

The Oregon Statesman

"No Favor Shows Us; No Fear Shall Awe"
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THE STATESMAN PUBLISHING CO.
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Plight of the Dairy Industry

THE dairy industry is suffering from severe depression. The price structure has been weakened under the weight of excessive supplies. Butterfat has dropped here to 15c a pound. A. E. Engstrom, director of the experiment station at Astoria, and a close student of dairying, is quoted as saying the dairy industry of the country faces practically "panic conditions." He attributes the slump to the piling up of 138 million pounds of butter in storage as compared with 37 million pounds at the same time a year ago. Cheese also shows surplus stocks. Portland reports 726,500 pounds, which is 200,000 pounds more than a year ago. The federal relief administrator is going to buy cheese to distribute it to the poor, hoping to relieve the market somewhat, but it will take more than mere government purchases for poor relief to make much impression on the excess reserves.

Dairying is the most important agricultural industry in western Oregon. For years it was prosperous, but with the collapse in employment markets fell off while supplies were not correspondingly contracted. Faced with competition from butter substitutes it is not possible to end the troubles with artificial price-fixing. In the face of overproduction of milk the fresh milk people will have a difficult time to restore profits even under "public utility" control.

As men go back to work demand for dairy products will increase. This with reduction in production which operating losses always cause, may restore a balance of profitable operation for the dairy interests. This is a matter of prime importance to Oregon with its large investment in dairy farms, herds, equipment, etc. Low prices will stimulate consumption. Butter at around 20c and cheese at around 10c a pound will find buyers. It is the pound that is really eaten which relieves distress, not the pound which the government buys and stores or loans money on to some cooperative. It will be interesting to watch however, and see if increased consumption of alcoholic potables will affect seriously consumption of milk. If so, in making a fresh set of brewer rich we may cripple the big dairy industry.

Democratic Financing

WE OBSERVE the democratic papers and the baloney dollar sheets are throwing their hats in air over the oversubscription of the recent offering of \$950,000,000 U. S. treasury certificates. They accept this as proof of the soundness of government credit. A fuller examination of the record however shows that there is no cause for undue elation over the success of the offering. Some weeks ago the treasury put out 91 day bills on an interest basis of 1-10th of 1 per cent per annum. In September, before the president announced his progressive deterioration of the dollar in his gold buying policy 9 months' treasury certificates were issued at interest rate of 1-4th of 1 per cent per annum. The new certificates for one year, carry an interest rate of 2 1/4 per cent interest. This rate seems low compared with ordinary bank rates, but compared with former interest rates the treasury was paying, it is much higher. This interest rate is in fact the very highest for any treasury offering since March, 1932, except for the certificates issued during the banking holiday last March.

The interest rate is always a measure of credit standing. In this particular case there was a sweetening of the kitty which the democratic papers have overlooked. To quote from the "Financial Chronicle" of New York:

"The success was due, however, not because of the 2 1/4 rate which the issue bears, but because they are exempt from the surtaxes, in addition to the normal taxes, which was not the case in the treasury financing of October or of the previous June, when government obligations were put out carrying exemption only from the ordinary normal taxes—which was quite an achievement. The certificates of indebtedness now brought out are made specifically exempt from the surtaxes."

When one considers that the surtax rates run from 1 to 55% now and rates are proposed from 4% to 59%, it is easy to see why there is demand for investments which pay 2 1/4% net, free of every kind of taxes. The issue was oversubscribed, all right; but the treasury is paying rather dearly for its fantastic experimentation with rubber money.

It turns out that the desperado who was going to abduct the son of von Herberg, Seattle theatre magnate, was a brilliant fellow gone nutty. He gave his true name as George E. Powell, and said he had served as managing editor on important newspapers. Detective Luke May said the fellow had been deranged by years of lonely research. He had a cabin north of Everett and May reports the house contained "one of the largest libraries—and certainly the driest—I have ever seen in the state of Washington." There were books on astronomy, higher mathematics, atomic physics. Powell had been working for 15 years writing a treatise on the atomic composition of the ether. His brain just slipped. If any more proof were required the fact that he thought a theatre man had any money left should complete the file of evidence in the case.

A Pacific coast man who was superintendent of a CCC camp in east Tennessee, was fired because a letter he wrote his wife in Spokane, which was published and reprinted in Knoxville, described the east Tennessee natives as illiterate and ornery and the women as a "wild, drab lot." He told the truth all right; but we can imagine it wouldn't be very safe for him to stay in the hill-billy country after the Knoxville paper came out. He would be as popular "thar" as a "revenoer."

