

# Capital Journal

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"With or without offense to friends or foes  
I sketch your world exactly as it goes."

### A One-Sided Compromise

A revised public utility district law, designed to stimulate the consumption of Bonneville power through the creation of public ownership districts, is ready to be dropped into the legislative hopper the first of the week. Purportedly it is a compromise measure, altered to conform to the ideas of all public ownership advocates. Actually it is an attempt to ram down the throats of the Grange, Farmers Union and allied groups the arbitrary ideas of Administrator J. D. Ross and his new deal syncopants.

The concessions made to their instance upon proper safeguards being thrown are district organization procedure, the power to levy taxes and issue and sell evidences of indebtedness as well as property of the districts, are trivial and the most objectionable features are retained in the bill. There is nothing in the proposed act to:

Limit the amount of property taxes which may be levied on the district to meet preliminary organization expenses or the period of years over which such taxes may be levied.

Sell any or all of the properties of the district without a vote of the people.

Require that district directors, empowered to levy taxes, be freeholders themselves.

Require representation of all sections of a district upon the board of directors.

Establish minimums below which bonds or other evidences of indebtedness may be sold.

Compel competitive bidding in the sale of all bonds or certificates.

The only apparent concession made to any consequential objection raised to the original draft of the proposed law is the provision that the initial issue of revenue certificates by the district must be approved by a vote of the people. But this restraint is rendered ineffective by the fact that there is nothing to prevent the directors of any district from pyramiding issues of revenue certificates to the limit of their ability to sell them, once the people approved a single issue however small.

### Bonneville's Barrage of Propaganda

Quite the busiest propaganda bureau in the northwest is that conducted by Bonneville Administrator J. D. Ross. Not a day passes without issuance of various rosy statements to the press by wire and mail concerning the grandiose plans for power.

The latest of these schemes is a network of power lines to cover the country as a "defense" plan to link up Bonneville, Grand Coulee, Fort Peck and Ross' pet plan of Skagit river. In addition every dollar of the public's money expended in any locality gets a special press story to impress the public with the magnitude and largess of Bonneville.

In the maps presented of the "master plan," power line extensions are shown from Boise, Lewiston, Fort Peck and Spokane on the east to Seattle, Aberdeen, Astoria and Newport in the west, from Skagit in the north to the Shasta project in the south.

One feature that attracts attention is that nearly all the projected power lines as well as those under construction serve regions already adequately served by tax-paying private utilities, duplicating their systems for the purpose evidently of forcing their sale to PUD's. It is all part of the Roosevelt war on private utilities to put them out of business.

The object of the special barrage of propaganda at this time is to influence the Oregon and Washington legislatures to amend their PUD laws, so as to give directors power to issue unlimited securities without a vote of the people and power to fix rates to satisfy the demands of the Wall street brokers with whom Ross has contracted to sell the PUD bonds at a commission of 2 1/2 percent.

### Wizard of German Finance Ousted

Adolph Hitler has followed up his dismissal of Dr. Hjalmar Schacht as president of the Reichsbank by removing Dr. Friedrich Dreyse as vice-president and Dr. Ernest Huele as director. Dreyse was head of the bankers advisory council, and Huele of the economic and statistical department. They were removed for opposing unrestricted spending and financing by piling up huge short term debts.

Schacht has been known as the financial wizard of Germany, but he could not be called a conservative for he promulgated many devious devices to pull the nation up by its bootstraps. Yet in comparison with Goering, Goebbels and the reckless Nazi financiers, he might be regarded as conservative, if not orthodox.

Germany is one of the best examples of the spend, tax and borrow system of financing prosperity adopted by our own new dealers, but to make such a system work, dictatorship must rule and the state become totalitarian. Germany has reached the inevitable phase where budgets are no longer required and statements of financial condition abolished.

Schacht is best remembered abroad for stemming the post-war inflation and restoring by liquidation a sounder financial system. His dismissal involved Schacht's fear that uncontrolled spending was leading again to inflation. Apparently a reckless extension of credit inflation looms to continue spending for armaments.

### Rosedale Friends Plan Services

Rosedale Friends church will begin revival services next Monday with Rev. W. E. Cox as evangelist. There will be evening and afternoon meetings each day for two weeks.

Sunday the Portland Bible Institute gospel band will have charge of the morning and evening services. George Palmer, student pastor, will preach at 11 o'clock and Dr. Earl Barker, faculty member at 8 o'clock. The Christian Endeavor service at 7 p.m. will be conducted by the gospel band. Special music will be provided by a mixed quartet.

