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SIMMONS' FINANCIAL INSAPENCY.

"The financial theories of Mr. Kitchen, the North Carolina chairman of the Committee on Ways and Means of the House, have served to amuse and entertain the country in spite of the fact that their adoption would be of the gravest danger to our prosperity," declared a New Hampshire financier in Washington recently. "Likewise the propositions advocated by Senator Simmons of that state, chairman of the Finance Committee, are weird in the extreme, and serve to illustrate the danger of putting incompetent men in charge of our financial legislation."

"Simmons' latest suggestion is that we should market the bonds of foreign nations that are held in the Treasury and use the proceeds to reduce taxation. A very plausible proposal, until one realizes how those bonds were acquired, and why they should be held for a number of years in the future."

"At the close of the war our holdings of foreign bonds will amount to nearly \$10,000,000,000. They were received in exchange for money loaned to the allies—money raised by the sale of our own bonds to our citizens. The relation between the foreign bonds and our own bonds is very close. In the acts authorizing the Secretary of the Treasury to make foreign loans it was expressly stipulated that foreign bonds turned over to us should bear interest at a rate not less than that of our own securities. Further, it was provided that 'if any of the bonds of the United States issued and used for the purchase of such foreign obligations are converted into bonds of a higher rate of interest than such foreign bonds shall be likewise converted.'"

"In other words, the Government has borrowed almost \$10,000,000,000 of the people's money, not for the purpose of paying for the war, but for loan to the allies with the understanding that it is to be paid back and used to retire the very bonds which were sold to our citizens to raise the amount originally. That being the case, our foreign bonds should be held in the Treasury until our own issues become due, which would probably be the method followed, or can be sold in the market. To sell those foreign bonds now, as Mr. Simmons advocates, is equivalent to raising another ten billion dollars from our own people by the sale of further bonds of the United States, because just that amount of our own bonds would be left unprotected by a sinking fund which must be provided before they fall due."

"What standing would a man have in his business community if he had money in bank to meet his obligations falling due on a certain date, and then deliberately spent it in the operation of his business instead of providing for such operation from his daily receipts? Yet that is precisely the way in which Senator Simmons would conduct the finances of the Government. Instead of providing operating expenses by taxation, and possibly the sale of a few more bonds, he would sacrifice the treasury sinking fund."

The Oregon Legislature to meet a week from Monday will have its work cut out for it. There will be a lot of things to do, and that ought to be done, to keep this state in line with the progress it should have in the reconstruction period; and the available extra funds are limited. But there will be plenty of suggestions of ways to meet the conditions.

Now for 1919 and its work.

And its pleasures, burdens and cares.

There is some news coming over concerning the forthcoming peace conference. And a lot of piffle.

"We wash our hands of Russia," says Count Bernstorff, and the allies may feel that Russia has been washed on to them.

When the prime ministers of France, Great Britain and Italy leave the peace conference the document they take with them will be to all intents and purposes a final treaty. When President Wilson is through with it, it still remains the draft of a proposed treaty that it requires a two-thirds vote of the senate to ratify.

There will be all sorts of style and ostentation displayed in the coming meeting of the peace envoys, but we recall reading that Benjamin Franklin, probably America's greatest diplomat, set the fashion for simplicity when he appeared at the gorgeous court of France in his sober Quaker raiment of colonial russet, without a wig, and wearing his famous cap of marten fur. Yet they did not put anything over your Uncle Benjamin.

It is apparent that Canada means to lose no time in getting its shipping back to a normal basis and is eagerly seeking its share of the world's carrying trade. Many interrupted services have been re-established, and while a few companies, like the Canadian Pacific, have lost some of their boats, others have been purchased or are being built to replace them. Steamships are now running again between Halifax and the West Indies, and while service to South Africa cannot be

FUTURE DATES.
January 6, Monday—State Federation of Labor convenes in Salem.
January 15 to 18—Automobile show.

