

The Oregon Statesman

"No Favor Sways Us; No Fear Shall Awe"
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"The Dilemma of the Surpluses"

SECRETARY WALLACE of the department of agriculture, in his addresses about the country has displayed a genuine understanding of the problems of agriculture and an engaging frankness in telling the people just what the roots of the problem are. This same comprehensive knowledge and candor stand out in his annual report to the president which has just been made public. Mr. Wallace moves directly to the issue when he begins his report to the president which has just made public. Mr. Wallace moves directly to the issue when he begins his report with a discussion of "The Dilemma of the Surpluses."

He reviews briefly the tremendous price disparity which has beset agricultural producers, in which farm commodities had only half their pre-war purchasing power. Fixed charges like interest and taxes made no proportionate decline, so that the average farmer after paying his expenses, interest, rent and taxes had only about \$230 to compensate him for his labor and management. "The distress of American agriculture," he observes, "from 1920 to 1929 may be attributed to the existence of unwanted export surpluses and after 1929 also to the weakness of domestic demand."

Our farmers greatly extended production in consequence of abnormal world demand in war times. When the war ended our plant was greatly expanded but the orders did not come in. Foreign countries lacked wherewithal to pay; and this country adhered to its historic complex of a high tariff nation.

Thus we find the secretary of agriculture coming to the same conclusion which The Statesman has iterated and reiterated with almost painful monotony for several years. The war changed our status from a debtor to a creditor nation but we refused in the Harding-Coolidge era to reverse our historic tariff policy which would permit our debtors to pay us. They could pay only in goods and we barred their goods by prohibitive tariffs. Now we have kissed goodbye to most of the war debts, and a large share of the private debts. It may easily be through our artificially depreciated dollar we may give away so large a portion of our wealth that we will even restore ourselves to a debtor status. Then we may wake up and find we have "regained" an export market.

To return to Mr. Wallace's report, here are pertinent excerpts:

"The nation consequently faces a choice between two lines of policy—either it must modify its tariff policy so as to permit a larger quantity and value of imports to enter the country or it must accept a considerable and permanent loss of its foreign markets. . . . Failure to recognize such fundamental changes in debtor and creditor positions leads to political situations that complicate the supply-and-demand equation. These situations, nevertheless do not override the law of supply and demand, which is remorseless in its operation. . . . This improvement (since March 4 last) cannot last if we do not meet the problem caused by the fact that we have at least 4 million too many acres of plow land in crops, in view of the international situation on debts, tariffs and foreign lending."

"The United States is a creditor nation with a debtor nation psychology. The American people are still essentially high-tariff in their attitude. They are disillusioned about lending money abroad and yet they do not wish to allow foreign nations to send goods here to pay for our wheat and cotton and other exportable commodities. It must be one thing or the other. Either we must modify our tariff policy and perhaps also our policy with regard to international debts and foreign lending, or we must put our internal economy on substantially a nationalist basis."

That is the real "dilemma of the surpluses"—a political dilemma after all. Pres. Roosevelt deliberately chose the nationalist policy when he rebuked the London economic conference in May. Instead of proceeding along a course which would have opened up markets for our surpluses, he chose a policy of economic insularity hoping by currency manipulation to raise prices artificially. That however will not solve the problem of the surpluses of goods that must be consumed. Sec. Wallace has scant heart for the present policy, for he says:

"The alternative course (to a policy of tariff readjustments and renewed foreign lending) along which we are now moving, answers the need of the emergency but demands superhuman efforts if it is to be permanent. With the foreign market practically lost, keeping down acreage and livestock production to a point that would afford a living price level to the farmers would be extremely difficult. It is necessary to balance our productive forces to a kind of world we want to live in. We have not decided what kind of world we want."

