The Oregon Statesman

"No Favor Sway Us; No Fear Shall Awe"
From First Statesman, March 28, 1851

CHARLES A. SPRAGUE - - Editor and Publisher

THE STATESMAN PUBLISHING CO.
Charles A. Sprague, Pres. - - - Sheldon F. Sackett, Secy.
Member of the Associated Press
The Associated Press is exclusively entitled to the use for publication of all news dispatches credited to it or not otherwise credited in this paper.

Budget Balancing

The budget submitted by the president carries more than figures, it is loaded with politics. We take it the president is sincere in his desire to balance the budget. Assuming his purpose to retire at the end of his term he would naturally prefer to leave the budget in balance. But at the moment he starts driving hard for economy he runs into pressure for opening up the spending. This pressure doesn't come altogether from the left wing. It comes also from "business" interests which have prospered from the government's easy spending program.

For example, do you suppose the lobbyists of the cement trust, of the highway contractors and the road machinery makers are supporting the president in his recommendations of reductions in spending on highways? Do you suppose the brick association and the steel people and the cement people are endorsing the curtailment of money for public buildings? "Business is business," still; and no side wants to be robbed of its own kitty.

The president doubtless carried his tongue in his cheek as he passed over his budget to congress. He knows the porcine characteristics of congressmen; and he knows how loathe they are to stop spending, much as they may argue for economy when they run for office. The combination of minority blocs in favor of specific appropriations such as rivers and harbors, reclamation and highways will make a majority apt to refuse to make the cuts the president suggests.

If business continues on the downgrade, the drive for wider spending regardless of the budget will increase to a tremendous pressure. The appetite for deficits will grow; and in the end the political quacks will resort to the only way out: seizure of the billion and a quarter of profit derived from gold devaluation, or inflation, or both. The only way this can be averted is for the congress to face the music and make the reduction in expenditures and increase in taxes to effect a balance.

Already the interest charge on the national debt is about a billion dollars a year,—as much as the whole government establishment cost early in the century. As the deficits mount the interest charge increases. If the interest rate should go up, as well it might, the load would be so great as to press heavily on the country.

The United States is a strong nation. Its economic structure can stand a lot of punishment. We have experimented by throwing old laws out of the window. Nobody died as a result, so the temptation is to try it again. Eventually even nations must meet paydays. Before long this country must operate within its income, or repudiate its debt, or inflate the currency. You can't build permanently on paper.

Sutherland Retires

Justice George A. Sutherland has retired at the age of 75 years with a service record on the supreme bench of 15 years. Numbered among the conservatives, now definitely in the minority on twilight zone legislation, he evidently thinks there is no special need of his remaining on the bench. The recent act of congress will permit him to retire on full pay, subject to call for duty on the inferior courts.

His resignation instantly resulted in bringing up names of possible appointees. There is one thing certain, that is, the president will scrutinize more closely the record of those under his consideration than he did Justice Black. So will the senate committee, which passed the Black nomination and shut off open hearings. Undoubtedly the president will name some one who is in sympathy with his ideas of social reform. There are many in that group who are qualified in character, in learning to make worthy members of the high court, men who wear no klansman's label. The country hopes the president will select a man of outstanding ability for the position, and not try to vent a spleen or put his enemies in a hole.

It is a mistake to class Justice Sutherland as a hardshell. One of his memorable opinions was the one declaring a Minnesota statute for control of the press (gag rule the papers called it), unconstitutional. This was a five-to-four decision, and Sutherland's opinion stands as a bulwark in support of liberty of expression by the printed word in this country. Monday he wrote the unanimous opinion denying private utilities injunction against PWA for loans and grants to cities to build rival plants.

He was distinguished by no mannerisms, made no attempt to play to the galleries, sought to do his work intelligently and conscientiously as a public servant should. His career has been honorable and his service meritorious. He can now rest on his labors.

Too Much Tightening

The purchaser of an automobile is warned not to drive it too fast to begin with. The car must be "broken in." This means that its bearings are all adjusted tightly and the car must run for a time in order to get adequate "play." Run too fast the heat of friction destroys the bearings.

A machine cannot run with too much play in its working parts, nor with too little. There is a point at which the machine works most efficiently, where it is not too loose, not too tight.

