

The Oregon Statesman

"No Favor Sways Us; No Fear Shall Awe"
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CHARLES A. SPRAGUE Editor-Manager
SHELDON F. SACKETT Managing Editor

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Internal Debts

FOR every debt there is a credit somewhere; and for every credit there is a debt. A bank deposit is a debt so far as the bank is concerned and a credit so far as the depositor is concerned. A mortgage is a liability to the one who signed it, and an asset to the one who holds it. In times of prosperity people think chiefly of credits; in times of adversity they think of their debts. In good times people with money are hunting places to loan it; in bad times debtors are scrambling to pay off what they owe. There are two sides, debtor and creditor, to every business transaction depending upon future payment.

So long as these debts and credits are internal they cancel themselves. Most of the American debts are internal, that is they are owed to Americans. The interest payments go from one group to another group and are in turn spent by them. Whenever a debt or interest on it is not paid, the creditor suffers for lack of the payment.

People frequently refer to the debtor class and the creditor class, as though they were sharply distinguished. Most debtors are creditors, most creditors are debtors too. A merchant may owe his wholesaler for goods; but his customers owe him for merchandise. A laboring man may owe for a mortgage on his home; but he may be a policy-holder in the company which holds that mortgage. A farmer may owe a balance on a tractor or combine; and may be holding the note of a neighbor who bought a piece of land from him. There is no sheep-and-goat division of debtors and creditors. Most families occupy both relations.

These facts which are enlightening yet seldom clearly seen, and many more are set forth in a study "The Internal Debts of the United States," edited by Evans Clark, and made under the auspices of the Twentieth Century Fund, which was established by Edward A. Filene. A group of experts made the study; and among the conclusions which they offer, which pertain to the current economic situation, are:

1. There is no positive evidence of an intolerable debt burden upon our economy as a whole, assuming even a moderate improvement in general business conditions.
2. Railroad bonds and farm mortgages are less adequately supported by earnings and assets than industrial and public utility bonds. Yet there is wide variation in these fields. Fifty-eight per cent of American farms have no mortgage indebtedness at all and of the 42 per cent on which loans are outstanding, two-thirds now in difficulty are located in 11 north central states.
3. The facts alone suggest that blanket remedies, applying to all debts alike, would be ill-advised.
4. In cases where debt payments are too burdensome, adjustments should be made; and there should be government agencies to facilitate the adjustment and to prevent costly receiverships and foreclosures.
5. A marked increase in industrial activity would ease the strains upon most debtors.
6. So far as the long-term future is concerned the question is raised as to the wisdom of financing our economy through bonds and mortgages payable in unchanging amounts over a long stretch of time.

The study has been published in book form; and is worthy of careful perusal by persons who are interested not only in current problems, but in the future methods of financing economic activity.

Hoover and Detroit

THE history of this depression will prove to be intensely interesting reading when authentic data concerning it come to light. We incline to the belief that when the record is made known the role which President Hoover played will be regarded as far more heroic than that in which he was cast by the last vote of the people.

Just now there is coming to light the story of the closing of the banks in Detroit. It was the Detroit crisis which precipitated the Michigan moratorium; and this in turn led to general moratoria in the states and quite universal closure of banks on the eve of the inauguration.

The president of one of the banks testifies that Pres. Hoover was disposed to be "extremely helpful". He was personally favorable to an RFC loan to bolster up the situation in Detroit but was estopped because of the opposition of Sen. Couzens, free lance politician. Couzens threatened to bust things wide open if the loan was made. Since he was head of the committee engaged in snooping on the RFC loans, the administration felt that his antagonism would wreck the value of the RFC by stirring up public agitation and finger-pointing at aided banks.

So the Detroit banks collapsed; and rich Senator Couzens must bear his share of responsibility for one of the worst crashes in the period of the depression. Couzens is on the stand now. He will probably seek to justify his attitude. It was no time to quarrel. When a fire is raging the first task is to put it out and argue about its origin later on. Hoover was ready to assist; but Couzens, whose chief virtue is that of an irritant, blocked the hose cart.

Wheat prices have been slipping lately for the simple reason there were no buyers at the prices quoted. All the new deals in the world will not permanently nullify the old law of supply and demand. The way to sustain prices at any level is for the goods to pass into consumption. In the case of wheat that means export; for the country will not permanently subsidize the plowing under scheme.

