be ostracized, after finding them guilty.

Law students are said to be highly indignant over the case and promise to deal harshly with any future offenders.

# Mrs. Peabody, Nee Katrina Trask, Dies

Albany, N. Y., Jan. 10.—(I. N. S.)—Mrs. George Foster Peabody, 69, died Sunday at her estate, Yaddo, at Saratoga Springs. Funeral services will be held Wednesday. Mrs. Peabody, as Katrina Trask, was known throughout the country as a philanthropist, poet, dramatist and novelist.

# Private Railcar May Carry Shipping Men

Efforts are being made to obtain a special car for members of the Portland committee who will attend the confer-

ence at San Francisco January 13, to consider projected plans to organize a \$20,000,000 shipping company on the Pacific coast. There are nine committees and three subcommittees from this district and the delegation from Seattle may join the Oregon delegation. The party will leave here January 17.

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