

The Oregon Statesman

"No Favor Sways Us; No Fear Shall Awe"
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Oregon's Bid for New Industries

Relative attractiveness of Oregon and Washington for the location of new industries, with comparisons arbitrarily limited to the taxation factor, as one about which something might be done, became a controversial matter some months ago following the announcement that Vancouver, Washington, had captured the biggest new industrial plum then visible; the plant of the Aluminum Corporation of America.

Lugubrious statements were then current that Oregon's taxation system was prohibitively punitive to industry; but the accompanying analyses of comparative taxes in Multnomah county, Oregon, and in Clark county, Washington, were obviously too superficial to be credited. In most cases they took into account only the relatively minor factor of property taxation.

Beyond pointing out the inadequacy of these analyses, the Oregon tax commission was cautious in its statements at the time, but it immediately set about the task of making a thorough survey. Results of this study made by the utilities division of the commission, headed by Wallace S. Wharton, have just been released.

Of the numerous conclusions reached, most attention-arresting is the declaration that for the year of plant construction, when no net income was being realized, a new industry would pay more than three times as much taxes in Washington as in Oregon.

This startling differential results from, and draws immediate attention to, the contrast in taxation theory between the two states. Oregon's principal levies for governmental purposes are income taxes, based upon ability to pay. Washington's principal levy is the sales tax, based upon volume of gross business and theoretically paid always by the buyer.

Now it is this theory that the buyer pays the tax, which accounts largely for the impression that Washington's taxes are easier upon industry. If this is true, it plainly follows that Washington's taxes are harder on the consumer—and it is this theory which has prevented the adoption of a sales tax in Oregon. Actually, it doesn't make much difference who pays the tax on a manufactured article; in any case it increases the article's cost and to that extent restricts volume of sales.

If this latter conclusion is accepted as true, it is not a difficult matter to prove that Oregon's taxation system is less burdensome than Washington's, taking into account only state taxes, not local taxes which of course vary greatly. The tax commission's study points out that per capita cost of state government in Oregon per biennium is \$97.72; in Washington, \$118.28. If the discrepancy in state taxes—in Oregon's favor—is less than that, it is explained by Oregon's solvent condition in contrast to Washington's six million dollar deficit.

Other contrasts in taxation philosophy between the two states, including the property tax offset theory and the tax limitation methods, are pointed out in the survey as advantageous to industries locating in Oregon. But perhaps the most eloquent argument in Oregon's favor is to be found in the invitation to industrialists to study the fiscal policies of the two states; for, it is pointed out, actual levies may be changed depending upon demand for new governmental services, but fundamental policies are not so readily reversed. Though there is room for improvement, Oregon's tax levying bodies have been more conservative, more responsible than those of Washington, and this is the best guaranty of adherence to sound policies in future.

The Pacific coast edition of Wall Street Journal suggests, in reviewing the Oregon tax commission's study, that it will evoke "reprisals" from Washington. Perhaps there is to be "war" between the two states in this matter of attractiveness to industry. Washington may be able to tell a different story but such a "war" is likely to benefit both states. If each is able to present a pretty fair case, the noise of the battle certainly should have considerable advertising value.

Fate of French Labor

One by one the old institutions of the Third French Republic have fallen before the artificial wrath of the Petain-Laval government. The Chamber of Deputies was among the first to go, having ignominiously voted itself into limbo soon after the defeat of the armies; since that time the president of the republic has resigned, and the royal "we," long hated by French republicans, has reappeared in the decrees of the new monarch, Petain. The departmental system of political division, born of the great revolution of 1789 and made the cornerstone of the Napoleonic French empire, has gone by the board, and in its place the ancient provinces substituted. Brittany, indeed, has been ordered to form a rump state of its own, and Savoy and Corsica are booty for the Italians.

The most recent to go, however, is the Confederation Generale de Travail, commonly known as the CGT, which corresponds almost exactly with the American AFL, or, better, the CIO. Its passing may or may not be mourned, but both for labor and for government is productive of highly profitable lessons.

It is the fashion now to ascribe the fall of France to the weakness and self-indulgence of the popular front government of Leon Blum in 1936-38, of which the CGT was one of the staunchest supporters. Too short hours, too many paid vacations, too much industrial discontent are ascribed as the reasons for the downfall of the French army and the defeat of France. For this the Labor Confederation is being punished by the loss of its existence in the new French "corporative" state, in which there will be no more strikes, and no paid vacations.