The business machine works the same way. Too loose, it falls apart. Too tight, it "freezes" on the operator. For five years the master mechanics have been busy tightening bearings. A fresh attack with monkey wrenches is threatened. May it not be they are too zealous in good works. They get the machine tightened up all right. Still it refuses to run. In business as in mechanics, you have to allow reasonable "play" in the working parts.

Sense of Responsibility

Bill Green, president of AFL, objects to any legislation to balance union power with social responsibility. The unions, says Green, already have a "keen sense of responsibility." That phrase is reminiscent of the saying of employers that they had a sense of responsibility and brooked no outside interference with the way they handled their men. But public opinion ruled that rights of employers in dealings with workers should be restrained in important particulars. The unions get themselves in the old boat of employers if they claim divine right and object to any social discipline.

Unions cannot expect to get all the benefits of laws and escape all the requirements of fair dealing. Power is intoxicating. Few who get it yield it without a struggle; and few who have it wield it with due regard for the other fellow. This applies to union bosses the same as to employer bosses.

Bright spot in the news is the report that Portland's shipping showed a nice increase for 1937 over 1936. The tonnage handled gained nine per cent and the value 38 per cent. Chief gain was inbound tonnage of petroleum products; next was foreign exports which gained nearly 50 per cent in volume and 65 per cent in value. Since Portland serves this valley for the water haul, the gains reflect better business in this region, too.

Victory at Teruel seems to depend on which town the dispatches are sent from. Its recapture claimed by insurgents several days ago, now word from their side is of a new drive to win the city within three days. Snow and cold make fighting bitter business.

It is worth one seat in the senate to a 100 per cent Roosevelter to keep Tom Heflin out. Probably many Alabamans felt that way, even among anti-new dealers.

The Medford Mail-Tribune runs a banner: "33 cars Medford pears for relief." Whose relief, the paper doesn't explain.

Bits for Breakfast

By R. J. HENDRICKS

Jason Lee 100 years ago getting ready for trip that brought about the founding of this city: 1-6-38

* * *

(Continuing from Tuesday:) Under the heading, "Beginning of Oregon's Cattle Industry, Brosnan wrote in his book:

"Jason Lee early recognized that the possession of cattle was fundamental in the economic life of the mission settlement. The Hudson's Bay company had been most kind in furnishing some cattle, but it was against the rules of the company to sell stock to any one.

* * *

"Previous to 1936, the only cattle in Oregon were the property of the Hudson's Bay company . . . The whole amount of money raised was approximately $2700. Jason Lee invested $400 for the mission (some authorities say $500): Dr. McLoughlin invested nearly $900 for the Hudson's Bay company, and . . . Slacum invested $500 in his own name. The settlers made up the remainder of the amount. (Dr. McLoughlin wrote in a record that he took for his company 'half the stock.' That makes a disputed point.) Articles of agreement were drawn up . . .

"Ewing Young, because of his knowledge of California, commanded the party. Philip L. Edwards of the (Lee) mission served as treasurer of the company.

* * *

"Lieut. Slacum offered free transportation to California, on the brig Loriot, to the men who were to purchase the cattle."

(He offered free transportation to all the men who went from Oregon to buy and drive back the cattle.)

* * *

Quoting Brosnan further: "Young and Edwards bought 800 head of cattle, 300 head from the mission (Catholic) at San Francisco and 500 from the San Jose mission, . . . reaching Oregon with 630 of the original 800 in mid October, 1837. These cattle were distributed to the stockholders in the company at $7.67 a head.

* * *

"The introduction of this band of mission cattle marked the beginning of an independent economic life for the American settlers. (He might have said for the Canadian French settlers, too.) It also laid the foundation of Oregon's livestock and dairying industries."

During Lee's tour of eastern United States, soliciting funds for his mission and individuals to make up the "great reinforcement," after his journey eastward over the Oregon Trail in 1838, he held one of his most widely advertised, largest and most successful meetings at Philadelphia — and Slacum himself was a joint speaker with him at that famous gathering. At a point in his remarks when he was telling of the cattle enterprise he said, among other things:

* * *

"I found that nothing was wanting to secure comfort, wealth and every happiness to the people of this most beautiful country but the possession of neat cattle—all those in the country being owned by the Hudson's Bay company, who refuse to sell them under any circumstances whatever.