News item: "With floor shows and entertainers and a hot spot orchestra, four Seattle entertainers will open a night club and cabaret in Grand Coulee about the first of February." Culture and civilization reach the wide open spaces.

George Feek is given a new job to stimulate export of agricultural products. We thought Smith Brookhart had that job. But we hear nothing from the Oregon Journal about the sin of caring for "some ducks" now.

Ruey Long with a flourish has asked to have his name deleted from the Washington social register. He seems to belong in the social club. He managed to get in the lavatory of a swanky Long Island club.

With George Neuner in as attorney for the liquor commission the wets will begin to think the dries won the election.

Securities, grains, dairy products keep slipping in value, after the initial impulse received when the president started his gold buying spree. We thought Professor Warren's commodity dollar was to do the trick instantly.

One way to get Sam Insull back in Chicago might be to have Mme. Kouyoumdjoglou register at the Drake hotel.

"KNAVE'S GIRL" By JOAN CLAYTON

Patricia King Haverholt was a girl who had been brought up in the traditions of the old-fashioned, middle-class, American home. Her father, a successful business man, had died when she was a child, leaving her a fortune which she had inherited. She was a girl of unusual intelligence and refinement, and she had been educated at one of the best schools in the country. She was a girl who had been brought up to be a lady, and she was a girl who had been brought up to be a wife.

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CHAPTER TWENTY-EIGHT
"Clark is a Tory through and through. He honestly doesn't realize that the world has moved on since his ancestors stole Manhattan Island from the Indians. He thoroughly believes that nice girls should be sheltered and cloistered and protected; he believes that nice girls should be happily content until the right man comes along. He believes that nice girls should be little prigs. Do you fit into that pattern, Patricia?"

"I hate you, Julian," she said distinctly. "I hate you very much."
Haverholt laughed. Suddenly leaning forward he caught her by the hand. "There was an odd, smoldering light in his eyes."
"Is that a challenge, my dear?"
"It's nothing. Let me go."
"We would make a great team, Patricia. I'm worth a dozen Tracys."
"He had moved around the table now, he leaned down to kiss her. There was a sharp, stinging flash. Patricia struck him. A red mark appeared on his cheek. The man said nothing. He straightened. Patricia was angry and humiliated with herself. She had, in a moment of rage, completely lost her dignity. "I'm sorry," she muttered.
"Never mind," said Haverholt, feeling that he had a certain advantage. He seemed assured and confident as if he were playing a game. The moves were not yet set, but they would be in time. He was satisfied. His assurance frightened her.
"It was all your fault," she said. "Assuredly," he agreed. He added, "So you're still for Clark?"
Patricia left the room without answering.
Many times in the week that followed the girl wondered whether Julian Haverholt might not be right. There were a thousand reasons why she should forget Clark Tracy, not one reason for remembering him except—except that Clark happened to be there. He must have seen the announcement in the newspapers, she observed with elaborate unconcern. "Anyhow he brought me home."
"I suppose," said Julian, "that means that we are going to Belmont on Wednesday for the opening of the racing season."
"He asked us again," admitted Patricia, frowning.
"I see," said Julian significantly. She hurried her explanation, her tone a little breathless, the hot, unwilling color deepening in her cheeks.
"Clark has a horse called Henry Boy that is entered for the Blanchard Handicap, I believed he called it. He thought it might be fun for us to be there to help him cheer his horse in. He thought we might enjoy it," she wound up, confused.
"How kind of Clark to think of me," said Julian dryly.
"You needn't go unless you want to," the girl informed him politely, more at ease now.
"I'll go."
Belmont Park, the most beautiful race-track in America, was gay on Wednesday afternoon, crowded with fashionable folk on holiday, smart women who knew the intricate histories, the points of the various famous stables. Everyone knew Julian Haverholt. He was a stowed-up man of times by people seated at the little tables, planted firmly on the velvet turf, looking out on the track beyond. What a luxurious way to view a race! This, thought Patricia, was the very heart of society. She was impressed.
"I'll grant you that these people are all perfect ladies and perfect gentlemen," said Haverholt suddenly, steering the girl from the last encounter. "Will you grant me that they're perfect bobs?"
Patricia started from her reverie, disconcerted. She granted nothing of the sort. Clark, she said, was