The charge is in part true, though not wholly. What is more important is that because of this charge, because of an accusation that it was an auxiliary of a currently highly unpopular political regime, the Labor Confederation is now proscribed, and French laboring people forced to form a counterpart of the highly repressive German Workers' front. If there is meaning in this episode, it is simply that labor organizations which ally themselves too closely with existing regimes inevitably suffer the fate of that regime, whether good or bad. The American custom, better practiced in former times, of keeping a division between labor and government is much better, both for government and for labor.

Hop Industry Prospects Good

Good crops, good prices and a salable quantity in excess of total production—such is the delightful prospect ahead for the hop grower. The control board, subject to approval of the secretary of agriculture, set the salable quantity at a figure which will make possible the marketing of this year's entire crop and a considerable share of the holdover.

Though we have described the outlook as "delightful," it is not perfect. It comes about through the closing of the Western Hemisphere market for practically all hop-producing regions of Europe. In other words it is a war-born condition, similar to most other "unusually favorable" business conditions here. Flax growers are in a like position, and so are the paper mills and numerous other American industries which in normal times must compete with Europe.

Some of them may be able to "dig in" during this period and hold in peacetime the advantage they have gained in wartime; others will go back to the same old competitive battle or worse, depending upon the outcome of the war and the nature of the reconstructed Europe. But "it's fine while it lasts."

Bits for Breakfast

By R. J. HENDRICKS

A teacher wants 8-13-36
A history of Salem
for seventh and eighth
grade pupils, why Salem?

Two requests came yesterday to this desk. One is for an explanation concerning the removal of the Jason Lee mission headquarters to the site of Salem. Why this point, therefore, why Salem?

The other is from a teacher, who writes: "This summer I am planning a teaching unit on the history of Salem from then until now. This unit is for the seventh and eighth grades and will coincide with the regular Oregon History.

"It is difficult to obtain material that I might place in the public hands so that they might glean out the information which might be in the state library, but this material doesn't leave the library. . . . For any material that I might be able to receive, I shall appreciate that fact. . . . There should be some book or booklet giving all the details of the history and advancement to the present. . . .

"We should have materials to include with the unit as I hand it in. Next fall I shall teach this unit at my school. . . . For any and all information, booklets, pamphlets, mimeographed articles or newspaper clippings or pictures, I shall be deeply grateful."

That is a rather large order—the one from the teacher. Let's find the answer to the first question, first of all. Jason Lee came to the Oregon country, in response to the Macedonian call of the Indians of the country beyond the Rocky mountains. This columnist believes that Macedonius, that he was a blood relative of Joseph Smith, founder of the Church of the Latter Day Saints (Mormons).

July 14, 1828, the Umpqua Indian killed the trapping party of Jedidiah Smith and his four, besides himself, who were absent from the point of the massacre or escaped.

Jedidiah Smith and a faithful companion, Arthur Black, one of the four trappers, were entertained during the winter of 1828-9 by Dr. McLoughlin at Fort Vancouver of the Hudson's Bay Company. These two men were on their way up the Columbia on the 12th of March, 1829; to Kettle Falls, Fort Caldwell; Flathead House.

Smith had been there, among the Flatheads, in the winter of 1824-5. The Indians of that tribe had then heard him talk of his religion; tell them it showed the true way for he was a devout Christian, the only one of his peculiarly devout and earnest kind among all the hordes of trappers and hunters on the plains and in the mountains beyond the Missouri river.

Here he was again in 1829; saw them holding one of their rude religious festivals, dancing around the sun-pole in greeting to the spring. Smith told them, again, that their mode of worshipping the Great Spirit was wrong, and that instead of being acceptable and pleasing it was displeasing to Him; that they (the whites) had a Book containing directions of how to conduct themselves in order to enjoy His favor.

Jedidiah Smith told the Indians of the white man's God and the white man's Book of Heaven. The heaven of the spiritual message of Jedidiah Smith worked in the hearts of the red tribes of the Columbia worked to leave the whole loaf.

One day in the winter of 1831-2 three Nez Perce and one Flathead Indian appeared on the streets of St. Louis with an appeal no white man had ever heard before, from that quarter. They came, they said, from the land of the setting sun; they had heard of the white man's God and the white man's Book of Heaven, and they wished to learn how to worship the way of their pale faced brothers.

General William Clark was United States Indian agent; the seekers drew him from their fathers because of his journey through their country more than a quarter of a century before; especially did members know him who were of the kinship or tribe of Chief Twisted Hair, who kept the Lewis and Clark horses during the winter of 1805-6; Twisted Hair, father of Chief Lawyer, whose son and grandson and great granddaughter have kept the faith in all the generations since, in which the Nez Perce tribes have ever been friendly to the whites; the great granddaughter being Mylie Lawyer, graduate of Willamette University, a teacher of her people.

