

PARIS RECEIVES CAPTURED GERMAN STANDARDS



Great ceremony attended the occasion of the conveying of seven captured German war standards to the museum of the Invalides in Paris. The photograph shows the flags being carried across the courtyard.

NEW BANKS OPENED

Elastic Money System Is Put Into Operation by Government.

Change Is First in 50 Years—New Notes Ordered—Evolution Will Be Gradual.

Washington, D. C.—With the opening Monday of the 12 Federal reserve banks the nation will begin actual operation of its new currency system, designed to provide an elastic circulating medium based on modern ideas of finance and economics.

It has taken the reserve bank organization committee and the Federal Reserve board almost 12 months to work out details of organization to the point where an opening date was chosen. Notwithstanding careful deliberations which preceded every preliminary step, the 12 banks will not for many weeks take up and exercise all the functions bestowed upon them by congress. Such evolution as will result from the old national banking system of necessity will in most respects be slow.

The new system is generally conceded to be a compromise between a central bank and the present system with its thousands of units, scattered reserves and fixed limits of currency. Its chief attraction and value those who interpret it find the elasticity it will give to recognized paper currency.

Under the present law National bank currency is almost a fixed quantity, based upon the National capital bank, issued upon United States bonds and unresponsive to the chill of hard times or the exultation of boom days. Its use led, the experts say, to unrestricted loans and speculation, in the days when money was easy, and to a hoarding of resources and a tightening of the purse strings of credit when they were hard. It is said to have bred the panic of 1907, when solvent banks with large credits in reserve and central reserve cities were helpless.

Under the new system the Federal reserve notes, which in time, probably will entirely replace the National bank notes, now so familiar, will be issued on commercial paper arising out of actual business transactions. It seems plain that they will rise and fall in amount as the tides of business rise and fall and that there will be no plethora of money to lie idle. They will be obligations of the United States government, which National bank notes are not, and will have back of them a large reserve of gold in the regional banks. Through them the reserve banks are expected to come to the aid of any needy member bank which has plenty of good paper but needs cash.

To insure the flow of money reserve banks themselves may be required to rediscount paper of other reserve banks.

More than \$250,000,000 of the new notes have been ordered by the con-

German Submarine Sunk.

London—The Petit Calaisien says that a French torpedo boat entered Dunkirk harbor Friday and reported that it had sunk a German submarine in the Channel. The French boat was attacked by the submarine off Westende. The French commander sighted the periscope and rammed and sank the submarine.

troller of the currency for the 12 banks. They are to be accepted by all member banks and for all customs, taxes or other dues.

Next to the elasticity of the new currency, officials value the "mobilization" but not concentration of vast sums from country banks in reserve cities and central reserve cities as under the National banking act, but their appearance in large part on the debit balances of the 12 reserve banks in widely scattered parts of the country. These reserves will be as near as possible to the door of the member banks to which they belong in times of need and there can be no refusal from a reserve bank to return them in cases of exigency.

A remnant of the present system still remains in the provision by which banks may keep a certain proportion of their reserves with other member banks in cities now known as reserve and central reserve cities. At the end of three years, however, that will be changed and all reserves will be held either in a bank's own vaults or with a Federal bank. The 12 banks will start out with a total cash reserve of about \$243,000,000.

Another point not forgotten by admirers of the law is the fact that the different reserve requirements will release about \$464,000,000 now tied up in reserves and will afford far greater opportunity for a borrower to get a hearing and a loan.

The reserve banks are not to do a banking business except with member banks.

Russians Fiercely Fighting Kaiser in East Germany

London—German forces which were forced to retreat into East Prussia from Russian Poland have placed heavy artillery in all defiles to the east of Mazurian lakes, where a new terrific battle is in progress along a front of 150 miles forming a wide curve from Stalluponen, in the Northwest, through Goldap and Kruglaken to Soldau in the Southwest.

The Russians are vigorously carrying out an enveloping movement. The Germans consider their position impregnable and believe they will check the enemy's advance, according to a dispatch from Petrograd by way of Paris, which adds:

"Throughout all Prussia railway passenger traffic has been suspended. The lines now are transporting only troops, apparently with a view to a new concentration which is said to have been decided upon by a recent council of the Austro-German general staff at Cracow. This council is reported to have decided to change completely the plan of battle."

Scott Will Head Staff.

Washington, D. C.—Brigadier General Hugh Scott was selected by President Wilson Saturday to be chief of staff of the United States army on the retirement next week of Major General Wotherspoon.

The vacancy of major general created by General Wotherspoon's retirement will be filled by the nomination of Brigadier General Frederick F. Funston, now in command at Vera Cruz.

Lumber Orders Pour In.

Seattle, Wash.—Inquiries for 9,000,000 railroad ties and for 10,000,000 feet of large timbers received during the last 10 days have greatly stimulated the Northwestern lumber situation, and local exporters look for heavy cargo orders.

The inquiries come principally from the United Kingdom. The supply for England has heretofore been furnished in the Baltic.