Bits for Breakfast

The 1934 centenary celebration of coming of Jason Lee to Oregon.
The eyes of all Methodism will be on Salem next year. And the eyes of all Christendom will be directed toward Oregon.
The attention of patriotic American citizens everywhere and of all religious faiths will be fixed upon the Oregon country; their minds reverted to the events and issues that added the domain west of the Rocky mountains to the territory under the Stars and Stripes.
The occasion will be the centenary celebration of the coming of Jason Lee and his little party in 1834. They came to Salem, or rather first to their mission site on the east bank of the Willamette 10 miles below the spot they selected for their mission mills and so occupied after the coming of the Louisiana with the machinery in 1840.
That decision fixed the place for the capital of Oregon Territory, the comprising of Oregon Territory, then comprising all of old Oregon country. It became in the sequence of events the capital of Oregon.
Near the mills (now 960 Broadway) they erected the first home of white men. They built the second home of that race not far distant, to be near their Indian manual labor school. The two first homes still stand, the second at 1325 Perry.
The mission became the mother of the state of Oregon, through the founding of the first provisional government under the shadow of the first rude log building at the original mission site, Feb. 18, 1841. That government was continued by open air viva voce vote at "Champoeg" on July 5, 1842, was given full sanction by the ballot of the people at the polls July 25, 1845; was taken over by the territory; became the state.
The mission was of course the mother of the town that became Salem and the city that was incorporated under that name.
Protestant Christian civilization on this coast was thus begun. The Jason Lee mission was the first of that kind. It was the only one north of the Spanish (California) line, below which were the old Catholic missions under the protection of Spain; later that (or more properly the destruction) of Mexico.
The Jason Lee mission, here, was the first low wash of the waves that became the mighty ocean of American civilization and domination west of the Rockies. His coming was the direct cause of the extension of the arc of the republic from the crests of the Rockies to the sands of the Pacific. Without his coming, in the time he came, and his work, in the way he labored, the British flag would now fly over all the territory west of the Rocky mountains and north of the present Mexican line—and perhaps all the way down to the southern tip of North America, including Alaska.
The event of next year is worthy of a celebration on a grand scale—with an eye to Salem and on to Oregon movement of gigantic proportions. It will have an observance approaching the point of its generating.

FRESH TOP DALLAS HIGH'S HONOR ROLL

DALLAS, Dec. 16—Honor rolls for the second six weeks period at Dallas high school were announced this week by Superintendent R. R. Turner. Fifty six students earned positions on the honor roll with the freshman class placing the most with 15.
The complete honor roll was as follows:
Seniors—Ormand Aebi, Dorothy June Bates, Carl Black, Bill Dalton, Sam Dashiell, William Fischer, Lydia Hiebert, Harrison Locking, Lydia Neufeldt, Maria Neufeldt, Paul Palmer, Marianna Peters, and Lois Walton.
Juniors—James Allgood, Virginia Brown, Howard Campbell, Clark DeHaven, Bernice Ellis, Walter Friesen, Gladys May, Ruth Plummer, Nile Robinson, Mildred Schneider, Mary Staats, Myra Starbuck.
Sophomores—Helen Elle, Jean Foster, Ivan Ickes, Albert Klasmann, Violet Larson, Kenneth McCubbin, Fred McPetridge, Dorothy Palmer, Doris Riggs, Margaret Welgant.
Freshmen—Beverly Bales, Bernice Buhler, Lillian Cianfield, Verda Henderson, Jeanne Hartman, Mildred Janzen, Mildred Lange, Margaret Lindahl, John McGee, Beryl Nye, Mary Regehr, Margery Stiles, Irvin Voth, Lester Voth, Harry Watson.
Post-graduates—Orva Aebi, Robert Allgood, Verne Arstall, Porter Frizell, Alma Naslund, Hazel Plummer.
THREE SONS VISIT
MONMOUTH, Dec. 16—Mrs. Mary Schruk, mother of Vrd Schruk, Monmouth's city marshal, is enjoying a visit from three other sons, Frank Schruk of New York City; William Schruk, Anthon, Iowa; and Wesley Schruk, Anthon, Iowa, who arrived by motor this week. They report roads in good condition en route, and they made the trip from Iowa in four days.


Falling Fir Tree Kills Two Horses

ABIQUA, Dec. 16—W. L. Dunagan had the misfortune to lose two of his young work horses during the recent stormy weather. The horses were found dead under a large fir tree which had blown over.

