

# THE OREGON STATESMAN

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## CAN'T AFFORD TO TAKE A CHANCE

The people of the United States cannot afford to take a chance on a possible Democratic victory at the polls next November—cannot afford to take a chance on a free trade administration. This concerns every one in this country. We are all in the same boat together. Oregon dairymen will understand this statement from a concrete example.

The Associated Press reports from Washington this morning that Canada and Argentina will soon prove serious competitors of the United States in the dairy industry.

The industry in both countries is in its infancy, yet Canada is producing 70 per cent as much cheese and 12 per cent as much butter as the United States, while Argentina is producing 18 per cent as much cheese and seven per cent as much butter.

Canada's butter exports are 41 per cent as large as those of the United States, while her cheese exports greatly exceed exports from the United States.

Argentina's butter exports are double those of the United States and her cheese exports equal 32 per cent of those of the United States.

Government officials say that Argentina and Canada are capable of extensive development of their industries and it is probable, therefore, that the United States may experience in the future particularly energetic competition. Argentina, 21 days distant from New York, they say, may not be thought of seriously at this time as a direct competitor in the domestic market, but indirectly Argentine butter will supplant Canadian butter in the English market, in which case Canadian butter would find a logical outlet in the United States.

Canada is in a better position today in the world's markets with her butter and cheese than is the United States, officials declare. Moreover, Canada's policy with her returned soldiers and immigrants toward land development is bringing results which eventually will mean larger production.

In the United States available lands are comparatively scarce. It is reasonable to believe, government scientists say, that in the future production will not increase in proportion to the population, as the greater part of the really productive land is now utilized.

Resumption of the importation of European butter is again even now giving real competition to our products.

Oregon is the best dairy state in the Union, and there is room for vast growth here.

But we must continue to build silos; to weed out the scrubs; to improve our methods of raising feed on the farms—

And we must have a business administration at Washington—a Republican administration; a protective tariff administration, to guard our dairy interests.

And to guard every one of our interests, of both labor and capital.

Salem now has a chance to get a strictly modern and up-to-date apartment house, to accommodate fifty-six families, and some bachelors and maids, if she is ready to pay the price—if fifty-six families will tell Chester G. Murphy that they are ready to pay \$50 a month each for the most modern conveniences of apartment house living. That will help some; will help a lot. But it will not be enough. Still more homes must be provided.

Salem's hand is to the plow. She must not turn back. She must have a modern hospital.

What do you know about Salem as a coming mining center? Tell us, today or tomorrow. Thursday's Salem slogan subject is mining.

The country feels better, with the railroads in the hands of their owners. There will be some initiative now, and some progress.

It will be noted that as soon as W. J. Bryan became politically active the health of President Wilson was reported improved.

The safety and sanity of the world depends upon an alliance between the United States, France and England. This is becoming daily more apparent.

The Democrats are in for a fight on the "wet" proposition. Governor Edwards of New Jersey has qualified in the Michigan primaries, the idea being that if he should be nominated and elected he will repeal the pro-

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FIVE MILLION PEOPLE  
USED IT LAST YEAR  
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Standard cold remedy for 20 years—in tablet form—safe, sure, no opiates—breaks up a cold in 24 hours—relieves grip in 3 days. Money back if it fails. The genuine box has a Red cap with Mr. Hill's picture.

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P. S.—Our Rimless Glasses will meet the above requirements as well as that of style and service.

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of credits by the United States. We are a creditor nation, the balance in trade for 1919 alone being four billions.

During the first two years of the war Europe met her obligations by selling back to us American securities, by private loans, and shipment of vast quantities of gold to the United States. After our entrance into the war European credit was backed in this country by the United States government to the amount of ten billions of dollars.

Great Britain now leads with the largest per capita indebtedness of \$817.04. France comes next with \$768.11 per capita. England, better off financially than others, has a ratio of reserve to outstanding notes of 8 per cent. Contrast this with the ratio of gold reserve to notes in the United States, which averages about 45 per cent. England's money goes only two-thirds as far as formerly; France's money less than one-half and Italy's not quite a third. Other European money has almost ceased to have any value.

The political condition is always one of the big determining factors in the economic situation.

The work of reconstruction abroad is greatly hindered by the failure of the American senate to ratify the treaty of peace.

Under such circumstances foreign nations have been unable to arrange credits to secure food and necessary raw materials.

Idleness and starvation blight Europe today.

Political and social unrest over there is breeding Bolshevism, which must react on America.

The governments are unable even to meet the interest on our loans.

The house ways and means committee has practically agreed to extend time for payment of interest to three years.

Former Secretary Glass has said: "Europe must go to work."

But how?

The Europeans must have food and raw material upon which to work. How will they get both?

The United States is the one great source of the world's supply of food and raw material today.

America must give credit.

The government has done its share and the burden must now be assumed by the investors of America.

Congress has recently passed the Edge Foreign finance law and the Webb law, which afford our people a practical and effective means of rendering aid to Europe. The Edge law permits of the organization of corporations which may operate in all parts of the world outside of the United States itself. These corporations securing capital from private investors in the United States may advance money to foreign buyers with which to purchase goods from American firms. They will secure themselves by mortgages on real or personal property of the foreign buyers. The Webb law permits combinations for the sale of American goods abroad. These laws will also aid in building up our foreign trade with South America and the Orient.

Belgium has got down to work.

England has increased her exports 100 per cent.

France will be necessarily slow in economic readjustment; her industrial section being almost ruined by the Germans during the period of invasion.

Mr. Vanderlip recently said: "Europe can only be reconstructed with the aid of America. Credits must come from our investment funds, and only for food and raw materials. Credits must be on a comprehensive scale and no areas must be left helpless. Want and idleness are apt to lead to political revolution which is a communicable disease."