Note the secretary's words "superhuman efforts," "extremely difficult." There is no mistaking his meaning. We cannot expect the policy of plowing under every fifth row, of slaughtering pigs, of letting acreage lie fallow to succeed permanently. The social cost of scaling down production by 40 million acres with the attendant dislocations upon village and urban life in communities affected, on transportation agencies and labor dislocated through lack of this production to process and handle and transport would be colossal. It may be averted under a constructive program of reciprocal tariffs, of restored and recognized medium of exchange, which has always been the gold standard, and of normal trade relations among nations which will permit honest and reasonable lending and borrowing which are essentials to the economic development of the world.

To our readers who may feel that our past criticisms of the Roosevelt gold policy have been captious and partisan and "tory" we would say that we have persistently and cordially endorsed the policy of lowered tariffs, which is proof that we are not hidebound in our republicanism. Sec. Wallace is a republican renegade, it is true, yet he too plainly favors tariff readjustment and international trade rather than the sickening policy of destroying food surpluses in the midst of a hungry world.

The important thing is for us to decide "what kind of world we want"; but the probability is that we shall make no clean cut decision, and depend only on the readjustments which may come through grinding and crunching of remorseless economic processes.

California has just voted a \$170,000,000 water project. This is to provide irrigation water for central California counties. Weather grumblers should please take notice. What California is spending 170 millions for nature has been giving the Willamette valley free of charge in four days.

Germany is going to sterilize 400,000 persons. Done after proper examination it should result in race improvement, doing away with reproduction of congenital defectives. The danger is that it might become political rather than scientific.

The bad weather, which kills off news for the papers, itself makes news—washouts, shipwrecks, etc.

"KNAVE'S GIRL" By JOAN CLAYTON

CHAPTER THIRTY-ONE

Her heart beat clamorously; her mind went back across the months to Bill McGee. Someone had broken in. Was it he? For a moment, fright held her motionless. Then she sprang from bed and snatched at a negligee. Slipping into the darkened hall, she made her way swiftly, noiselessly, toward Haverholt's suite. She dared not knock. She opened his door and whispered loudly, "Julian, Julian."

There was no answer. The room was entirely black. The girl hesitated at the threshold.

"Julian, Julian."

She stepped over his threshold, groped across his sitting room to his bedroom door. A light was burning in the bedroom but Haverholt was not there. Had he heard the noise? Had he ventured downstairs to investigate? What was happening?

She tried to convince herself that there was a logical, reasonable explanation for his absence. It was Julian whom she had heard. He had wanted something downstairs. At four o'clock in the morning? No, that was not possible. Something terrible was happening. All at once she was hysterically sure of it.

Suddenly she turned and started for the stairs, forcing herself down, step by step in utter darkness. She had reached the last step when light gushed from the living room into the foyer, as the curtains parted narrowly. Patricia stopped, stopped dead at the sound of Julian Haverholt's calm, untroubled voice. She understood everything then, all at once.

Haverholt was saying, "This way, my dear."

The girl on the stairs heard from beyond the curtains another girl's soft, excited laugh.

He was not lying to convince her. He knew that she knew the truth. He lied deliberately to save the situation and both their faces. She could pretend if she chose. By accepting that lie she might salvage her own pride and such dignity as she could muster from the ruins of her regard for him.

She stared at the door. A square of lace and linen lay there, white against the mellow green of the rug. Haverholt's midnight visitor had dropped her handkerchief. The man looked down too. He stooped, picked up the handkerchief and thrust it in his pocket. His expression did not change by the flicker of an eyelash. He said nothing.

Suddenly the girl turned and fled up the stairs. She slammed her bedroom door, flung herself prone upon the bed and began to sob.

They talked it out in the morning, Julian and Patricia, the girl determined to punish him for the humiliation she had suffered, the man, unwilling to discuss the matter at all, self-controlled, utterly unrepentant. There was no pretence now of a man feigning ignorance. Still in Haverholt's eyes the tragedy of the episode lay in Patricia's appearance upon the scene the night before. He blamed her sharply. Very foolish of her to start on a burglar-hunt, foolish and unfortunate; yes, he would admit it was unfortunate. He would admit nothing else.