Extraordinary Christmas Offer

Majestic RADIO

WITH DUO-VALVE (2-in-1) TUBES



ISN'T IT A BEAUTY!

Doesn't it make ordinary radios look hopelessly old-fashioned! Have you ever seen a better-looking radio than this new Majestic, *The Lido*, one of the "Smart Set" Majestics for 1934?

Five tones of wood, from natural to ebony, are contrasted in this modernistic cabinet. . . . Performance is stepped up 33 1/2% by the use of new, exclusive Majestic Duo-Valve Self-Shielded tubes, which add the efficiency of two extra tubes. In *The Lido* you get 8-tube performance, tone control, automatic volume control, and dual-range reception, including police calls. \$103.50

What a radio for. . . . \$103.50

Majestic Duo-Chief—a smart little table model in rich brown walnut finish; metal grille. 6-tube performance. Police and short-wave calls to 3000 K. C. . . . 24.95

\$24.00 TRADE IN ALLOWANCE

A very special offer to Christmas Buyers—we will allow you a \$24.00 trade-in on your old set when you purchase one of the above Majestic "Lido" Smart Set consoles—at the above price of \$103.50. Our expert Majestic salesman awaits your inspection this week.

HURRY—AND SAVE!
ASK FOR FREE DEMONSTRATION

SALEM Hardware Co.

120 N. Commercial Salem, Ore. Phone 4906

"Slump" Means Apple Pudding in Some Localities; Appropriate?

By D. H. Talmadge, Sage of Salem

The advertising sections of nationally-circulated periodicals are thickening up a bit, whatever that may indicate. Also I have noted during the week that Clem How and Jack Dempsey are thickening up a bit.
One hesitates to point to Mr. Dempsey, who was here in person during the week, as a model for the week. There might be worse models. Jack has his good qualities.
And Clara (shown locally at the Grand theatre during the week in a mottemplay called "Hoopla") is demonstrating qualities unusual for a girl while she is making her earlier reputation.
Salem has been suffering from the "after session" slump during the week. Next will come the "after Christmas" slump.
In some parts of New England apple pudding is known as "slump." This sort of slump is sometimes a real suffering cause. But no more so than many other articles of food when overeaten.
An economic slump is nothing more than a reaction from abnormal tension. Natural enough, and usually beneficial in the long run. But there is a slump in the long run.
"Who's afraid of the big, bad wolf?" Probably a majority of us, more or less.
Two weeks more of 1933. It has been a tough year for the hard-boiled collector of bills.
And, too, the good old sense of humor has had his bad moments during the year.
Three concerts of jazzless music during the month in Salem, all well patronized. A pleasing significance in this.
A popular joke heard on the



D. H. TALMADGE

streets: The signs of the past three weeks indicate that we'll be getting some rain after a bit. I prefer rainy weather jokes to Christmas jokes. Christmas is nothing to joke about.
The drunken driver menace is becoming more serious. Naturally. Back in Maine and Iowa and Kansas, when "wet" succeeded "dry," the automobile was not a complicating feature. Those were horse days, and the horses never got drunk.
I see nothing strange in the fact that in hard times the people spend money for amusement. They seek diversion. Need it, too, I reckon.

FRANKS IS HELD TO GRAND JURY

DALLAS, Dec. 16—Carl Franks who was arrested Monday night on a charge of threatening to commit a felony, is still in the county jail awaiting grand jury action. He was given a preliminary hearing Wednesday before Justice of the Peace Gregory and was bound over to the grand jury with bail placed at \$1000.
District Attorney Barnhart announced that the grand jury would be called for service during the week between Christmas and New Years. It was originally planned to hold the session during the first week in January as court opens on January 8, but Mr. Barnhart will be away that week.
The complaint against Franks was sworn out by F. E. Kusey after he is alleged to have made threats against Mr. Kusey, Mayor or Leif Finseth, and Chief of Police Neufeldt. The trouble first came to notice Saturday night but Franks was persuaded to go to his home, but returned to town Monday when he was alleged to have repeated the threats.
Franks made an attempt on the life of E. C. Kirkpatrick about eight years ago when he fired a shotgun at Kirkpatrick in a local garage. The attempt was made while under the influence of liquor because of a wrong Franks fancied he had suffered.
AURORA, Dec. 16—The home of Mrs. Elsie Pardy was entered a few nights ago and a purse containing a few dollars and valuable papers were taken. The Pardy family sleep on the second floor and were surprised when they came down in the morning to find a sprung front door and a purse missing.