

The Oregon Statesman

"No Favor Sways Us; No Fear Shall Awe"

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Saving and Spending

LEWIS W. DOUGLAS served as a lieutenant in France, as congressman from Arizona for several terms, and as director of the budget under Franklin D. Roosevelt. He resigned when he disagreed with the fiscal policies of the present administration. Douglas is a graduate of Amherst, experienced in mining and in business in his home state. In an article in the September Atlantic he throws a direct challenge to its title: "There is one way out," and the sub-title: "Saving—not spending, will bring reemployment."

Douglas bores straight into the theory that recovery will come if people will only loosen their purse-strings and buy more merchandise:

"The frantic exhortation of the public to spend more money is presumably based upon the belief that the consumption of goods by individuals has declined severely, and must be increased if we are to achieve economic recovery. The actual facts do not support that contention."

He then goes on to show that during the depression production of what is called consumer goods did not fall off very much. Comparing a depression year, 1932, with a pre-depression year, 1929, Douglas cites figures showing that the 1932 consumption in terms of 1928 amounted in percentages to the following: wheat and flour 90; butter 105.6; silks and velvets 90.6; hosiery 137.6; popular-priced dresses 117.7; cigarettes 97.8; gasoline 113.2. While income declined prices also declined and consumption of these goods was very heavy. But with "heavy goods," like machinery, locomotives, building materials, the decline was precipitate, consumption falling off 65 per cent. The principal unemployment, as Col. Leonard Ayres, Cleveland economist, has frequently pointed out, has been in the heavy goods industries. Ayres has insisted that if the heavy goods industries could be revived their increase in employment would soon put back to work all the others in the other lines of service and industry.

Speeding up the buying of consumer's goods will not end the depression, says Douglas, because existing factories can easily take care of the increased demand. What is needed is the spending of money or rather the investing of money in capital plants which will provide employment in the steel and metal trades. This comes out of savings. While the individual may not invest his money directly in industry, he does indirectly through his savings bank, his insurance company, etc.

"Savings do not represent hoarded money, which brings the community no benefits. Savings are spent—not necessarily by the saver, but by others who borrow his surplus or in whose business the saver's funds are invested either by him or by institutions acting in his behalf. Thus, a nation's savings do not represent a sterile, static factor in its economy, but, rather, an exceedingly dynamic one. Moreover, savings, when invested, are not usually spent for goods which are immediately consumed. They are spent for goods which in turn produce more goods and more wealth which enriches the community as a whole."

So Douglas goes on to say: "The greatest employing power in our society has always been this thing we call savings. The availability of sufficient savings in the past has permitted the expansion of old industries and the creation of new ones, and over a long period of years has resulted in tremendous increases in the number of people gainfully employed. Under our competition system, the result has been better goods at lower prices. This trend over a long period of years was responsible for the great improvement in the American standard of living."

This contribution to the literature of depressions and recovery ought to be stimulating to those folks who have kept their feet on the ground and maintained the virtue of thrift and savings in this welter of extravagance and waste. What is good for the individual is good also for the nation.

The president in his haste to be able to say that all the unemployed are off the relief rolls is giving Harry Hopkins carte blanche to speed up the old CWA spending machine. This provides no real relief, merely temporary employment. Secretary Ickes favors construction projects which may not give so many man-hours of labor on the job, but which will stimulate employment all through the heavy goods industries. General Hugh Johnson, now running the relief administration in New York, has said that his work is futile because when the money is gone the need will remain.

There is need for more of the Douglas conception of economics, of the need for savings and for the investment of those savings in capital plants. There is plenty of need for plant rehabilitation. Raymond Moley is quoted as estimating the replacement demand alone at nineteen billions of dollars. Given a little financial health the railroads alone could invest several billions in modernizing their rolling stock.

This talk of the technocrats that all the jobs have been done is silly. Under wise economic leadership the country will show great expansion and progress in the next quarter century. But it will require the savings of the multitudes to finance the plant that will be required.