### Rosedale Missionary Society Entertained

Rosedale—The Woman's Missionary society met with Mrs. Orpha Cammack. The afternoon was spent in sewing with a program and refreshments, served by the hostess, assisted by Mrs. Showers.

Those present were Mrs. C. Alexander, Mrs. Norma Alexander, Mrs. Walter Cook, Mrs. Mary Cammack, Mrs. D. C. Bloom, Mrs. R. E. Ladd, Mrs. T. D. Trick, Mrs. Bert Hamilton, Mrs. Phillips, Mrs. L. Brown, Mrs. C. A. Tucker, Mrs. Showers, Mrs. Lehman, Mrs. Christensen, Mrs. W. E. Way and the hostess, Mrs. Orpha Cammack.



### A Dog's Life

By Beck

### The Fireside Pulpit

By REV. E. S. HAMMOND

"He found nothing but leaves." Mk. 11:13.

One morning during that last growth was nothing but weeds. In week before his crucifixion our Lord came over the Mount of Olives on his way from Bethany to Jerusalem. It was early spring, but he saw a fig tree leaved out and came to it, looking for figs but found nothing but leaves. And he said to this tree, "No man eat fruit of thee hereafter for ever." Soon after the tree withered away.

Bible students look upon this incident as an acted parable, within which Orientals are so familiar. The barren fig tree represented the beautiful city spread out beneath them. It was wealthy, outwardly prosperous. It was rigidly, even fanatically religious in an external way. But at heart there was no soundness. And as Jesus saw its sinister fate looming before it, he wept over it.

Now leaves are beautiful and they have an important office in the life of the tree. But, when we raise fig trees we want fruit as well as leaves. The forms and ritual of religion are beautiful and helpful. But God wants a heart religion as well as these external observances.

Not long ago I was walking in a beautiful city in a neighboring state and I came to a vacant lot with a most luxuriant growth upon it. This growth was fully walled high and densely crowded. But this

### Sips for Supper

By Don Upjohn

The city park board is confronted by a rather delicate matter that may turn into a knock down and drag out affair before it is over. The board has received a lot of requests to remove the Caroline Testout rose bushes which have adorned the parking strips along State and Court streets in the civic center.

The roses were long a great talking point in the beauty of Salem's civic center and it's likely they'll not go without a battle.

A germ of a rumor has been sprung for establishment of a bank in North Salem. There is apparently about as much chance of a bank in North Salem as there is a necessity for it, but if we were going to start a bank, which we aren't, we'd establish an innovation and have in every cage a bright and pretty young tellerette. We don't know why some up and coming bank hasn't thought of this, but we pass the idea along to any banker who wants to climb out of the horse and buggy rut of having all men tellers at the windows. We know most of the bank tellers in town and they're as likely and as fine a lot of boys as you'll find anywhere. But just the same, put a vicious, young and pretty tellerette in just one window along with all the rest and it wouldn't take much guessing as to which window we'd haunt, along with all of the old, middle aged and younger sprigs about town.

### Novelties In the News

(By the Associated Press)

**Double Trouble**  
Bloomsburg, Pa.—Miss Mae Hayden stepped carefully along an ice pavement, a cast protecting her right arm which had been broken in a fall. She slipped, teetered breathlessly, fell.

**Out of Turn**  
Oklahoma City—A considerable truck driver, freighting through the dry state, pulled up in front of an automobile and warned its occupants:

"I just wanted to tell you boys your liquor bottles are showing. You'd better cover 'em up or you'll get caught."

**Cloverdale**—Mrs. Lena Wipper Birmingham and her daughter, Alice, of Glendale, Calif., arrived this week to spend some time with Mrs. Alice Wipper, Mrs. Birmingham's mother, and other relatives. The visitors expect to go to Seattle before returning to Glendale, to visit Mrs. Ida Wipper Lyle and family.

# NEWS BEHIND THE NEWS

By PAUL MALLON

Washington, Jan. 21—Not all American defense men like this plan to fortify Guam. One whose professional reputation stands as high as any in the navy and army has termed it "literally a mad imperialistic proposal."

Such skeptical official tongues have been silenced by adoption of the program. Public dissenters lose their official heads if they spoke out now, but congress may find some amazing dissenting reports and views inside the navy and war departments if it goes rummaging around for the full story.

It will find this one in particular which establishes professional objection to the fortification of Guam, not on Japanese interest or politics or cost, but on the ground that it would be a foolhardy military and diplomatic blunder.