The gilt is wearing thin in some places on the new deal,—in the commodity and security markets for instance. A London economist predicts failure for NRA unless there is substantial inflation here. The idea seems plausible.

The state federation of labor favors restoring penalties on tax delinquencies. Slowly the truth is seeping through that it takes pressure to bring in the tax money.

The state song reads: "Land of the rose and sunshine." This summer proves the last half at any rate.

Harvest Festival Sponsors Planning For Crowd of 15000

WEST STAYTON, Aug. 17.—Plans for the Harvest Festival, to be held Sept. 16, on the West Stayton school grounds, are progressing rapidly. A good entertainment is being planned for the day with Mr. Fred Dickman and Mrs. W. O. Royce in charge. A varied program will start about 10 o'clock in the morning and last through out the day and evening.

A larger crowd is expected this year than last year and accommodations are being planned accordingly. It was estimated that 2500 were present last year and twice that many are expected this year.

YOUTHS HAVE PICNIC ELDRIDGE, Aug. 17.—Seven teen young people enjoyed a picnic at Hazel Green park. George Brown, their teacher, and Mrs. Brown and Mrs. Faust, of this community attended.

"PREMIERE" By ROBERT TERRY SHANNON

CHAPTER TWENTY-SEVEN

"I don't know anything about outside women—but I know everything about actresses like you. I know you like a diamond broker knows a stone. Your kind has passed through my hands daily for the last twenty years. You bought a ticket to Hollywood and we did the rest. Somebody gave you a job, somebody dressed you and made you up and pointed a camera at you. We paid you and groomed you and publicized you. All you did was stay alive and do what we told you. We painted you like an artist paints a portrait in a gilt frame. Hollywood has a thousand pretty waitresses who could be in your shoes today if given the chance."

She shivered. He had succeeded in inculcating her with a feeling of inferiority. About the only thing that remained was a suffocating desire to escape.

"If I amount to so little as that," she said, with shriveled feeling in her breast, "let me get out of all this."

His eyes tightened. Restlessness came upon him and he walked around the room.

From the corner of her eye Leni observed him. In his movements was the faint suggestion of an animal trainer with a whip in his hand.

"You can't get out of it, because you belong where you are," he lashed at her cruelly. "If an engine gets off the track it goes smash. The same thing would happen to you. You think you're a woman—free, white and twenty-one! You aren't! You're just a flickering photograph printed on a strip of celluloid, a thousand feet to a reel. I'm the same thing. We belong to a strange tribe. At anything else we're no good. I'm telling you! We're a race of people and we're all crazy. It's something in the blood that makes us different from the outsiders. If you break loose the only thing you'll take with you will be your body. The living part of you will stay behind out on the lot."

Something had happened to Leni's common sense. The cold logic with which she might have answered Gerstenfeld was swallowed up in a palpitating excitement.

His words kept pouring into her like a strong drink, confusing the brain and distorting all reality. She became a strangled harp which his hand plucked to produce blended harmony and discord. He was striking from her soul odd strains never before heard in her secret self. He was the wild eerie tone of a Gipsy violin.

"But why—why can't I go?" her voice was a vibrating echo.

"Because you don't!"

The silent voice from the deep pit of her soul kept trying to tell her that this was a lie—that she loved Lucky Cavanaugh—that she was through forever with the pictures! Now or never was the time to rise, to break the shackles, to struggle out of suffocation into clear air and sunlight. . . .

Leni brought herself up to her feet. This time Gerstenfeld did not touch her. The struggle between them would be settled by a stronger force than physical contact.

"Right or wrong—I'm going to him," she said out of her pallor. Gerstenfeld moved a hand slightly, as though brushing it through cobwebs.

"How like you! You think to help this man Cavanaugh by going to him at police headquarters. Remember he is charged with murdering a woman. You go down and present yourself to the police and they, in turn, hand you over to the newspapers. And what do you become? A questionable woman spattered with dirty notoriety! Would you help him any?"

Fiery and devastating intoxication had possession of Gerstenfeld and everything he said carried directness and vigor and energy.

"If you go—you'll be just one more woman for Cavanaugh to explain away to the police," he said. "You rush to him in your emotional blindness—your stupidity—and defeat your own purpose."