In 1832 the United States government sent William Walker, Jr., a Christian halfbreed of the Wyandot nation, from Ohio to Missouri to select lands to which the Wyandots could be moved. Walker called on Clark with the credentials. General Clark told Walker of the messengers. One of the four had died at St. Louis. Walker talked with the three.

That meeting was a link in the chain of destiny; devout men say of divine guidance. Walker wrote to G. P. Disoway, a Methodist merchant in New York; he had helped furnish funds for the mission among the Wyandots, of which Walker was a product. He was responsible for the formation in 1815 of the Methodist Missionary Society itself, originally organized for Indian mission service; was the father of both that society and the Oregon missions of that denomination.

Disoway sent Walker's letter to the Christian Advocate, with an appeal for help written by himself. President Wilbur Fisk of Wilburham university read Walker's story; it was "like fire shut up in his bones." He sounded through the Advocate a trumpet blast. He asked for two young men who would respond to the

They Never Come out the Same



Radio Programs

- These schedules are supplied by the respective stations. Any variations noted by listeners are due to changes made by the stations without notice to this newspaper.
- 6:30—Milkman Melodies.
 - 7:00—Quark Double Cousins.
 - 7:15—Popular Music.
 - 7:30—Hills and Escapes.
 - 7:45—Melody Lane.
 - 8:00—Neighbors of Woodcraft.
 - 8:15—Pastor's Call.
 - 8:30—Frank Luther Agins.
 - 8:45—Hills and Escapes.
 - 9:00—Johnson Family.
 - 9:15—Keep It to Music.
 - 9:30—News.
 - 9:45—Ma Perkins.
 - 10:00—Milkman Melodies.
 - 10:15—Hills and Escapes.
 - 10:30—Beethoven's Children.
 - 10:45—Friendly Neighbors.
 - 11:00—Story of Mary Martha.
 - 11:15—Ma Perkins.
 - 11:30—Melody Lane.
 - 11:45—Land of Dreams.
 - 12:00—Valma Parade.
 - 12:15—News.
 - 12:30—Hillbilly Serenade.
 - 12:45—Elysia Serenade.
 - 1:00—Salem Kiwanis Club.
 - 1:15—Interesting Facts.
 - 1:30—Dinner Hour.
 - 1:45—Local Varieties.
 - 2:00—Salem Art Center.
 - 2:15—Salem Art Center.
 - 2:30—Walter Flinders, Organist.
 - 2:45—Grandma Travels.
 - 3:00—Maddox Family and Rose.
 - 3:15—Your Neighbor.
 - 3:30—Carol Leighton, Ballade.
 - 3:45—Musical Revue.
 - 4:00—Summer Pastimes.
 - 4:15—Concertation Piece.
 - 4:30—Clem Williams Orchestra.
 - 4:45—Rayford Parker.
 - 5:00—Elysia Serenade.
 - 5:15—Raymond Gram Swing.
 - 5:30—Local News.
 - 5:45—Milkman Melodies.
 - 6:00—News and Views.
 - 6:15—Court of the Moon.
 - 6:30—Singing the Book.
 - 6:45—Popular Music.
 - 7:00—America Family Robinson.
 - 7:15—Laugh 'n' Swing Club.
 - 7:30—Treasure Island Tours.
 - 7:45—Light Trail.
 - 8:00—Newspaper of the Air.
 - 8:15—Pearl Orchestra.
 - 8:30—Pullover Lewis, Jr.
 - 8:45—Shirley Young Orchestra.
 - 9:00—Gus Arheim Orchestra.
 - 9:15—Marian Dale Orchestra.
 - 9:30—News.
 - 9:45—Rayford Parker.
 - 10:00—Rhythm Recital.
 - 10:15—Midnight Melodies.
 - 10:30—News.
 - 10:45—Serenade Serenade.
 - 11:00—News.
 - 11:15—Home Folks Frolic.