A Good Start

WHEN the city council moved to revoke licenses to operators of marble boards, punch boards, dart games, etc., it made a good start in the direction of a clean-up of bad local conditions. There is really no compromise between gambling and half-gambling as most of these devices are. They suck the money of the weakest members of the community, those least able to afford losses. Most of the games are rigged to prevent the sucker getting a fair run for his money.

But the clean-up should not stop there. Operating in the city without interference are two or three houses of ill fame. Their presence is known to the police and to the city council. Their continuance is reputed to be favored by the same interests connected in gossip with the gambling racket.

Narcotic peddling is also reputed to be carried on in some resorts.

The recommendation for a clean-up is not based on a sudden puritanism; but on the principle that all these agencies of vice ought to be suppressed for the protection of the public morals. Most of them are illegal and vigilante law enforcement agencies should not need to be prodded on the rump to close them up.

It is very easy for decent people merely to walk down the other side of the street and ignore the illicit houses which exist. It is not pleasant business to mix up in, this urging of a moral house-cleaning. But unless pressure is brought by people who are concerned with the moral health of the community the canker grows and grows, as it has been doing in Salem for several years.

The council has begun a good job of surgery. It should see the job through.

There is also a job for Governor Martin. There are many indications that the gambling in Salem and in other towns, the slot machines, etc., are supported and fostered by a state or northwest syndicate. Governor Martin ought to order a special investigation by competent investigators who would bring to light the persons behind the scenes, those who control the slot machine organization, the rival syndicates that parcel out territory or engage in hostilities. The job needs to be done and the governor is the person who has the authority to direct such an inquiry.

CRAWLEY IN HOSPITAL

Unionvale, Sept. 17.—Mrs. Clarence Crawley and children, guests of Mr. and Mrs. Lloyd.

Massey at Newberg, while her husband is at the McMinnville hospital, where he was taken Saturday, seriously ill with pneumonia.

The Great Game of Politics

By FRANK R. KENT

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Potato Control—No. 2

Washington, Sept. 17.—THE reason, despite signs of revolt, lack of funds, due to failure of the deficiency bill, and Mr. Wallace's own inner misgivings, the AAA shortly will put into effect the new and extremely drastic Potato Control law, is because it has to. It has no choice but to go ahead.



Frank R. Kent

THE point has been reached where potato control is essential to the whole AAA program. Either they have to make it work or nothing works. It is a perfect illustration of the "one step follows the other" truth. In the beginning AAA started to limit only one southern crop—cotton. Later tobacco was added. The cotton and tobacco farmers cut down production, accepted their bonuses, but—particularly in North Carolina—turned their unused acreage into peanuts. This caused a glut in the peanut market, reduced the price and threatened the peanut industry, which is a big one.

IN February, 1934, the AAA had to add peanuts to the crops it must control. A limit was put upon the amount of peanuts which could be raised. At once the North Carolina farmers, with more idle acres than ever, went heavily into potatoes. The result was a glut in the potato market all over the country and disastrous depression in potato prices. At once potato control became imperative, although, of course, it had not been contemplated. Few had foreseen that a cotton and tobacco drive the farmers into tobacco tobacco control drive them into peanuts, peanut control drive them into potatoes.

YET that is what happened. Starting out with the declared purpose of controlling three crops only, AAA now has extended control over fourteen. What crop will come next no one knows, but the fact that, in the end, unless the supreme court, before the election, or the voters, at the election, put an end to this experiment, ultimately all crops will come under their thumb. As Senator King, of Utah, said in the senate, "We may expect next spring to find measures to bring other commodities under control—carrots, cabbages, lettuce, tomatoes and all kinds of fruits and vegetables."

SAYS Mr. Mark Sullivan, "The process cannot stop with the farm. Once restriction is put upon farm crops, it must be put on articles that compete with farm crops. Already AAA has put restrictions on paper towels and jute bags. Soon there will be restrictions on silk and rayon. The process will go on until there is price fixing of every commodity and ultimately wage fixing in the area of life. AAA, if it is kept, will ultimately do everything attempted by NRA." Prof. Lionel Robbins is even more emphatic. "Once," he says, "governments start to control important branches of industry, if they are not willing at some point to reverse their policy, there is no stop short of complete socialism."