TO LEAVE VERA CRUZ

U. S. Soldiers Will Quit Mexican Port November 23.

Secretary Bryan Says Guarantee of Safety Is Obviated—Nuns and Priests Have Gone.

Washington, D. C.—Monday, November 23, was fixed as the date for the evacuation of Vera Cruz by the American forces. Secretary Bryan has issued this announcement:

"Both General Carranza and the convention at Aguas Calientes having given the assurances and guarantees we requested, it is the purpose of the administration to withdraw the troops of the United States from Vera Cruz on Monday, November 23.

"All the persons there for whose personal safety this government has made itself responsible have left the city. The priests and nuns who had taken refuge there, and for whose safety fears were entertained, are now on their way to this country."

This statement was given out after a long conference between Mr. Bryan and President Wilson. It apparently was received with surprise in some official quarters. The general understanding has been that the evacuation might be delayed indefinitely pending reports on the alignment of the various Mexican chiefs in the latest civil war now in progress. Secretary Bryan declined to add to the formal announcement, saying details would be made public by the War department. Secretary Garrison had nothing to say, and to just what authority the port of Vera Cruz would be delivered was not made plain.

It has been assumed, however, that as the United States throughout the Mexican difficulties has dealt with the authorities actually in control of territory involved, the city would be turned over to an agent of General Carranza, probably General Candido Aguilar, commanding the constitutional forces in the state of Vera Cruz.

So far as is known, there has been no final decision as to when and whom the more than a million dollars of Mexican customs moneys now held by the United States shall be paid. Both Carranza and the Aguas Calientes convention have given guarantees that customs duties collected at Vera Cruz will not be reimposed. In view of the complications which might arise, however, in the event Carranza were driven from power by Villa's army supporting General Gutierrez, the convention's new provisional president, it has been suggested that payment of the money might be withheld pending a clarification of the situation.

Seafight Site Unmarked.

Washington, D. C.—Eduardo Suarez, Chilean ambassador here, is informed by his government that Chilean ships sent out to search had not found the slightest trace of the Monmouth or the Good Hope, the British cruisers reported lost in the recent sea fight with a German fleet off the coast of Chile. On their return to Valparaiso the vessels reported that they had searched carefully over the zone of battle without finding a bit of wreckage.

NORTHWEST MARKET REPORTS.

Portland—There is a firm market for all kinds of livestock at the North Portland yards, particularly for hogs. The run in one day was heavy, amounting to 61 cars, all sold, and buying was brisk.

Cattle were traded in within the former range of quotations. Full loads of steers sold at prices running from \$6.10 to \$7.15, and the bulk of the cow sales were at \$5.50 to \$6.25.

Forty loads of hogs were handled during one day. A full dozen of these sold at \$7.15, about 20 loads at \$7.10, and the remainder at \$7.05 and \$7. Heavy hogs went at the usual difference in price.

The tendency of the sheep market is upward. The quotation on choice lambs advanced to \$6.35, and one brought \$6.40. Wethers sold up to \$5.60 and the best ewes were disposed of at \$4.60.

Livestock men here are beginning to show uneasiness over the spread of foot and mouth disease, as there are unconfirmed reports that it had been found in Montana, from whence Portland has been bringing cattle. Speculation, therefore, has been checked. The stoppage of cattle from that section, however, would probably not affect prices here, as there would be no shortage in the supply.

The demand for hops at recent prices continues limited, most of the dealers have offers, but the majority of these are said to be at a lower scale of prices. The Cosgrove lot of 158 bales, at Champoege, was sold to the Uhlmanns at 10 cents.

Official government returns of the 1914 German hop crop are 464,732 cwt., grown on 27,685 hectares, as against 212,358 cwts. from 27,048 hectares under cultivation in 1913 and 411,270 cwts. from 26,966 hectares in 1912.

Wheat—Bid, Bluestem, \$1.17; forty-fold, \$1.17; club, \$1.14; red Russian, \$1.08; red Fife, \$1.09; No. 1 white feed, \$28.50 ton.

Barley—Bid, No. 1 feed, \$24 ton; brewing, \$25.50; bran, \$22.25; shorts, \$23.

Corn—Whole, \$36 per ton; cracked, \$37.

Hay—Eastern Oregon timothy, \$15 @15.50; grain hay, \$10@11; alfalfa, \$13.50@14; valley timothy, \$13@14.

Potatoes—Oregon, 85c@1 per sack; sweet potatoes, 2c per pound.

Onions—Yellow, 85c@90c per sack.

Eggs—Fresh Oregon ranch, case count, 37¢; candled, 40¢@42¢; storage, 27¢@30¢; fresh Eastern, 35¢@37¢.

Poultry—Hens, 13¢@13½¢; springs, 12¢; turkeys, young, 16¢@18¢; dressed, 18¢@21¢; ducks, 10¢@14¢; geese, 10¢@12¢.

Butter—Creamery prints, extras, 24¢ per pound; in case lots; ½¢ more in less than case lots; cubes, 30¢@31¢.