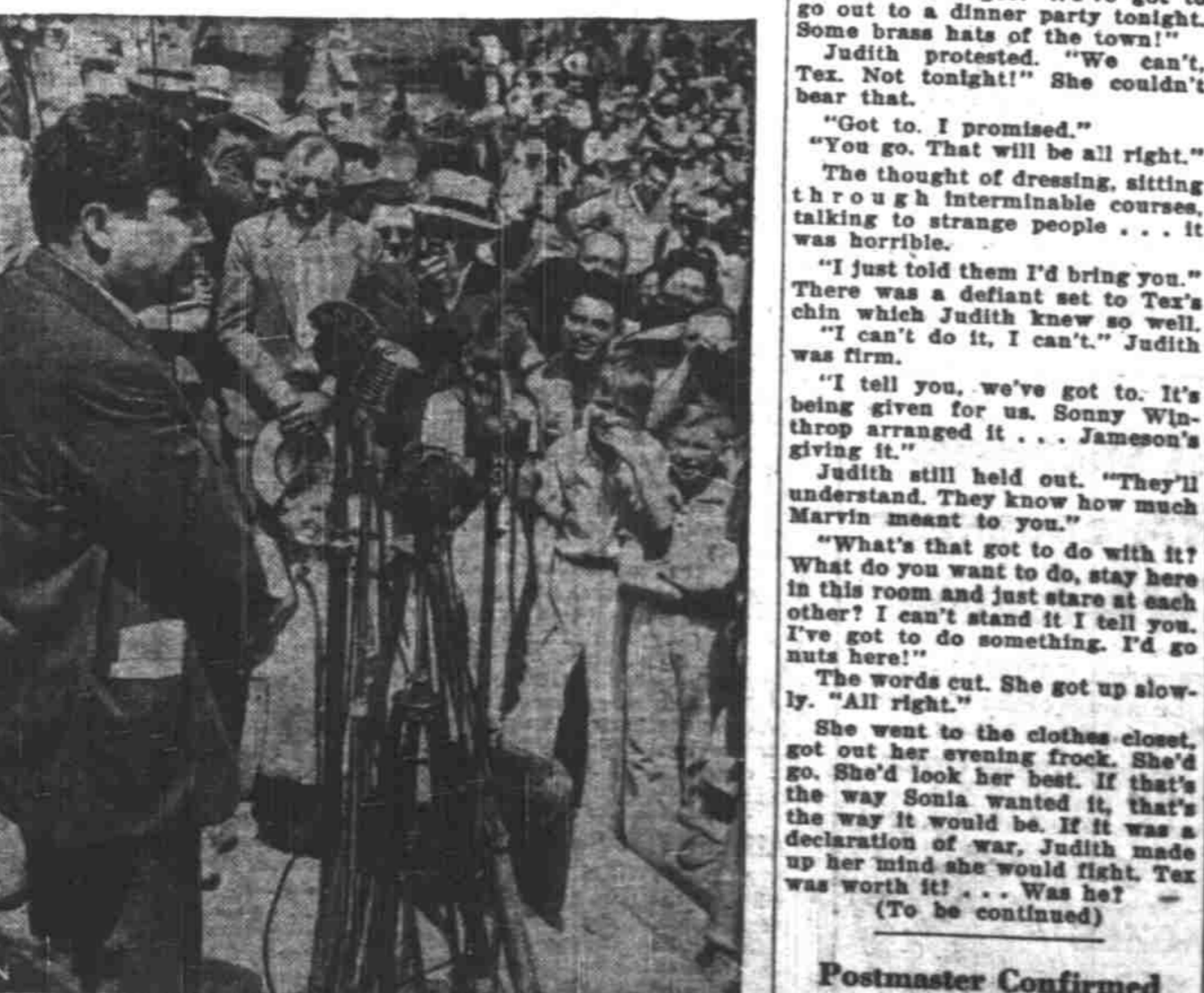
- KEK—TUESDAY—1160 Ks.
- 6:30—Musical Clock.
 - 7:15—Financial Service.
 - 7:30—Dr. Brock.
 - 8:15—Breakfast Club.
 - 8:30—National Farm and Home.
 - 9:00—Between the Bookends.
 - 9:15—Home Institute.
 - 9:45—Masters of Melody.
 - 10:00—News.
 - 10:15—Our Half Hour.
 - 10:30—Orphans of Divorce.
 - 11:15—Amanda of Honeycomb Hill.
 - 11:30—John's Other Wife.
 - 11:45—Just Plain Bill.
 - 12:00—US Department of Agriculture.
 - 12:30—News.
 - 12:45—Market Reports.
 - 1:00—The Quiet Hour.
 - 1:30—Frank Watschke and Archie.
 - 2:00—Curbside Quiz.
 - 2:15—Associated Press News.
 - 2:45—Sports Column.
 - 3:15—European News.
 - 3:30—Tune and Tempo.
 - 4:00—Bad Barton.
 - 4:15—Portland on Review.
 - 4:30—Ireneas Wicks.
 - 4:45—Malcolm Wick.
 - 5:00—Exposition Band.
 - 5:30—Fun with the Reverses.
 - 6:00—European News.
 - 6:30—Easy Aces.
 - 6:45—Mr. Ewen Tracer.
 - 7:00—Information, Please.
 - 8:00—News.
 - 8:15—Alpha Land.
 - 8:30—Baseball.
 - 10:15—Hotel Ambassador Orchestra.
 - 10:45—Hotel St. Francis Orchestra.
 - 11:00—Paul Carson, Organist.
 - 11:30—War News Roundup.