Leni had no answer to an argument such as this. Inconceivably the man was correct. Yet this was not enough to still the twisting ache in her heart.

"But he needs me!" "Needs you!" scoffed Gerstenfeld. "He needed you last night when he received that woman in his apartment. What a fool you are, Leni. You break your heart while he—while he—"

A rudimentary sense of pity for the first time entered into Gerstenfeld's voice and checked what he was saying.

The radiant gold of Leni's head bent forward a little. Last night unrehearsed itself, a tangled skein of triumph and terror and a meager measure of radiant bliss and devouring eagerness that she and Cavanaugh had named Love.

Incredibly, it was scarcely twelve hours ago that she had been with him and was filled with tenderly patient desire. Every cell in her body was again aching with uncontrollable longing to be with him again—as soon as possible.

"I know this must be love—the kind of thing I've always dreamed of."



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"I know this must be love—the kind of thing I've always dreamed of."

"Heaven knows I need a friend!" (To Be Continued)

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BITS for BREAKFAST

By R. J. HENDRICKS

Marker at the grave of "Governor" Gale:

(Continuing from yesterday):

"The Star was 48 feet 8 inches on the keel, and 58 feet 8 inches over all, with 10 feet 9 inches in the widest part, and drew in good ballast trim, 4 feet and 6 inches of water; her frame was of swamp white oak, her knees of seasoned red fir roots, her beam and carlings of red fir. She was clinker built, and of the Baltimore clipper model. She was planked with clear cedar, dressed to 1 1/4 inches, which was spiked to every rib with a wrought iron spike half an inch square and clinched on the inside. The deck was double and she was what is known as a fore and aft schooner, having no topsails, but simply fore and main sails, jib and flying jib. She was painted black, with a small white ribbon running from stem to stern, and was one of the handsomest little crafts that ever sat upon the water.

"Captain Gale and the crew, who were the owners of the Star, sold her at the bay of San Francisco in the fall of 1842, to a French captain named Jose Lamour, who had recently wrecked his vessel. The price paid was 350 cows.

"Shortly after Capt. Gale arrived at San Francisco, the captains of several vessels in the harbor came on board his schooner, and when passing around the stern read Star of Oregon. He heard them swear that there was no such port in the world.

"Capt. Gale and his crew remained in California all winter, and in the spring of 1843 started to Oregon with a party of 42 men, who brought with them an aggregate of 1250 cattle, 600 head of horses, colts, horses and mules, and 3000 sheep. They were 78 days in reaching the Willamette valley. On their arrival with their herds, the monopoly in stock cattle came to an end in Oregon. (The start from California with the stock must have been made as early as February, if Gale was at the Champco meeting of May 2, 1843. He could easily have been

at the July 5 meeting there. His name is on the monument.)

"Capt. Joseph Gale, the master spirit of the enterprise, was born, I believe, in the District of Columbia, and in his younger days followed the sea, where he obtained a knowledge of navigation and seamanship. Capt. Wilkes, before he would give him papers, examined him satisfactorily upon these subjects.

"Gale, abandoning the sea, found his way to the Rocky mountains, and was for several years a trapper. I knew him well and lived with him in the winter of 1833-4, and often listened to his thrilling adventures by sea and land. He then had the American flag that Wilkes gave him, and made a sort of canopy with it, under which he slept. No saint was ever more devoted to his shrine than Gale was to that dear old flag.

"The old man now lives at New Bridge, in Union county, in this state, and, I believe, is the only survivor of the brave and adventurous men who owned and sailed the Star. Rev. J. L. Parrish, who honors us with his presence today, is the only surviving mechanic who aided in her construction.

"Capt. Gale has always been a man of great energy, brave, fearless and honest. I wish that he was with us today that he might enjoy the congratulations due to his enterprise in inaugurating what at no distant day will constitute a great commercial marine."