"I then proposed to give as many of the settlers as chose to embark in the Loriot a free passage to California, where they might purchase cattle at $3 per head . . . All the settlers who had money due them from the Hudson's Bay company contributed to the enterprise . . . I advanced to Mr. Lee $500 . . . I certainly view this measure as one of the highest importance to the future growth and prosperity of this fine country, even if no other object is attained by my visit to the Columbia.

* * *

"In conclusion, I will only add that the day that witnessed Jason Lee's descent from the Rocky mountains was a day of gladness and joy to those among whom he has cast his lot; and it will now be for you, my friends, to assist to perpetuate the glorious work in which HE has periled every thing to give life and light to those who were in utter darkness."

That invitation resulted in a collection of $560 for the Oregon mission of Jason Lee.

* * *

That was some of the money used to bring and support the "great reinforcement," and to buy the machinery for the mills that started the village which became Salem.

A few more of the words of Slacum in his Philadelphia address, quoted from "The Conquerors," Atwood's book on Oregon missionary history, are interesting. They follow:

* * *

"I called upon Dr. McLoughlin at Fort Vancouver . . . I visited the mission, embarking with my servant and six Indians. I soon entered the Willamette or Multnomah, which flows into the Columbia about 80 miles from its mouth . . . It is nearly two years now since I was greeted by the friendly voice of Jason Lee, who called to me from the shore to direct me where to land, for the current was rapid and the night dark and chill . . . I have seen Jason Lee at his post, imparting mental and physical instruction to those who slumbered in the profoundest ignorance of God's commandments.

"I have seen him rearing the temple of God in the wilderness. I have seen him administering the consolation of our holy religion to those who were without a pastor and of different faith.

* * *

"I have seen him, too, arresting one of the greatest evils to which the white men and the red men are subject and establishing a temperance society among those who are proverbially beyond the pale of moral restraint—I mean the trappers west of the Rocky mountains."

(Continued tomorrow.)

"Come with me my dears"

Radio Programs

KSLM—THURSDAY—1370 Kc.

7:15—News.
7:30—Sunrise sermonette.
7:45—American Family Robinson.
8:00—The Merrymakers, MBS.
8:30—Today's tunes.
8:45—News.
9:00—The Pastor's Call.
9:15—The Friendly Circle.
9:45—Coral Strands.
10:00—Oddities in the news.
10:15—Elbe Dudley's theatre, MBS.
10:30—Myra Kingsley, strologer, MBS.
10:45—Voice of Experience, MBS.
11:00—News.
11:15—Vocal varieties.
11:30—Willamette university chapel.
11:45—Beatrice Fairfax, MBS.
12:00—The value parade.
12:15—News.
12:30—Musical memories.
12:45—Streamline Swing, MBS.
1:00—Federated women's clubs, MBS.
1:15—Lucky Girl, MBS.
1:30—Popular salute.
1:45—Frank Sortino's orch., MBS.
2:00—The Johnson Family, MBS.
2:15—Rhumba Rhythm.
2:30—Katz on the keys, MBS.
2:45—Monitor news.
3:00—Feminine Fancies, MBS.
3:30—News.
3:45—Spice of Life.
4:00—Fulton Lewis, Washington, MBS.
4:15—Jerry Livingston's orch., MBS.
4:30—Headlines, MBS.
4:45—Radio campus, MBS.
5:00—The musical camera, MBS.
5:30—The Freshest Thing in Town.
5:45—Shep Fields' orch., MBS.
6:00—Swingtime.
6:15—The Phantom Pilot, MBS.
6:30—Sports Bullseyes, MBS.
6:45—News.
7:00—Hollywood serenade, MBS.
7:30—Waltztime.
7:45—STATESMAN OF THE AIR — "Round the Valley," Miss Genevieve Morgan.
8:00—Harmony hall.
8:15—News.
8:30—Tapestries in bronze, MBS.
8:45—Musical moments revue, MBS.
9:00—Newspaper of the air, MBS.
9:15—Hits of today.
9:30—Shep Fields' orch., MBS.
10:00—Griff Williams' orch., MBS.
10:30—Everett Hoagland's orch., MBS.
11:00—Roger Burke's orch., MBS.
11:15—Louis Armstrong's orch., MBS.
11:30—Red Nichol's orch., MBS.