SALEM IN THE LIST

Every town in the United States worth mentioning is discussing where the memorial to the soldiers who served overseas is to be located—Los Angeles Times.

Salem is proposing a row of walnut trees in the center of the parking on Marion street, for a starter towards her contribution.

ANOTHER LOST ART

There are phases of the income tax that surpass the understanding. The experience of two firms was cited in a recent congressional debate. One firm had made a profit of \$50,000 in three years; the other had lost more than \$200,000 during the same period; and the firm that lost \$200,000 was forced to pay a greater tax on supposed profits than the concern which had actually cleared \$50,000. Here is the way the law works: a firm is charged a tax on its profits, whenever profits occur, but there are no rebates when one good year comes at the end of three bad ones. In the case cited a firm lost \$200,000 in two years and made back \$60,000 in the third; it was forced to turn \$10,000 of the profits over to the government and to pocket its losses. And the firm that actually cleared \$50,000 in three years only had to pay \$1250 in tax for all that time because its yearly profits were so small. Equity in taxation has evidently become a lost art.

OREGON AT THE HEAD

Both municipal and state officials have co-operated with the federal government to suppress social vices during the war. It will be deplorable if we should lose the ground that has been gained in this drive against vice. The burden of the fight must be taken up by peace agencies and authorities. Sound, clean bodies are necessary to efficiency.—Exchange.

Oregon stands at the head of the list for the whole United States, in having the lowest percentage of men with venereal diseases among the first 100,000 men entering the armies of the United States—about one-half of one per cent.

The good record should of course be kept up in Oregon, and improved, in every possible way.

THE DEVIL HIS DUE

The French people have definitely placed the last of the big Hohen-zollerns: Black Bill. He will be known officially and in histories compiled by French writers as William le Diable. Apparently there is a general agreement or understanding to that end and therefore the title is likely to spread into the literature of other lands. English writers are prepared to accept the suggestion with three cheers. The Kaiser therefore goes embalmed into the vaults of history as "the Devil"—with a capital "D."

There is a Robert le Diable in French legendary history. He was supposed to be the son of a Duke of Normandy and to be more reckless than wicked. At any rate, we see him in the last picture lying honored and respected in a hermitage in the arms of his father confessor. It is up to Bill to exorcise in a time and manner that may likewise temper the final judgment of the historian. As the situation stands today he has few friends among the cult of pen pushers.

FREE POLAND.

After more than one hundred and fifty years of bondage "Free Poland" is about to be restored to the concert of European nations. The machinery of government was perfected in this country during the last year and the provisional government has already called a general election to select a constitutional assembly.

During the eighteenth century Poland had the most democratic form of government in Europe. In fact, it owed to its excessive democracy the loss of its autonomy. It is interesting to note that the "Initiative" and the "referendum" were the characteristic features of democratic Poland. For a hundred years they were supreme; but at the end of that time they had disappeared, taking free Poland with them.

A correspondent notes a sentimentally that these devices do not figure in the provisional constitution of free Poland.

THE MONEY POWER

Bryan is announced to be working through the East in an effort to eliminate wealth from leadership in the Democratic party. This will be a much harder task than it was in 1896. In fact, Bryan himself has made definite strides in the direction of plutocracy since that notable campaign and several other Democrats have been able to keep pace with him. Why should the Democrats have a grudge against money? Think of the things it will buy.—Exchange.

THE ELEVENTH HOUR

The Krupp gun works at Essen is to be diverted to the manufacture of plows, agricultural implements and tools of peace instead of war. This is the announcement of those remaining in the directorate.

If they had started out with that programme a generation back this thing wouldn't have happened. There is hardly a single factor more responsible for the war than this same Krupp plant, which long ago was dedicated to the service of Mars and which produced so many wonderful implements for warfare that the temptation to use them to their bloodiest extent proved irresistible.

It is but just now that its activities should be directed toward the scriptural obligation of beating swords into plowshares.

TO CATHARINE FOWLE.