IT IS impossible to review the step after step taken by AAA since it started without being impressed by the views quoted above. And it is impossible to read the potato control amendment without appreciating that this is one of the most radical measures ever enacted by congress. It means not only that every farm can raise only the amount of potatoes allotted him by AAA but cannot sell them except in the stamped containers prescribed. The compulsory club is the tax imposed for raising more than the allotment—45 cents a bushel, which is confiscatory. The penalties are amazingly severe—\$1000 fine for the first offense, and imprisonment—not more than a year—for the second.

VARIOUS thoughts arise as one reflects upon potato control. One is that the difficulties of enforcing such a law on 3,000,000 individuals are bound to be immense; another that it will open the door for the potato bootlegger and afford a fine field for spies and informers; another is that this is a long stride toward that nationalism which Mr. Wallace once denounced, where there would be a government poster on every plowed field and a license for every farmer; and, finally, that if the full implications of AAA and the goal toward which it is taking us are once thoroughly grasped, there will be a tremendous and violent reaction. Those who have given it most thought are convinced there is more potential danger to our institutions in it than in all the rest of the New Deal combined.

Pythian Sisters Can 42 Quarts Fruit for Home Near Vancouver

SILVERTON, Sept. 17.—At "canning day" at the Pythian hall, 42 quarts were put up by Pythian Sisters for the Pythian home at Vancouver. Members are being asked to bring some of their own canned goods and the committee hopes to secure 100 quarts for the home by the time the fruit is to be forwarded.

Bits for Breakfast

By R. J. HENDRICKS

Quaker teacher risked her life in giving Sheridan tip for epochal battles of war: victories that led to its end:

(Concluding from yesterday.) The writer said in this column yesterday that General Sheridan and Ord commanded brigades close together at the surrender of Lee at Appomattox court house April 9, 1865.

These commanders, who had known each other in their Indian fighting and handling days in Oregon, worked together to bring about that great event.

It is a long story, not to be elaborated here, but in some future issue a few of the outstanding circumstances will be briefed.

When Sheridan went from the Shenandoah valley to join Grant in putting what they hoped and expected to be the finishing touches to the Civil war, he (Sheridan) was anxious to have with him the commanders and the men who had fought under his orders the successful engagements that had made that valley safe for the first time since Fort Sumter was fired upon.

Among his favorite generals was George Crook, after whom Crook county was named; for he too fought Indians in this state.

Another of his favorite generals was George A. Custer. Both of these commanders were with Sheridan in the campaign that led to the surrender of Lee, and their dash and bold tenacity were needed, for they faced in the last days some of the most desperate fighting of the whole war.

The writer wonders how many readers recall or ever knew that it was to General Custer, fighting directly under Sheridan's command, that the Confederate flag of truce was brought.

And that the flag of truce was a crash towel.

To General Custer the towel afterward came as a present from Sheridan, and to Custer's wife a present of the small table on which Grant, in writing the terms of surrender, said Sheridan of Custer, commenting on the particulars of the surrender:

"I know of no one whose efforts have contributed more to this happy result than those of Custer."

Few readers of this column do not know that it was the same General George A. Custer who lost his life and that of his whole command, slaughtered by the ruthless Sioux Indians at the battle of the Little Big Horn on June 25, 1876.

Perhaps few readers are aware of the fact that the grandfather of General Custer was a Hessian soldier, hired by the British to fight against our forefathers in the war of the Revolution.

But a great many of the Hessian (German) soldiers remained in the United States to become patriotic citizens and the progenitors of many leaders of American life.

A biographer wrote of General Custer that his pursuit of Lee's army in the first days of April, 1865, was his greatest glory. He was all the time under the direct orders of Sheridan.