KGW—THURSDAY—620 Kc.

7:00—Just About Time.
7:30—Keeping time.
7:45—News.
8:00—Stars of today.
8:45—Gospel singer.
9:30—Vincent Curran, baritone.
9:45—Homemakers' exchange.
10:00—Toley and Glenn.
10:15—Mrs. Wiggs of Cabbage Patch.
10:30—John's Other Wife.
10:45—Just Plain Bill
11:00—Standard school broadcast.
11:45—Mystery chef.
12:00—Pepper Young's Family.
12:15—Ma Perkins.
12:30—Vic and Sade.
12:45—The O'Neills.
1:00—Ray Towers, troubadour.
1:15—Guiding Light.
1:30—Story of Mary Marlin.
1:45—Refreshment time, Singin' Sam.
2:00—Wife vs. Secretary.
2:15—Stars of today.
2:30—Hazel Warner.
2:45—Gloria Gale.
3:15—Teddy Hill orch.
3:30—Woman's magazine of the air.
4:00—Lady of Millions.
4:15—Cocktail hour.
4:20—Organ.
4:30—News.
4:45—Easy Aces.
5:00—Rudy Vallee.
6:00—Good news of 1938.
7:00—Music hall.
8:00—Amos 'n' Andy.
8:15—Standard symphony hour.
9:15—I Want a Divorce.
9:30—Vic Arden orch.
9:45—NBC program.
10:00—News flashes.
10:15—Three Cheers.
10:30—Melody memoirs.
11:00—Ambassador hotel orch.
11:30—Uptown ballroom orch.
12:00—Weather reports.

KEX—THURSDAY—1180 Kc.

6:30—Musical clock.
7:00—Family altar hour.
7:30—Larry Larson.
7:45—Viennese ensemble.
8:00—Financial service.
8:15—Josh Higgins.
8:30—Christian Science program.
8:45—Originalities.
9:15—George Griffin.
9:30—Morning concert.
10:00—Lost and found items.
10:02—Crosscuts.
10:30—News.
10:45—Hal Gordon, tenor.
11:00—The Ranch Boys.
11:15—Let's Talk It Over.
11:30—Western farm and home.
12:30—News.
12:45—Market reports.
12:50—Rakov's orch.
1:00—Club matinee.
2:00—The Four of Us.
2:10—Irma Glen, organist.
2:15—Don Winslow.
2:30—Financial and grain reports.
2:35—Harry Kogen orch.
2:45—Glass Hat Room orch.
3:00—Steven's hotel orch.
3:30—Press Radio news.
3:35—Songs of yesteryear.
3:40—Tony Russell, singer.
3:45—Pleasant interlude.
4:15—Speaking of sports.
4:30—NBC program.
4:45—Silent to KOB.
8:00—Land of the Whatsit.
8:15—Islands of Paradise.
8:45—News.
9:00—St. Francis hotel orch.
9:15—Sports by Bill Mock.
9:30—Ice hockey game.
10:30—Bal Tabarin orch.
11:00—News.
11:15—Haven of Rest.
11:30—Charles Runyan, organist.
11:45—Dance hour.
12:00—Weather and police reports.

KOAC—THURSDAY—550 Kc.

9:00—Today's programs.
9:03—The homemakers' hour.
9:05—"Time Out."
10:00—Weather forecast.
10:15—Story hour for adults.
11:00—School of the air.
12:00—News.
12:15—Farm hour.
1:15—Variety.
2:00—The hobby exchange.
2:45—Garden club program.
3:15—Your health.
3:45—The Monitor views the news.
4:00—The symphonic half hour.
4:30—Stories for boys and girls.
5:00—On the campuses.
5:45—Vespers, Dr. E. J. Harper.
6:15—News.
6:30—Farm hour.
7:30—Radio shorthand contest.
8:15—You may not believe it but "Telepathy Is Still Unproved."
8:45—Foresters in action.

KOIN—THURSDAY—940 Kc.