Prof. J. T. Matthews.
As I strolled with thee through Salem town
A friend approached and said:
"Oh, have you heard the bitter word?
Miss Catharine is dead."

That sturdy lass! When I did pass
Her casket in the church
There seemed a wealth of pearls of health—
For death I had to search.

In girlish rest her pillow pressed
One rounded comely cheek;
But she was dead—my spirit bled—
I am constrained to speak.
Her queenly soul on honor's roll
Has carved a record true,
Of busy days and blessed ways,
And things she used to do.

How shall we spare this maiden fair?
She's needed so on earth—
Her household grace, her public place,
And all her Christian worth.

O mother heart, whose racking part
Takes up that scroll, fair honor's roll,
And read her life again.

The least of these sweet memories
Builds rainbows in your tears,
Stills thanks serene for Catharine
That speed the aching years.

BITS FOR BREAKFAST

Clear and cold.

Did you get caught?

Did some one phone you and ask you if this was 1919?

London is duffy over the suggestion that the Prince of Wales marry an American girl. They take such things seriously over there. That is one kind of democracy the Yank doughboys fought to make safe in the world.

Come to think about it, there are several kinds of democracy. The kind they have in Japan, for instance.

The American boys up in the frozen northern part of Russia, just now darkest Russia in a real sense, want to know what they are there for. They have a right to know, and to demand that whatever is done with Russia, it be done quickly. Our boys do not want to spend a very large share of their lives over there.

After President Wilson gets back from Italy, he will be about through with his Romeing. It is to be hoped, and really for the business of getting the peace conference down to real work.

It is very pleasant to hear a professional singer or performer on a musical instrument, but just imagine what the neighbors suffered while they were practicing!

The last quarter of an hour will win the big battle on the western front. The commander who has the most and best drilled men, who is able to respond to the final call, will be victorious.

The lay strategist who feels that the fate of the world, including the fortunes of the world war, depends upon his strict application to solving the problem of the European war chess board, never can get the point of view of the wife who blows him up for a failure and good for naught when, owing to his absorption in the great task, he forgets to perform some trifling domestic chore.—Knoxville Sentinel.

Dr. Abraham Jacobi of New York city, who served two years in a German prison for favoring the cause of liberty in 1848, has no difficulty in understanding the world issue. Speaking on his 83rd birthday the doctor said: "If we had won that revolution, there would be no war today, for we were trying to break then the autocratic spirit in Germany which has caused the present world conflagration."

It is a time for Admiral Sims to laugh. In 1910 he was reprimanded by President Taft and the secretary of the navy for saying at a public dinner given by the lord mayor of London that if the time ever came when the British empire was seriously menaced by an external enemy England could count upon every man, every dollar and every drop of blood of their kinsmen across the seas. Since then Admiral Sims has been in command of the fleet which went across the water to make the prophecy good and has been promoted from vice-admiral to admiral.

Ellis O. Jones, whose mental condition is being inquired into in New York, following his advocacy of the cause of the Bolsheviks, is the half-baked son of the late Ellis Jones, a wholesale shoe dealer of Columbus, who, before his death, accumulated a fortune. Jones, as editor of the Columbus Press, wrote an editorial on the death of President McKinley in 1901 that almost led to his lynching. For the past ten years he has been hanging around on the fringe of Bohemian society in New York contributing alleged poetry and humorous paragraphs to cheap magazines.

IN A SOCIAL WAY

By DORRIS LEAH SIKES

Colonel and Mrs. George S. Young, who have been in Salem for the past several months will return to their home in Portland this morning. Their daughter, Mrs. Polly Reed, of Tacoma, who has been with her parents during the holidays, will accompany them.

Colonel Young has been in charge of the S. A. T. C. unit at Willamette university. During Young's stay in Salem, they were at home to their friends at the hotel Marion. Colonel Young will assume his duties as inspector-instructor of the Oregon national guard soon.

Mrs. Richard Robertson (Louise Benson) who was a holiday visitor with her parents, Judge and Mrs. Henry L. Benson, returned to her home in Portland Saturday evening.