- KGW—TUESDAY—620 Ks.
- 6:30—Serenade Serenade.
 - 7:00—News.
 - 7:15—Home Folks Frolic.

call from beyond the Rockies; men with the spirit of the martyrs.

(Continued tomorrow.)
SPECIAL NOTE
This series will be continued until it contains a true skeleton account of Salem's history. Will every one interested please take notice, and, if desiring extra copies, please their orders with this newspaper without delay. This note is not in the nature of advertising or for self interest, because this columnist receives no pay, and asks for none. These words are added here because of the fact that not a great number of extra copies will be available without prompt advance orders for them.

Iowa Farm Belt Greet Willkie



Wendell L. Willkie, the Republican presidential nominee, speaks to a large crowd in Des Moines, Ia., where he conferred with farm leaders. Willkie makes his acceptance speech at Elwood, Ind., Aug. 17.

News Behind Today's News

By PAUL MALDON

WASHINGTON, Aug. 13.—Indistinct noises indicating discontent within the republican organization are genuine groans and grunts against the way Wendell Willkie has been handling the party routine. A good many of the in-and-out-of-the-season party hennions are particularly resentful of Mr. Willkie's failure to set up an orthodox single unit party organization at a time when a historic republican line. One eminent gentleman who waved the flag for Willkie at Philadelphia, for instance, has spent most of the ensuing period sulking with a fishing rod in the north woods. Others have been whispering that the organization work is far below previous campaigns. Still more, capable of making republican financial predictions, are privately prophesying Mr. Willkie will not be able to raise sufficient funds the way he has been going, not even the extremely modest \$2,500,000 to which he restricted his organization.

Mr. Willkie has apparently heard these noises and is moving swiftly to correct the situation. It appears he went into this campaign determined to cast a wholly new spirit into the republican party, and did not want too many old faces in the front row. It is possible he has also had less respect for organization than those more experienced party men who have been primarily associated with previous campaigns.

A compromise seems in the making. While Mr. Willkie will undoubtedly conduct an individualistic campaign, the steps now afoot should swing the older party people into action.

This election will be settled between September 15 and October 15. In those 30 days Mr. Willkie either will or will not gather the confidence of a sufficient number of the great mass of independent voters to determine the majority. This opinion represents an almost composite view of a great number of politicians in both parties who believe Mr. Roosevelt is doing just about all he can do in conducting his campaign by inspecting national defense projects, and that the result will be determined by what Mr. Willkie does.

The way new deal pitch-men are talking up the subject of drafting capital has inspired some popular suspicions that they may have a plan. They have—and several long before Mrs. Roosevelt started advancing the idea in her column, Jerome Frank, chairman of the Federal Reserve Board, had even earlier started working on a program of creating government-sponsored capital banks to finance trade expansion.

But Leon Henderson, assistant to Frank, and the price man in the national defense commission, is understood to be the inspiration behind the current renewal of agitation. He has been silently cradling a proposal concerning the relation of banks to the defense program which may turn out to be the new rabbit.

How far the agitation is likely to go is not yet clear. Much of the officially sponsored talk here seems to have a wholly political flavor. The idea of conscripting capital makes an excellent official offset to the debate in congress on the bill to draft young men from 21 to 31. Yet at root there is obvious widespread sentiment among new dealers to have the treasury take idle savings and capital at some insignificant rate of interest, such as one-half of one per cent, to finance a war if there is to be one.

The newest lily book that I have heard of is Lilies for American Gardens by George L. Slaite. You might ask the state library if it has the book in stock if your own library does not.

P.S.—Japanese beetles can be controlled by lead arsenate spraying. Such spraying must be done about once a week. From your description it would seem you had sprayed your roses but once and that in June. More frequent spraying—or dusting—is essential if you would have good roses. Pick off all the yellowed leaves and pick up those that have fallen on the ground. These should all be burned. Cut off the dead flowers and the seed pods. Give your roses a seeding of commercial fertilizer and water them well now. Spray or dust with an all purpose spray or dust. You should still have some bloom this autumn.

Bombed by British Airmen



This picture, radioed from Berlin to New York, shows a bombed building in Hanover, Germany, after air raid by British. Three died and numerous persons were injured. Mass raids covered more than 100 German cities as British sought to wreck military bases and supply lines.

I. I. N. Radiophote

Postmaster Confirmed
WASHINGTON, Aug. 12.—(AP)—Henry W. Chenoweth was confirmed by the senate today to be postmaster at Sutherland.