6:30—KOIN Klock, Ivan, Walter and Frankie.
7:45—Eyes of the world.
8:00—News.
8:15—This and That with Art Kirkham.
9:00—Sons of the Pioneers.
9:15—Edwin C. Hill.
9:30—Romance of Helen Trent.
9:45—Our Gal Sunday.
10:00—Betty and Bob.
10:15—Hymns of all churches.
10:30—Arnold Grimm's Daughter.
10:45—Hollywood in person.
11:00—Big Sister.
11:15—Aunt Jenny's real life stories.
11:30—American home hour.
12:00—Menu suggestions.
12:15—Theatre matinee.
12:30—U. S. army band.
1:00—Myrt and Marge.
1:15—Pretty Kitty Kelly.
1:45—Speed, Inc.
2:00—KOIN news service.
2:05—Studio.
2:30—Dear Teacher.
2:45—Hilltop House.
3:00—City salute.
3:15—In-Laws.
3:30—Judy and Jane.
3:45—Newspaper of the air.
4:30—Style chats.
4:45—Vocals by Ross.
5:00—Maurice orch.
5:45—Marshall Grant, organist.
6:00—Major Bowes amateur hour.
7:00—Little show.
7:15—Leon F. Drews, organist.
7:30—We, the People.
8:00—Scattergood Baines.
8:15—Hollywood screenscoops.
8:30—Kate Smith.
9:30—Night club on the Styx.
10:00—Five Star Final.
10:15—On the air.
10:45—Jan Garber orch.
11:00—Ted Fio-Rito orch.
11:15—Henry King orch.
11:45—Black chapel.

Ten Years Ago

January 6, 1928

Center street is now a through street; Streets Commissioner Low had men at work all day erecting the signs.

An art club was organized in the Salem high school yesterday under the direction of Miss Ruth Brauti, art teacher.

Forty Salem boys under the care of the C. A. Kells, general secretary of the YMCA, will leave today for Eugene to attend a boys' conference. James Rettie and C. A. Swope will accompany the boys.

Twenty Years Ago

January 6, 1918

Withycombe cottage is the name for the new women's dormitory at the state institute for the feeble minded.

Possible candidates for state senate from Marion county are Sam Brown, W. Al Jones and Seymour Jones, who is seeking the speakership of the house.

W. T. Jenks of Willamette Valley Prune association and W. G. Allen, manager of Hunt Bros. cannery, have left for San Francisco to confer with A. C. Kuhn, government fruit purchasing agent.

Rand Chosen for Conciliation Post

PORTLAND, Jan. 5.-(AP)- The United States district court here appointed Irving Rand, Portland attorney, Tuesday as supervising conciliation commissioner for Oregon.

He is the son of Justice John L. Rand of the supreme court of Oregon.

Rand will have supervision of conciliation commissioners named by the federal court and over debtors and debtors' property under the Frazer-Lamke act.

2602 Enroll for Winter Term at State University

EUGENE, Jan. 5-(AP)-The University of Oregon enrolled 2602 winter term students Monday, a gain of 4 per cent over the first day's figure last year. Late comers are expected to bring the registration above the 2951 mark, set in 1931.

On the Record

By DOROTHY THOMPSON

Devil Chasing in Modern Salem II

It is the awful frivolity of speeches like those of Mr. Jackson and Mr. Ickes that is really distressing. I use the word frivolity advisedly. The world we live in is excessively dangerous, not only for us, but for the whole civilized democratic world.

Dorothy Thompson

On October 9th "The New Statesman and Nation which, as an English socialist paper, shows a grasp of the problems of capitalism which we sincerely wish were quite as clear to Washington said:

"In the case of the United States, it is becoming evident that under-investment is producing its Nemesis. Up to a point American recovery could and did proceed merrily on the basis of cheap and ample supply of banking credit supporting a consumer demand which was expanded by vast relief expenditure and, subsequently, rapid wage increases.

This is the comment of a labor organ on the theory of so-called Washington economists that our whole trouble is still an absence of consumer demand and that everything can be solved by increasing labor purchasing power.

"The penalty," continues "The New Statesman," "was the absence of any proportionate revival of investment in the capital goods industries—housing, railways and the power utilities. Partly because rising wages and costs bade fair to destroy profit margins, partly through mistrust of government's proclivities, American capital has hung back, as French capital has done, from investment, in fixed plants and construction. Without such investment consumer demand reached this summer, as it was bound to temporary saturation point . . . Stocks and commodities . . . now . . . show heavy inventory losses at current prices. If negative investment develops on a large scale, the reactions on the prices of raw materials, and hence on the prosperity of primary producers, may easily convert what is so far a moderate setback to American activity into another world economic crisis."