SAVING THE BRANDS.  
Prohibition has also put the leading industry in the city of Dwight, Ill., out of business. This was the Keeley institute, the parent of the gold cure concerns, where millions of souks and soshes have sought freedom from the damp clutch of rum. In the old days Dr. Keeley

would have 'em lined up about a thousand deep in front of him every morning and it would take a squad of surgeons several hours to give them all a "shot." The business grew to include not only the institute, but a large hotel, a hospital, laboratory, dormitory and other buildings, and it was the greatest and most unique plant of its kind in the world. But the country has been tapering off for some years and the prohibition amendment has about completed the work of reclamation. At any rate, there is no money in the business of pulling a man's thirst and so this big institution has officially closed its work. The government has taken over the plant for the present and it will be used as a reclamation hospital for crippled soldiers. The business of teaching people to walk straight goes on just the same, but is no longer in private keeping.

## TAX DODGING.

It is intimated that the government may have lost a billion dollars through inadequate or fraudulent income tax returns. There may be prosecutions of those who are delinquent through ignorance rather than criminal intent. There are a lot of people who still have a very hazy idea of what the income tax is about and the government hasn't been able to check them up properly. There were some of the taxes that made more trouble than they were worth, and the government would almost run behind on their rigid collection. Further revision is in order.

## MAN AND WOMAN.

Seems funny, but about the first place to enfranchise its women was the Isle of Man. This was back in 1881 and since that time 20 foreign countries have granted the suffrage to women. After the ladies had put it over on the Isle of Man it would seem foolish for any other people to hold off. Why doesn't the League of Nations make it unanimous?

To make young bodies, strong bodies—  
—let the youngsters have plenty of delicious, wholesome, nutritious DEL MONTE Beans with Pork and Tomato Sauce.  
No food builds bone and muscle more surely—no article of diet so well combines wholesomeness with flavor and taste appeal.  
And the children like DEL MONTE Beans—just as you do. They will eat them with relish—and come back for more—no matter how often you include them in the menu.  
CALIFORNIA PACKING CORPORATION  
San Francisco, California

## TO THE PUBLIC:

Yesterday the railroad lines of the Southern Pacific company were returned to their owners for operation. As a war measure they have been in charge of the government during the last two years and two months. The stockholders in that period had nothing to do with the management.

In taking over the management of this property, the policy of the owners will be to give as satisfactory service as lies in their power in return for the patronage given us: To seek the cooperation of shippers and passengers and of the whole people in having our service reasonably responsive to the public needs.

We have to ask the patient forbearance of the public during the readjustment period of the next six months. It is true during these six months the government continues the standard return allowed the lines while under its control, based on the pre-war earnings. But this return is subject to certain legislative directions by congress that will affect operations during this period which ends August 31st next.

We expect, however, within this six months to mature plans for the future. These plans had to be held in abeyance thus far because of uncertainty as to the legislative conditions to accompany the return of the roads to their owners for operation, and these conditions have been determined by congress only within the last few days. We now have to study what is before us in law and in fact and get our bearings anew.

The operating organization as it existed under Southern Pacific management has been to some extent disarranged during the period of federal control and operating practices have been changed, but the benefit of any new practices that may have proved efficient in the public service during the government control period will of course be retained.

We could not purchase equipment after we entered the war because the government took control and war financing occupied the field, while during the rest of the time the question of adequate credit had to wait for answer in congressional action. On the other hand the locomotives and cars in service have been subjected to the most active use and new rolling stock has not been renewed throughout the country in normal numbers for the increase of normal traffic. The burden of extraordinary war movements fell heavily upon all kinds of rolling stock making it impossible to ship the equipment at the proper time, and repair work was further delayed by shortage during the larger part of the war period in both men and material.

The problem before us at once therefore is how to put to the best use the passenger train cars and the freight cars that are in service, and how to put into good condition for service every piece of equipment to be had. This problem is before every railroad. Abreast of this is the larger question whether the earnings under the new law, the "Transportation act of 1920," will be enough to establish the credit of the railroads at a point where they can provide themselves with the facilities of all kinds that they need to give the public proper service. We have the will if only we can find the ways and means. These are not easy to find, for an assumed earning of even six per cent, and no assurance of that, is not attractive to anyone having money to invest when money is worth seven or eight percent in the open market.

Hence the effect of the new act of congress upon earnings and upon the credit of the railroads cannot be immediately determined. This act provides for a rate making structure under which during the next two years the railroads will be permitted to earn up to five and one-half percent annually on the value of the railroads as may be determined by the interstate commerce commission, the commission has power at its discretion to increase these possible earnings to six percent, the added one-half of one per cent to be used only for improvements to the property. No guarantee of any kind is given to any railroad, but half of any earnings over six per cent are to be taken by the government to make loans to railroads that may need them for improvements, or to care for obligations falling due, or to obtain and lease equipment to the carriers that cannot afford to buy it.

Obviously these elements in the situation will have to be considered in making our plans. The interstate commerce commission is the deciding body with respect to value of the properties as well as the rates which are to yield the five and one-half per cent return thereon, and much will depend upon the vision and promptness of action with which that body accepts its great responsibilities.

In the meantime it is particularly desirable in view of the shortage of equipment that every effort be made by shippers and the railway forces to continue heavy car loading and train loading and to lose no time in loading and unloading cars.

Believing that we will have the full cooperation of these people served by our lines in dealing with the problems presented, it is due them that in thus aiding us they should know what problems we have to meet. You can rest assured we are not idle with respect to them.

WM. SPROULE, President.