Mr. and Mrs. E. Cooke Patton and daughter Luella, spent New Year's day in Portland, with Mrs. Patton's sister, Mrs. A. W. Begner.

Dr. and Mrs. B. L. Steeves are very much concerned over the serious illness of their son, Laban Steeves, who is now in Portland. He was taken ill Sunday and Dr. Steeves went to Portland yesterday afternoon to be with him for a few days. Mr. and Mrs. Laban Steeves spent Christmas day in Salem, but returned to Portland that evening.

Warren Francis Powers, son-in-law of Dr. and Mrs. J. N. Smith will leave this morning for his home in Seattle after a three weeks holiday visit here. Mrs. Powers, (Mable Smith) will go to Portland Monday to visit with relatives and leave for Seattle the following day.

Miss Helen Pearce, who is in charge of the employment bureau of the Y. W. C. A. in Portland, writes to her mother, Mrs. George L. Pearce, 267 North Winter street, that she will go to Seattle soon for three weeks, as a part of the training for Y. W. C. A. service which she is taking.

Miss Florence Cleveland, for two years secretary of the Y. W. C. A. in Salem, went to the home of her parents, Mr. and Mrs. Albert Cleveland, in Portland yesterday morning for a visit. Miss Cleveland will not resume her work in Salem but may take it up again in another field.

Miss Alida Becken is spending several days with friends in Silverton.

Among those who entertained with New Year's dinners were Dr. and Mrs. B. L. Steeves, whose guests included Mr. and Mrs. F. A. Legg and family, Miss Fay Ferringar, who has been their house guest during the holidays, Miss Grace Young, and Ray Rarey.

At a very quiet ceremony at the home of Mrs. E. P. Talkington, 394 Church street, Tuesday evening, Miss Nellie Ruth Fowler of Mariou, Ind., and Wesley H. Williams, of Salem, were united in marriage. The ceremony was read by W. C. Kantner, of the First Congregational church.

The bride was gowned in a combination of white serge and georgette and carried a bouquet of yellow chrysanthemums. She was accompanied by Miss Jessie Miller and George Dahl attend the groom.

The house was attractively decorated with Oregon grape, poinsettias, and red candles shed a soft glow over the company. Following the service a supper was served at the home of Mrs. W. C. Young at 461 North High street, covers being laid for Rev. W. C. Kantner, Miss Jessie Miller, George Dahl, Fred Van Doran and Mr. and Mrs. Williams.

Mrs. Williams came to Salem about a year ago from Marion, Ind. Mr. Williams is foreman of the J. L. Van Doran cannery. After a few days in Portland they will return to Salem but will not take up house-keeping just now.

THE MAKING OF A FAMOUS MEDICINE

How Lydia E. Pinkham's Vegetable Compound Is Prepared For Woman's Use.

A visit to the laboratory where this successful remedy is made impresses even the casual looker-on with the reliability, accuracy, skill and cleanliness which attends the making of this great medicine for women's ills.

Over 350,000 pounds of various herbs are used annually and all have to be gathered at the season of the year when their natural juices and medicinal substances are at their best.

The most successful solvents are used to extract the medicinal properties from these herbs.

Every utensil and tank that comes in contact with the medicine is sterilized and as a final precaution in cleanliness the medicine is pasteurized and sealed in sterile bottles.

It is the wonderful combination of roots and herbs, together with the skill and care used in its preparation which has made this famous medicine so successful in the treatment of female ills.

The letters from women who have been restored to health by the use of Lydia E. Pinkham's Vegetable Compound which we are continually publishing attest to its virtue.

Mr. and Mrs. Vyvlen Bent and children, and E. W. Bent, all of Portland, were New Year's day guests of Mrs. R. M. Hofer.