"General Sheridan," the splendid book of Gen. H. E. Davies, said, in its closing chapter on Lee's surrender:

"When the morning light of the 9th of April was sufficient to permit the movement of troops, the Confederate line advanced. Not caring to incur more loss than was absolutely needful, and learning that the infantry, which had just reached the ground, was forming in his rear, General Sheridan directed the cavalry lines to fall back slowly, skirmishing sufficiently to prevent a rapid advance of the enemy. The infantry formation being completed, General Sheridan ordered that the two divisions of the cavalry be moved by the flank to the right, and at this movement the rebel lines cheered wildly and redoubled their fire, for to them it appeared that the troops opposing their march had been driven off, and that at last the road to Lynchburg lay open and clear before them.

"But for one instant did this exultation last, for as the cavalry disappeared from their front Lee's troops saw massed before them the heavy lines of two strong corps of infantry prepared for and awaiting an attack.

"Not another sound was heard nor another shot fired; the advan-

cing line wavered, halted, and then, without an order given, faced about and fell back on the disorderly mass of Confederate troops that were huddled in confusion about Appomattox court house.

"Our infantry continued to advance, and the cavalry swept round to the right and was forming for a flank attack when the first signal of the Confederate surrender was made and a white flag sent into the cavalry lines, the bearer of which asked for a suspension of hostilities, as General Lee was then making arrangements for surrendering his entire army. . . . The long pursuit which General Sheridan had advised, planned, directed, and led, was closed with triumphal success. . . . and the mighty task he had assumed in the last days of March had been so thoroughly performed that nothing could be added to render it more complete or perfect, and on that night the Army of the Potomac, after four long and weary years of strife and toil, rested in peace."

That is a deserved tribute to the man who, about five months less than five years before, had left Salem a young second lieutenant, with the idea, as he told Asahel Bush, founder and editor of the Statesman, that he might earn promotion—might get to be a captain, if the war lasted long enough.

Mildred Martin Called by Death

Funeral Rites Thursday At Bethel Church, Aumsville

AUMSVILLE, Sept. 17.—Mrs. Mildred Martin, 75, died suddenly at her home here this morning, after a stroke of paralysis which occurred at 6:30 o'clock Monday night. Mrs. Martin had spent the day quilting, a favorite pastime, and had gone out to do a few light chores, when stricken. Her son, Charles Martin, who lives near, heard her calls for help and found his mother still conscious but in a serious condition. A physician was hastily summoned. She died at 1:05 o'clock Tuesday morning. At her bedside at the time of her death were Mr. and Mrs. Charles Martin, a daughter, Mrs. Lulu Plummer of Salem, Arba Martin, a son of Salem, Mrs. Luta Ferson, a daughter, of this county, Mildred Hughes was born September 6, 1860, at Winston, Mo. In 1877 she was united in marriage to George W. Martin. To this union were born three sons and three daughters. One daughter passed away in childhood and her husband preceded her in death in June, 1901. With her family, Mrs. Martin moved to Kansas in 1879, where she resided for 14 years. In 1892 they moved to Aumsville, where she has resided for 43 years.

She is survived by her daughters, Mrs. Lulu E. Plummer, Salem, Mrs. Luta Ferson, Aumsville; by her sons, Archie Martin, Portland; Charles Martin, Aumsville; Arba Martin, Salem; by one sister, Mrs. Anna Black, Norcross, Ga.; her granddaughters, Gains Fuson, Gwendolin Martin, Charlotte Martin, all of Aumsville; Mrs. Lois Schmidt, Victor, Walter, Dorris, Ardith and Cieta Martin, all of Salem; Berton Martin, Portland; Mrs. Margaret Goff, Forest Grove; Clifford Martin, Beers, Ky.; the great-grandchildren, Doyle Fuson, Aumsville, and Shirley Jane Goff, Forest Grove.

Funeral services will be held at the Bethel church, of which the deceased had long been a member, Thursday afternoon at 2 o'clock.