"What do you expect me to do?" he asked, looking at her coldly and remotely. "Apologize? Why should I? Why should I apply on my knees for forgiveness? I'm a free agent."

"I didn't say that you weren't free."

"You are thinking it though. You women are all alike. If a man shows sentimental interest in you, thereafter he becomes your property. You want to use all the binding and not be bound yourself. I beautiful theory, Patricia, but it won't work. I'm not your property."

Grangers' Column

LIBERTY, Dec. 20.—The Grange Home Economics club will hold a bazaar and cooked food sale Thursday and Friday, Dec. 21 and 22 at 334 Court street, Salem. Mrs. John Van Lydegraf will be in charge.

MOLALLA, Dec. 20.—A juvenile grange was installed Monday night by Molalla grange 310. The new organization will meet on the same days as the regular grange in the Methodist church basement. Alma Larkins is the matron of the juvenile grange and the charter members who were installed as officers were:

Norman Durant, master; Steven Ryman, overseer; Dawn Dunton, lecturer; Ronald Dicken, steward; Homer Wallace, assistant steward; Grace Moore, chaplain; Herbert Warrick, treasurer; Hugh Carter, secretary; Donald Warrick, gate keeper; Betty Jane Dicken, Ceres; Jean Dunton, Pomona; Ardis Wallace, lady assistant steward; Irma Jean Durant, musician.

MONMOUTH, Dec. 20.—A big grange day was observed here Saturday when officers were installed for Polk county Pomona, and for the nine subordinate granges of this county, with Arthur Brown of Salem, district deputy master acting as installing officer, assisted by Mrs. Elmer Cook, West Salem; Mrs. R. B. Swenson, Monmouth; and Mrs. Roy Fawc, Oak Grove.

Ray W. Gill, state master, spoke giving reasons why the

grange is not favoring the sales tax. Mrs. Inez Miller of Monmouth spoke in favor of the sales tax as a beneficial measure for public school financing. Arthur Brown spoke on matters of general grange interest.

Pomona officers: Glen Adams, Brier College, master; Claude Larkin, Rickreall, overseer; Mrs. T. Edwards, Monmouth, lecturer; E. V. Floyd, Fort Hill, chaplain; Dan Blair, Buell, steward; J. R. Beck, Dallas, assistant steward; Mrs. Richmond, Dallas, lady assistant steward; Mrs. Elmer Cook, West Salem, secretary; Mrs. P. O. Powell, Monmouth, treasurer; Mrs. Glen Adams, Brier College, Pomona; Mrs. Oren Kellogg, Rickreall, Flora; Mrs. Harrison, Dallas, Ceres.

Monmouth grange officers: R. B. Swenson, master; C. O. Allen, overseer; Harrison Brant, steward; Mrs. Adaline Calbreath, chaplain; Henry Dickinson, assistant steward; Mrs. Harrison Brant, lady assistant steward; Mrs. Byron Ruddell, lecturer; Mrs. C. O. Allen, secretary; Mrs. Van Loan, treasurer; Byron Ruddell, gate keeper; Mrs. W. L. Smith, Pomona; Mrs. V. L. Seeley, Ceres; Mrs. J. V. Johnson, Flora. The eight other subordinate grange masters: Dr. H. D. Peterson, Dallas; Claude Larkin, Rickreall; Clyde Blair, Buell; Mr. Sheppard, Fort Hill; Mrs. E. A. Harris, Surver; A. V. Oliver, Oak Grove, and George Shields, McCoy.

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The girl on the stairs heard from beyond the curtains another girl's soft, excited laugh.

Bits for Breakfast

By R. J. HENDRICKS

Col. Redington and his red headed daughter:

Another letter has come to the Bits man from Col. J. W. Redington, dated "Main Hospital, National Military Home, Calif., Somewhere in Nov., '33."