Col. Nesmith went on to relate the circumstances of the building in 1844 at the upper end of Oregon City of the schooner Calapoopa (then spelled Calipoofah), of 25 tons burthen, to ply on the Willamette and Columbia, to supersede the Indian canoes then doing the carrying trade on these rivers. Nesmith himself and Edwin W. and M. E. Ott were Cook's hired crew of workers on the job, and the vessel was launched in August, 1844, and made an initial excursion down the Willamette and Columbia to Astoria, with some of the great spirits and their families then in Oregon as guests, among them Col. Nesmith. But that epic excursion was many months ago described in this column. A thrilling incident was the passing by the Calapoopa of the British sloop of war Modiste in the river near old Fort Vancouver, with salutes. It was indeed thrilling, because the Revolution was not far away in time, the War of 1812 fresh in memory, and a third armed conflict probable—averred only a year after by Jesse Applegate and Dr. John McLoughlin sitting together at Fort Vancouver and arranging the terms upon which the British and American interests in old Oregon were joined, under the grail of the provisional government.

Reverting to the opening rea-

son for the writing of this series, the article in the Baker Democrat-Herald, clipped and placed on the desk of the Bits man, reads:

"A marker commemorating the life of Joseph Gale, former governor of Oregon, will be erected in the Richmond cemetery at 10 a. m. Sunday by the Daughters of the American Revolution.

"The marker will be erected by the Multnomah chapter of Portland through Matthew Starbuck chapter of Baker. The D. A. R. has engaged for some time in marking the graves of all those who participated in the convention called at Champco May 2, 1843, to organize the provisional government of Oregon.

"The marker, a bronze plaque three feet in height, will be placed on the headstone of Governor Gale's grave.

"Mrs. Earl C. Bronaugh of Portland, regent of Multnomah chapter last year, will attend the ceremony and explain the program of her chapter in erecting the marker. Mrs. Bronaugh, daughter of Mr. and Mrs. Brent Perkins, is visiting here. The program is now being arranged by the local D. A. R. chapter, of which Mrs. Perkins is regent."

Yes; Joseph Gale was governor of Oregon. Or rather he was a member of the first executive committee, standing for governor. His name appears on the Champco monument as being present there May 2, 1843. Was he? Col. Nesmith said he and his crew remained in California all winter, "and in the spring of 1843 started for Oregon," and that "they were 75 days in reaching the Willamette valley." Has any student of history information that Gale arrived in time for the May 2 vote?

(Continued tomorrow.)

MINNIE MASCHER ELECTED TEACHER

WALDO Hills, Aug. 17.—At a special Evergreen school board meeting, Minnie Mascher was elected to the position of primary teacher to fill the place left vacant by the resignation of Mrs. Bernice Chambers.

Miss Mascher, daughter of L. F. Mascher, of the Evergreen district, has taught this school before, though for the past two years she has taught at Myrtle Point.

Mr. and Mrs. Golden Mishler, who for the past year have operated the Mrs. L. R. Linn farm on Drift Creek, left Tuesday night by motor for Arrowwood, Alberta, Canada. On return in October, they plan to move to acreage near Salem, as Mrs. Linn's son-in-law and daughter, Mr. and Mrs. Clarence Campbell, will probably take over the farm.

Mrs. Wm. Haevernick is expecting her cousin, Mrs. Emma Cross, who is accompanied by her son and daughter-in-law, Mr. and Mrs. Clarence Cross, all of Towner, N. Dakota.

HEALTH

By Royal S. Copeland, M.D.

IT IS interesting to learn that Europeans are subject to certain diseases which are rarely seen in this country. But we have ailments that rarely afflict our neighbors across the sea. For example, the disease called "mucous colitis," frequently encountered here, is seldom seen abroad.

It is probable that our different manner of living may be responsible for this affliction. Indeed, it is seldom heard of in communities where living conditions are simple and unburied. No one will deny that Americans are always in "a great rush" in their work, with subsequent harm to their bodies.

Mucous Colitis, as its name implies, is an inflammation of the colon or large portion of the intestine. It is caused by an infection. Normally, a great number of bacteria are found in the colon and other parts of the large intestine. They do not harm the body and as a rule we are unaware of their presence. But if for any reason the walls of the intestine are irritated, or there is a lowering of the resistance of the body against these bacteria, inflammation occurs.

The sufferer from mucous colitis complains of pronounced abdominal colicky pain. The patient may be so severe as to be confused with appendicitis or some other inflammatory ailment.

Bear in mind that mucous colitis is a serious disturbance and should never be neglected. Too often the disease is treated with home remedies and not given the care it demands.

Due to Infection

The disturbance is often traced to a focus of infection somewhere in the body. It may be found in diseased teeth, tonsils, gall-bladder, the nasal sinuses or the appendix.