Queen of Linn Pioneers Has 93rd Birthday

SCIO, Sept. 17.—At the home of her son, Ira G. Morris, 9225 West Charleston avenue, Portland, on September 17, Mrs. Rebecca Morris, familiarly known as the Scio community as "Aunt Becky," celebrated in a quiet way the 93rd anniversary of her birth. She is queen of the Linn county Pioneer association.

Born in Missouri in 1842, Mrs. Morris in 1845 crossed the plains by ox train to Oregon, the immediate family including her parents and nine brothers and sisters. Five children were born in the family after arriving in Oregon.

The long trek half way across the continent was attended by many dangers from wolf and coyote, hostile Indians and other incidents of early travel in unknown and unsettled lands. Mrs. Morris recites interesting events of the dusty caravan of cattle-drawn wagons which occupied six months.

The original Crabtree families, of which Mr. Morris is the last surviving member, spent the winter of 1845-46 in the Tualatin valley, and in the spring of 1846 located near Scio, the village of Crabtree and the mountain stream of that name being christened for the family.

Pioneer Prune Crops Seriously Curtailed Due to Weekend Rains

PIONEER, Sept. 17.—The prospect for harvesting the many prunes in this district was very discouraging during the rain of Saturday and Sunday. Many of the prunes are cracked and unfit for the market. However, growers are going ahead and harvesting the remainder of the crop. Several are starting to pick this week.

Ten Years Ago

September 18, 1925. A Chinese civil war is declared to be imminent. Money for transportation of four Oregon deaf students to Gallaudet college at Washington, D. C., has been raised.

Back to the Jailhouse for 50 Weeks



"CAST INTO EDEN" By HENRY C. ROWLAND

CHAPTER XXIV

There came the sound of stones clinking below the ledge that contained the pool. The head and shoulders of a man appeared above it. Another came in sight, then a third and a fourth. As they clambered up and peered looking warily about, Jerome muttered: "Ladrones. . . ."

"What?" Linda whispered. "Not so good. They don't look like bandits or revolutionists. This is some other crowd."

The men were armed with carbines and had machetes slung at their sides. The first to appear had a heavy revolver in a holster. All wore the comical wide-brimmed hats of plaited straw common to that tropical region, and their costumes looked as if at one time they had been a sort of white drill uniform, whether for land or sea service.

Jerome and Linda were discovered instantly, and the low but exultant cries at sight of them were significant.

"Tommy's offered a reward for us. This looks like a free-lance search party. Too free, for my taste." He walked to the edge of the porch and called to the group that was not more than fifty yards away.

"Buena Dias, Senores. . . . They answered in kind, and approached. Close inspection did not improve Jerome's estimate of them. He felt that while they were after the reward, they were also quite capable of raising—by several times—the amount offered. They were evidently boatmen, probably coast smugglers, he decided.

A man who appeared to be the captain was grizzled and might have earned more in a month as a motion picture pirate of that Spanish Main than he had earned honestly in all his life. He had a certain style to him and did not show the surprise he must have felt at the sight of a powerfully built young man in Olympian Games costume, and a beautiful young woman in dressed only in a bright blouse. He bowed and said in Spanish:

"You are the young gentlemen and lady from the yacht quarantined at San Cristobal, Senor?"

One of the younger men was answering. He said: "The senior is right, Captain. . . . Silence. Take the senorita, two. Ramon, have your carbine ready. If you see anything then shoot. Me, I don't believe in all this. . . ."

From close on the edge of the clearing there came the tremendous thumping of Papa Gorilla beating his enormous chest. Hisellow growling more excited. Perhaps their instincts responded to the hostile atmosphere and tones of argument that was growing tense and angry. Jerome had a sudden inspiration. He said over his shoulder to Linda, who was standing beside the door:

"Throw those halves of the Forbidden Fruit over toward where Old Man Gorilla's working his mad lip. That may start something."

"But, Jerry. . . . it may drive them wild. . . ."

"Do as I say. Things can't be much worse."

She slipped inside. The Captain asked: "What did you tell her to do?"

"To get some of their favorite fruit for the beasts. Perhaps it will quiet them."