**Guam a Liability**  
This reasoning was considered good common sense when it was the accepted official viewpoint of the navy and army up to the time of the Hepburn report. It runs this way:

No matter how great our defensive preparations, Guam could be made self-sustaining in war for only a limited time. It could not be relieved when besieged, or succored within prospective enemy territory. Innumerable enemy bases are in the Caroline and Marshall islands intervening between it and Hawaii. To relieve it these bases would have to be conquered by us. Step by step, a problem which (this authority says) would result in "a colossal disaster."

Its creation is certainly provocative. Yet the base itself will be so weak that it will practically be a hostage in enemy territory, lessening the force of our far eastern diplomacy. At the same time it will more deeply involve and entangle us in European causes in the far east.

On the other hand if the U. S. keeps to its adopted line of Alaska-Hawaii-Panama defense, it will avoid the danger of becoming involved in the Pacific and it will have an invulnerable position, from which it could carry war into enemy territory with minimum danger and cost.

**Only a Starter**  
A rumor ran around town a year ago that this country might seek to establish a Guam base. An official navy spokesman at that time ridiculed the idea on the above ground. After the navy sent its new base bill to congress, he was asked how he came to change his mind.

He said he did not know then the government might "pour all this money" into it. The \$5 million appropriation apparently is only a starter to build a base for 20 to 30 airplanes.

"A major advance fleet base" is contemplated in the Hepburn report upon which the bill is founded. He pointed out Guam would be of material protection to the Philippines, although neither he nor the Hepburn report made clear why the Philippines were worth defending. Heretofore, the islands have not officially been considered so.

**Hidden Motives**  
For these reasons, common supposition in congress has been that Mr. Roosevelt may have some diplomatic purpose in mind—perhaps hoping to crowd Japan into a treaty perpetually neutralizing the Philippines, which would be advantageous to American defense, or into keeping the open door in China ajar, despite the Japanese bayonets surrounding it.

Conclusive information is lacking, but Mr. Roosevelt's personal interest is taken for granted by most observers. His comment that the bill had not been seen at the White House did not challenge this general assumption, as he is so close to the navy, no one here can conceive of such a naval step being taken without his approval or direction.

**Cotton Control**  
Latest Wallace balloon for a world cotton control agreement is an old one. Agriculture secretary first inflated it four years ago, using just about the same words. It never got off the ground.

However, don't be too sure it will fall to rise higher this time. Behind the reinflation was a little of the record talk between an American official at Lima and delegates from Brazil and Argentina, in which those two nations expressed concern over low cotton prices and seemed rather favorably inclined to world action. Also an official of the International Agricultural Institute at Rome has sent out a feeler on the idea.

Wallace is in a good position to force an agreement by threatening to dump his 11 million bales of surplus cotton (and he would do it if he could), but nevertheless most observers here are selling agreement prospects short. Other difficulties are too high.

**Monday—The Warning**  
Thumbed down by Messrs. Roosevelt, Garner and Morgenthau. You may see the suggestion aired considerably in print, but every Wallace friend considers it preposterous.



LOSING ALTITUDE FAST, Balloonist Nancy Martin landed in a Palm Beach, Fla., pool. She's from Winnipeg, Canada.

## River Filtration Advised by Koon

R. E. Koon, consulting engineer for the city of Salem water department, last night recommended to the water commission that water to supplement the present underground supply on Stayton Island be taken directly from North Santiam river, provided that a filtration system be built for the purpose. He recommended also that a settling basin be built near the lower end of the island to remove from the water the sandy deposits that were observed last summer.

The filtration plant and direct intake from the river will not be an immediate project. The settling basin will be, and will be completed by mid-summer if the commission approves plans which it last night instructed Mr. Koon to prepare, in time for the next meeting two weeks hence or as soon thereafter as possible.

The present underground infiltration system on the island provides an ample supply for seven or eight months of the year, or around 10,000,000 gallons daily. But for the hot summer months it is calculated to produce only about 6,500,000 at the lowest, which is not sufficient if the commission continues to sell water to the paper mill in Salem. Hence it would be necessary to use the filter plant only part of the year.

**Tests Are Negative**  
The recent thorough investigation into the possibility of adding to the underground supply by drilling wells on the island appears to prove, Mr. Koon said, that this is not feasible. Only one of the eight test holes drilled has shown a plentiful supply. Over a continuous pumping test of about a week it produced around a million gallons daily. Mr. Koon, however, doubts if it could be depended on to do that throughout the year. To play absolutely safe he thinks provision should be made for an additional supply of nine or 10 million gallons daily. He believes there is an ample underground supply on the island, but says the cost of getting at it would be too great. In fact several million gallons are going to waste daily except during the hot months.