He speaks of his daughter, Miss Bernice Redington, domestic science editor of the Post-Intelligencer, Prudence Penny department, Seattle, Wash., also "our other three daughters, who are all the best girls on earth." (More about Bernice a little further on.)

He says to the Bits man: "I am glad to enclose you a fine, fat Turkey, accompanied by some sagebrush to give the proper kix to his stuffing. All of which you can sidetrack by way of Preparedness for your Christmas dinner. This Turkey was raised outdoors, on sweet acorns, all in one season, without irrigation, and is warranted free from codling moths, woolly aphis, and all other ailments of advancing age. And you well know that Preparedness is the watchword of the Nation, and that it kept us out of war, and enabled us to win it after we were forced into it, and that it made the world safe for astronomy, trigonometry and assafoetida."

"And accompanying all this is a lock of my hair, which you will be glad to note took the blue ribbon at our county fair, in the face of fierce competition. Hoping that your beautiful flower garden is still laughing at first frosts, and that you have a Merry Christmas, Very T. Y. J. W. Redington." (The Red in red ink, of course.)

(The turkey is a picture of that noble bird, the lock of hair is a wispy of manila hemp fiber, but the sagebrush is real— from one of the sagebrush plains of the south-land.)

Some dealer near the national military home, which is in the suburbs of Los Angeles, sells a postcard with a picture of Col. J. W. Redington, taken when he was quite a young fellow, and a dashing blade, mounted on a thoroughbred cavalry horse, carrying a rifle on his arm, a well filled cartridge belt, a red handkerchief around his neck, and a 10 gallon hat on his head. The wording under the picture reads:

"In Old Frontier Days
"War map of Col. J. W. Redington, volunteer U. S. scout and courier in three Indian wars in the Pacific northwest, 1877-1880. Adj. General of Oregon 1879-82."

Col. Redington is justifiably proud of his four daughters, their mother a daughter of A. B. Meacham of Modoc war fame, and the family long a leading one in Salem of the old days. All the daughters are fine, and so is their mother. Col. Redington sends a handsome circular printer by the Seattle Post-Intelligencer, the pioneer and Hearst newspaper in the Washington metropolis. The main title of the circular is "Behind the Headlines," the catchline, "Local Girl Makes Good." It reads:

It was not that she cared, so she argued. She might have seemed jealous. She was not, not really. Let Julian Haverholt behave in the future as he chose! What she wanted to do was to shatter his colonial self-satisfaction, to make him see himself as he really was. He was utterly lacking in honor. Useless to remind him of that. She could shake him though, if she could prove that he had no dignity, no taste! She sought to formulate the phrases in her mind and failed.

(To Be Continued)
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Merchant Loses Roof In High Wind Storm

STAYTON, Dec. 20.—The severe storm tore away a part of the corrugated tin roofing on the Charles Gehlen store. As a consequence the roof began to leak. Mr. Gehlen was kept busy a good part of the day and night covering merchandise in the store and trying to keep tarpaulins on the roof. Monday the store presented a rather discouraging appearance, with water on the floor and the stock covered to protect it.



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PACIFIC GREYHOUND

NEW WELL IN USE FOR SCHOOL GROUP

SALEM HEIGHTS, Dec. 20.—The new school well that has been in the process of drilling the past few weeks is now completed, the pump installed and connected with the building. The well has been drilled on the highest and farthest corner of the property and will be remote as possible from all possible sources of contamination. The reason a new well was not drilled at the time of building the new school was because of lack of funds and the directors at that time considered the new building an urgent necessity and paramount to the hazards of the old one.

Mrs. L. Fulkerson, county superintendent visited the Salem Heights school this week. She found the school work very satisfactory and expressed herself as pleased with the excellent work being done by teacher and pupils.