Here, then, is a socialist publication agreeing with an analysis submitted as early as last March by a liberal economist who has always championed the social objectives of this administration, that deflationary and under-investment policies were, as early as then, "threatening a crisis in the monetary institutional setting of capital goods activity and recovery." And that the policies which have deliberately discouraged investments are "as incompatible with this administration's social objectives as they are with the economic functioning of the system, constituting, as they do, a gratuitous reversal of economic trends which, if uncorrected, could lead to a synthetic, dynamic deflation in the world economic order."

The socialist organ which I am quoting points out that negative investment, which is not the result of a conspiracy but flows automatically from certain conditions, is adverse upon the primary producers, that is to say, upon agriculture, which is being hit obliquely through the attacks on industry.

* * *

Let us make no mistake about it. This is what we are up against: the possibility of another world economic crisis, at a time when class hostilities have been agitated to a sharpness never before known in our domestic history and when the whole world is torn by contending ideologies, and propagandas.

The problems we have to try to work out are terrifically complicated. They have to do with certain factors that are beyond our control as a domestic economy, and with perennial paradoxes inside any system of private enterprise: the recurrent dilemma of over-investment at the cost of the workers or under-investment because profits disappear.

Now even "The New Statesman and Nation" whose contributors show some structure in their thinking, know that at this moment it is the second of these dilemmas which menaces us, and again, to quote this publication: "President Roosevelt's attempt to kick American capitalism into prosperity and hold it up by deliberately inflating the purchasing power of the consumer has failed."

"We over here would dare to put it as drastically as The New Statesman and Nation does because some of the fallacies of the administration have affected the thinking of businessmen themselves, who have been bemused by the idea that taking in each other's consumable washing is a way of producing wealth. Even those of us who are most critical do not go farther than to say that the policy has run its course, and we must now take measures to balance the teetering economy on the other side—unless we are to take the defeatist attitude that the world is sliding into chaos any way and we had better slide with it. If it slides, we will all be on the toboggan party, willy-nilly. The sixty ducal families and the last taxi chauffeur as well.

* * *

I find it intolerable that in this situation high officials of the United States government should make such banal statements as that the villains are "Sixty American families." I wish it were so. Then it would be simple. We could guillotine them. Or that "capital has gone on a sit-down strike." Just what does that men? The utilities, for instance, are trying to get capital. They want to go out to the public and raise capital, and they can't for the simple reason that the public has no confidence in the investment under the present conditions. The sit-down strike is on the pare of the American investing public, which means hundreds of thousands of people, and the administration is not attacking the sixty families, but is attacking the judgment of every American with a few dollars with which to buy shares.

The presumption that we are asked to accept is that there is a secret conspiracy of a few bug businessmen to bring down the Roosevelt administration by strangling the American economy; a kind of mass suicide movement in which they would certainly lose their own fortunes and possibly their necks.

Also we are told that the object of this conspiracy is to force congress to repeal all that has been gained in the last five years. Now just what has been gained? A lot of red ink has been transferred from business to the government's books at the cost of the American taxpayer. There have been definite gains in social consciousness on the part of the American public, including most of business, and for them we have the spirit of the first new deal to thank. This country is not going back on the idea of social security, or of high inheritance taxes, or of any high taxes that are not economically self-defeating, or of taking measures to protect the investors from fraudulent issues of securities, or of preventing the kind of holding companies that existed prior to 1935.

There has been technical criticism of many of the acts which have been passed, but the point is that it has been technical. But the administration has constantly tried to twist that criticism, even when it has come from the leading and most disinterested experts of the country, into heartless attacks on the poor and helpless. And this twisting is important. For the emotional flight from the real issues and defects of government acts, accompanied by personal calumny of the critic, is the tactic by which Mr. Hitler and all other fascist dictatorships have come into power on the shoulders of deluded masses, and we are not impressed when the same tactic flaunts an anti-fascist banner.

* * *

The ideal which Mr. Ickes envisioned in the last sentence of his speech — "A new America must be a land of free business, not of ruthless big business—a land of free men, not of economic slaves," is the ideal of 90 per cent of the American people. But there are manifold differences of opinion as to how this idea is to

(Turn to page 5)