A few of Salem's golf devotees spent New Year's afternoon on the links at the Country club. At 5 o'clock a turkey dinner was served at the club house. Those who participated in the event were Mr. and Mrs. Homer Smith, Mr. and Mrs. E. L. Baker, Mr. and Mrs. Edward Gillingham, Mr. and Mrs. George G. Brown, Mr. and Mrs. O. C. Locke, Mr. and Mrs. James Wilson and Dr. and Mrs. H. H. Olinger.

Guests at the W. T. Stolz home for New Year's dinner were: Mr. and Mrs. W. T. Stolz, Mr. and Mrs. John McNary, Mrs. L. Westcott, Misses Margaret and Gertrude Grey, of Portland, Miss Nina McNary, Miss Margaret Stolz and Richard Stolz. Decorations were carried out in holiday colors, holly and poinsettias being used.

Mrs. A. N. Moores' guests Mr. and Mrs. Robert Kinney and little son, Robert, Jr., left Tuesday night for their home in Astoria. They spent New Year's day in Portland, going on to Astoria today. Mrs. Kinney and son have been in Salem since Thanksgiving.

The Women's Relief Corps has postponed its joint installation which was to have been held Saturday afternoon, on account of the influenza.

Cut This Out—It Is Worth Money. DON'T MISS THIS. Cut out this slip, enclose with 5c to Foley & Co., 2835 Sheffield ave., Chicago, Ill., writing your name and address clearly. You will receive in return a trial package containing Foley's Honey and Tar Compound, for coughs, colds and croup. Foley Kidney Pills and Foley Cathartic Tablets. J. C. Perry.

Three War Savings stamps for 1919 are adorned with the picture of Ben Franklin, the recognized apostle of saving. It would be hard to suggest anything more appropriate.

ANATHEMA.

To the Kaiser in Hell.
Kaiser, Kaiser, ere you fell
To the lowest pit of hell,
Ere your guilty hands were red
With the blood of millions dead,
Ere your wretched soul was damned,
And hell's gates behind you slammed
Kaiser-Koenig Wilhelm, tell,
Did you never dream of hell?

Kaiser, Kaiser, domed to hell,
Evermore to burn in hell;
While we seemed to see you here,
Ruling still by force and fear,
Sitting in your state alone,
Crowned and sceptered on a throne,
Your tormented soul could tell,
Even then you were in hell.

Kaiser, in the flames of hell,
Domed forevermore to hell,
Where the fire forever burns,
And the conscience writhes and turns
Lest with all your crimes alone,
Damnable and monstrous grown;
Kaiser, howling down in hell,
Burn!—and think of Nurse Cavell.

Kaiser, Kaiser, down in hell;
Burning evermore in hell;
You shall see, as on a scroll,
All the murders on your soul.
See the Lusitania's name,
Written on the sheets of flame,
Watch the little babies drown,
Kaiser-Koenig Wilhelm, tell,
Can you hear their cries in hell?

Kaiser, Kaiser, down in hell,
Burning evermore in hell;
By your justice of the Lord,
By your treacherous plots and spies,
By your robberies and lies,
By the lands you've trampled down,
By each sacked and ruined town,
By the fields of slaughter red,
Sanguine with ten million dead,
By the terror and the pain
Of the little children slain,
By the murdered women's cries,
Heard in the avenging skies,
By their blood upon your soul,
Evermore in torment roll!

—Bertrand Shadwell.

Ignace Paderewski, the pianist, is mentioned as president of the Polish republic. In that case we may expect a series of notes.

Peace Problems

CO-OPERATION cannot stop. Our soldier boys will soon be coming home, business will need readjustment, and resources of country and city capitalized to the full extent. In all of these, the United States National Bank may be counted upon to help.



United States
National Bank
Salem Oregon



Handkerchiefs

There's nothing particularly difficult about the laundering of handkerchiefs or any other flat work but just the same, you want them clean and white, and you don't want them returned to you "stiff as a board."

If your nose itches, you don't want to scratch it with your kerchief.

We are very careful with all kinds of flat work—washing it thoroughly and "ironing" it so that it possesses exactly the proper amount of pliancy and softness. SEND US YOUR FLATWORK.

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