In spite of disagreeable weather the community pie social held at the hall Friday night realized a tidy sum for their efforts. Miss Frances Jones received a bid of \$1.50 for her pie, the highest bid of the evening. C. W. Bartlett substituted for Harry Burnside as auctioneer.

SCIO GIRLS WILL ORGANIZE LEAGUE

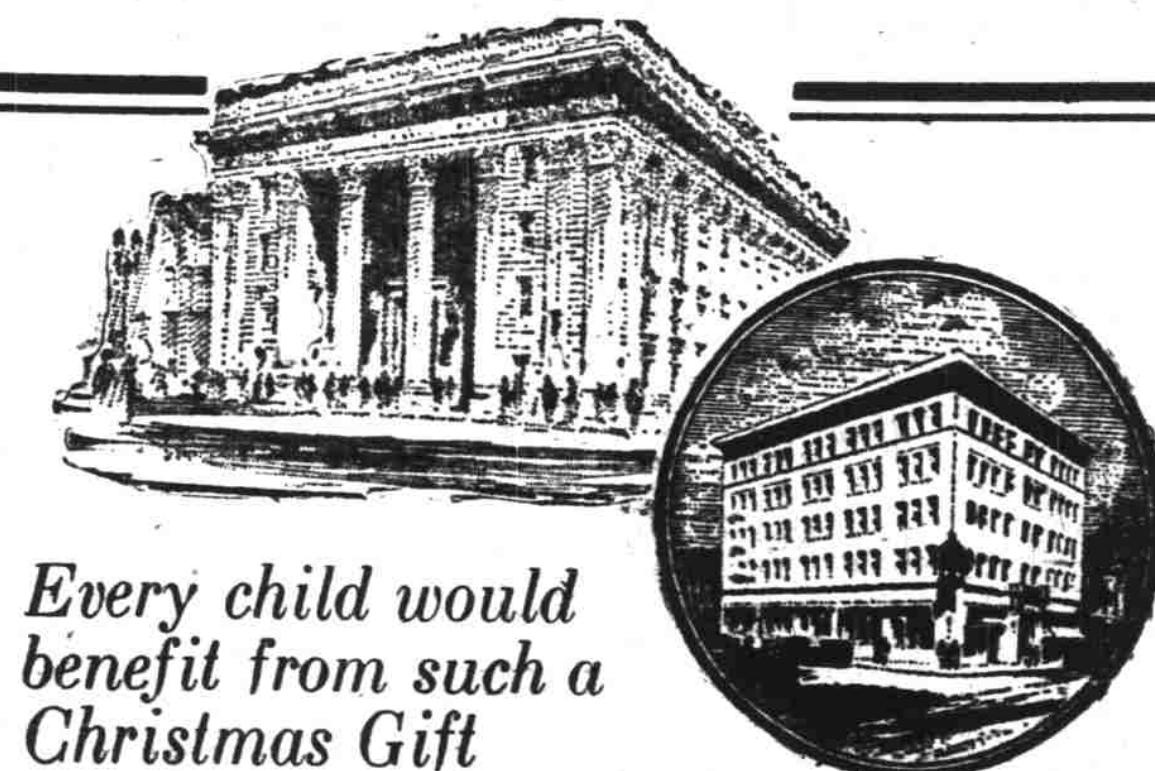
SCIO, Dec. 20.—At a meeting of all the high school girls Monday afternoon, it was voted to organize a Girls' league. Last spring Miss Doris Neptune, Helen Myers, Sylvia Bartu, Maxine Arnold and Norene Sims attended a Girls' league conference in Corvallis and have since been working on the organization of a league.

Miss Neptune presided over the meeting at which Sylvia Bartu spoke on the purpose and membership of the league; Norene Sims presented a tentative constitution; Maxine Arnold told about the activities, and Helen Myers spoke of the committees and their duties.

Officers will be elected the first week after vacation. Miss Bernice Newhouse and Miss Doris Neptune will be advisors.

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