It had been suggested that dams might be constructed in the river to solve the problem of creating a situation in the summer comparable to that in the winter when the river is at its highest. Mr. Koon and his partner, Stevens, studied this and recommended against it.

If and when the filter plant is built it will be on top of, and form the roof of the settling basin. The filter plant will require a line of 30-inch pipe about 7,000 feet long from intake to settling basin. The filter plant will be a small one-unit construction at the start. No estimate of cost was made. Roughly the cost of the settling basin was estimated at \$10,000 or \$12,000. Manager Cuyler Van Patten told the commission there is ample money, about \$30,000, from which the cost can be taken.

It was brought out last night that part of the construction plans of the department is a 500,000-gallon storage tank, to be mounted on a tower about 120 feet high, in northeast Salem, which is the district farthest from the Fairmount reservoir and where pressure is reduced by the friction of distance. Until such time as this is built it will be necessary at times to use the well on Market street.

The commission last night voted to pay the State Industrial school for girls \$150 for damage done by laying the Stayton island supply line through the school property. It was voted to instruct City Attorney Paul R. Hendricks to start suit to block, if possible, the collection by the county of some \$33,000 in taxes and interest on department property, claimed by the county on a technicality of the tax laws. If additional legal aid is needed by the city attorney it will be employed by the commission.

**Betty Holland Injured**  
Scio—Betty, daughter of Mr. and Mrs. Ed Holland, will be on crutches for several weeks as a result of an accident here Tuesday afternoon, according to the attending physician. She fell from a bicycle, dislocating her left knee cap and suffering a fracture of the bone below the knee.

**Grange Meets Tuesday**  
West Salem—The West Salem grange will meet Tuesday night at the new city hall.

## Burns Concert Prepared by Caledonian Club

The 17th birthday of Robert Burns, Scottish poet, will be observed with a Burns concert sponsored by the Salem Caledonian club at the Cherry City Bakery hall Wednesday night, January 25, beginning at 8 o'clock.

The speaker of the evening will be Rev. Robert A. Hutchinson, and local citizens who are Scotch or of Scotch descent will provide various interesting features for the program.

Persons attending will be given an opportunity to go through the big bakery plant after the program. The program will be as follows:

Chairman's Remarks.....James Thompson  
Toastmaster.....William McClellist, Jr.  
Banshee Selections.....W. R. Tomlinson  
Songs—  
Mr. Ann Fulk  
We Highland Fiddle.....James Oliver  
Duch—  
Humintaster.....Mrs. William Terhoup  
William McClellist, Sr.

Some—  
Mary of Avyle  
Risinge Doon.....William Dunville  
Sonz—  
Roaming in The Gloaming  
Ms Love is Like a Red, Red Rose.....  
.....Mrs. B. Cornforth  
Speaker.....Rev. R. A. Hutchinson  
Touastmaster.....William McClellist, Jr.  
The Devil Am Wi the Kyeisman  
The Marringe Blacksmith of Orestus Green  
.....Robert Hutchison  
The Marringe Blacksmith of Orestus Green  
.....Robert Hutchison  
Everybody Sing.....Led by Charles Perrot  
Loch Lomond, Annie Laurie, Comins  
Throug the Trees, Auld Lang Syne  
Accompanist: Mrs. A. H. Denton, Mrs. James Oliver, Miss Mae Cornforth

## Forum

Contributions to this column must be confined to 300 words and signed by writer.

To the Editor: I greatly admire the stand that your paper has taken on the employment situation in the state legislature and your courage in calling it to the attention of the public.

It is to be deplored that those responsible for making appointments for various positions, in the majority of cases, have appointed men and women who are not in need.

I checked a communication which appeared in your issue of January 12 and find it to be a correct statement of fact, that the man employed in one of the most lucrative minor positions, has a wife who has been and is at the present time in the employ of the state.

There is another matter which I wish to call to your attention. Who is paying a certain doorkeeper's salary, who takes it upon himself to open and read notes given him to deliver to members of the house?

Keep up the fight in the interest of those who need employment and who are qualified to fill positions at the state legislature.

As long as the present attitude is held by those responsible for appointments and by those who accept appointments, just so long will we continue to have to provide relief funds and maintain the WPA. I trust that other good citizens will publicly assist you in your fight, and commend you by letter.

Sincerely,  
Henry O. Johansen.

## Valentine Special

27 Photographs

FOR \$1.00

Two 5 x 6 PORTRAITS EXCLUSIVE GOLD-TONE FINISH

No Appointment Needed

BRUNO

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