The victim of mucous colitis should have a diet that contains very little roughage and the food taken should be easily digested. The diet should contain little meat. It is beneficial to include a liberal use of acidophilus milk and cottage cheese. Fried and greasy foods, salts, peppers, spices and condiments should be omitted. The vegetables and cereals should be thoroughly cooked and carefully strained before eating.

Answers to Health Queries

K. Q.—What do you advise for nervousness?

A.—Try to build up the general health and this will benefit the entire nervous system.

Mrs. J. A. Q.—How can I reduce? A.—Eat very sparingly of starches, sugars and fats. Exercise is most important. Send self-addressed, stamped envelope for further particulars and repeat your question.

Fan. Q.—Is there any way to increase the height?

A.—No.

J. B. Q.—What do you advise for cold feet?

A.—This is probably due to poor circulation. Build up the general health and your circulation will improve.

Q.—What do you advise for pol- lagra?

A.—The patient should be under the care of a doctor.

Mrs. E. G. Q.—What do you advise for a loss of weight and general weakness? This condition is further aggravated by difficulty in breathing.

A.—Have an examination. It would be difficult to account for these symptoms without examining you. (Copyright, 1932, E. F. A., Inc.)

On the Run



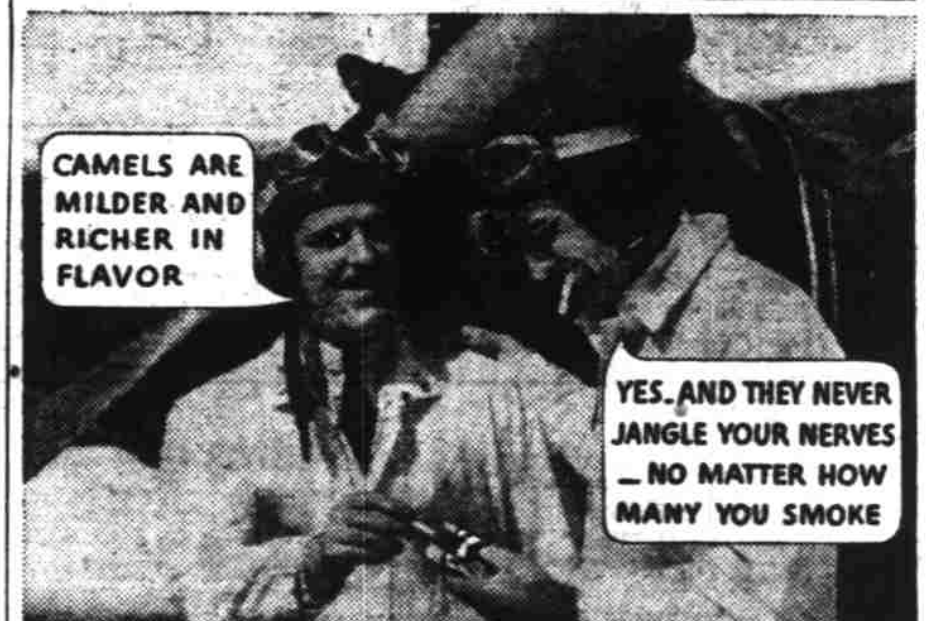
SALMON REPORTED SCARCE

EAST WOODBURN, Aug. 17.—

Mr. and Mrs. C. R. Shaner, accompanied by Clyde Bliven, of Gervais, and Miss Sarah Bliven, of Salem,

have returned from a five day outing at the various beaches, mostly at Seal Rock and Kernville. The ocean was somewhat rough, making fishing from the rocks and clam digging difficult. Owing to

the fisherman's strike very little salmon was to be had, although the Siletz River was filled with the fish as salmon jumping up from the water was a common occurrence through the day.



CAMELS ARE Milder and RICHER in FLAVOR

YES, AND THEY NEVER JANGLE YOUR NERVES — NO MATTER HOW MANY YOU SMOKE

Camel's costlier Tobaccos never get on your Nerves...Never tire your Taste

Service Multiplied By Size

You can be assured that the outstanding size of the United States National Bank of Portland, of which this is now a direct branch, insures for Salem a service sufficient to meet every community need. Furthermore, there will be maintained the same interested, local contact as we have always afforded.

Resources over \$85,000,000

Salem Branch of the United States National Bank of Portland

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