"This is all madness," he stopped, and let out a stream of curses. "Tell her to come along. . . . and you come without any more talk."

His last words were drowned by a roaring from both sides of the clearing, and the shriller cries of the young gorillas who were frightened by the unusual excitement of their mother. It was a terrible med-

ley. Jerome feared that he might be in danger of over-playing his hand. The great ape was plainly working them over into a frenzy.

Linda came out with the two halves of the big fruit pressed together as if he had grown. Even in the rapidly lessening light it glowed with a soft, rich, golden radiance. More curiously there emanated from it a perfume so pervasive as to reach even those who were not within a dozen feet of her. This odor was sweet and spicy, and held some aroma that was intoxicating like the bouquet of a rare wine. But even more, it held an odor that was exciting like that of blood.

The captain stared at it suspiciously. "What's that?" he asked Jerome sharply.

"A rare fruit from a forbidden fruit."

"What do you mean, a forbidden fruit?"

Jerome said with emphasis: "It is the same with which Eve tempted Adam in the Garden of Paradise."

"Sacramento. . . . but you are crazy. . . . and you are making me feel crazy too. . . ."

"Senior Captain," Jerome said solemnly, "as a former naval officer I have traveled round the world in these latitudes. I know all about tropical fruits but I have never seen one anything like this. No more have you, or anybody else. The magic aura that surrounds this fruit has traded his soul to the devil for the secret of how to grow it."

This bold statement brought a gasp from one of the younger men. "For Dios. . . . that is why the place is full of monsters!"

But the captain was made of tougher fiber. "Devils or no devils, I'm going to earn my reward." He strode across the porch toward Linda. Not knowing much Spanish she had failed to catch the meaning of what had been said. Seeing that the man intended seizing her she rushed from the porch and out into the open where she still held the fruit. The captain hesitated but second time sped after her and caught her by the shoulder. Linda threw the two halves of the forbidden fruit ahead of her.

The captain started toward the dam, dragging Linda along. She screamed, then twisted about and struck him solidly in the jaw with a strong little fist. He loosed his hold of her. She tried to run but tripped and fell.

Jerome had started after the captain. He glanced back at the three armed men to see what they might be doing. At the same moment there came from the dark thicket, not far from where Linda had fallen a reverberating roar. There was a crackling of stiff foliage and Old Man Gorilla burst out into the clearing. Monstrous at all times the rapidly waning light served to increase his dimensions. Though partly stooped, the great ape loomed solemnly, terrifying. Even Jerome was awed.

The gorilla opened his huge mouth and roared. The dim light glistened on his outrageous fangs. He began again to beat his bulging chest. Then, further to increase the terror of the spectacle, the Deb emerged. The bush behind her crashed and the vague bulk of the Racketeer became visible as it skirted the scrub.

An agonized yell burst from the three armed men as they saw the corner of the porch. Up to this point they had stood fast, no doubt afraid to run away. Jerome's stationery members burst into their superstitious sailor souls. It did not occur to them to fire the brushes. They dropped their weapons, turned and bolted back to the ledge that formed the natural dam, and the dark mouth of the ravine swallowed them.

(To Be Continued)

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Reception Slated For All Teachers

SILVERTON, Sept. 17.—The Silverton chamber of commerce will open its fall session Wednesday night by giving a reception to the Silverton teachers. Each Silverton member is asked to take one of the teachers as his or her

quest to the dinner to be served at 6:30 o'clock at the Methodist church.

W. P. Scarth, president of the forum, will preside. Robert Goetz, superintendent of the Silverton schools, will respond to the welcome. Several faculty members will be asked to speak briefly. Selections will be given by the Four Norwomsen, and piano selections by Stephen Butler, head of the music department in the Silverton schools.

SON TO NAEGELS

SILVERTON, Sept. 17.—Mr. and Mrs. Norman Naegel are announcing the birth of a son, born Sunday at the Silverton hospital. This is the first grandchild in the Norman Naegel family and the first grandson in the Bert Day family.