Veal—Fancy, 11½¢@12¢ per pound.

Pork—Block, 9¢@10¢ per pound.

Hops—1914 crop, 9¢@10¢; 1913 crop, nominal.

Wool—Valley, 17¢@18¢; Eastern Oregon, 15¢@20¢; mohair, 1914 clip, 27¢ per pound.

Casaca bark—Old and new, 4c per pound.

Cattle—Prime steers, \$6.75@7.25; choice, \$6.50@6.75; medium, \$6.25@6.50; choice cows, \$5.75@6.25; medium, \$5.25@5.75; heifers, \$5.50@6.25; calves, \$6¢@8¢; bulls, \$3¢@4.75; stags, \$4.50@6.

Hogs—Light, \$6.75@7.15; heavy, \$5.75@6.15.

Sheep—Wethers, \$4@5.60; ewes, \$3.50@4.60; lambs, \$5@6.35.

Seattle—The spud market as regards first class stock free of blight, cutouts and sprouts, is firm, although the general run of receipts is weak. It would be difficult at this time to say as to how far the damage will extend, but many sacks of the Yakima Gems now coming into this market appear to develop blight ends. It is claimed that this blight does not show when the stock is shipped, but it is so plain here that considerable shrinkage has been the rule. The tracks are well loaded with carloads of spuds, but in all this there is comparatively little fancy stock.

The onion market is steady. Some excellent Western Washington offerings at 75¢@85¢ are selling. There are a few Yakimas on the curb, but there is little interest.

Jonathan apples, so far as good quality is concerned, are cleaned up, and the street is willing to close the chapter on one of the most disastrous seasons.

Dressed veal—15¢@16¢ per pound.

Dressed hogs—Whole, packing house, 13¢ per pound.

Dressed spring lamb—12¢@13¢ per pound.

Dressed mutton—10¢@10½¢ per pound.

Vegetables—Artichokes, 85c dozen; beans, green, 9¢@10¢ pound; bell peppers, Wenatchee, 9-lb. boxes, 50¢@60¢; beets, new, \$1@1.25 per sack; cabbage, local, 75¢@1 per 100 pound; celery, 40¢@60¢ dozen; carrots, local, 75¢@1 sack; Onions, green, 25¢@30¢ dozen; potatoes, White Rivers, \$14@16 ton; Yakimas, \$18@20; sweets, \$1.90@2 per hundred.

NEWS OF THE WEEK

General Resume of Important Events Throughout the World.

Ecuador is admonished by the allies to maintain a strict neutrality.

A wildcat which has slain 37 goats in Linn county, Oregon, has been killed.

Belgians abroad have subscribed a fund of \$3,000,000 to aid their stricken brothers.

It is rumored among shipping firms in London that the German cruiser Karlsruhe has been cornered.

It is said 70,000 alien enemies are in the British empire and are causing much trouble to that government.

Japan's ire is stirred by a demand of China to evacuate Tsing Tau, just taken by the Japanese from the Germans.

The official newspaper of Berlin publishes a decree forbidding the export of leather, horse skins and calf skins, shoddy and tinplate.

Members of the Investment Bankers' association in session in Philadelphia declare the era of depression in the money market is past.

A storm of protest by women attending a council meeting in Tacoma, arose when a dairyman declared that "babies are cheaper than cows."

Washington government has decided to hold Vera Cruz for the present, and a guarantee of guarantees is now demanded of the tangled Mexican government.

Passengers who were on the British steamship Vandeyck when she was captured off the coast of Brazil October 26 by the German cruiser Karlsruhe are being brought to New York.

The German authorities again recommend that all English subjects—women, children and girls under 17, clergymen, doctors and other men over 55 years of age—leave Germany.

A dispatch received at Montevideo from Valparaiso, Chile, says that the Japanese squadron seen recently off Easter island in the Pacific by a merchant vessel consisted of eight vessels.

The London admiralty announces that in the absence of further information, the loss of the British cruisers Good Hope and Monmouth in the naval engagement off the coast of Chile with the German squadron on November 1, is now "officially presumed."

Field Marshal Lord Roberts, of Kandahar, is going to France. The official announcement making this fact public says the famous general is going into the war zone "to see the Indian troops." Lord Roberts was born in Cawnpore, India, 82 years ago.

Meyer Waldeck, who commanded the German forces at Tsing Tau, according to a dispatch from Tsing Tau to the Asahi, has sent a telegram to Emperor William saying he was compelled to surrender on account of lack of ammunition and the heavy damage inflicted by the enemy on his forts.

Advices from Constantinople say the Ottoman army still lacks 700 officers, and that the authorities at Berlin were requested to supply them. Berlin replied that it would be impossible to send all Germans, but would supplement them with Austrians, who would travel to Constantinople individually as civilians.

The "blue sky law" passes in California, after an early apparent defeat.

England repeats call to all voters to declare their attitude on enlistment in the army or navy.

A Portland, Or., banker predicts better times by spring "In spite of handicaps caused by unwise and freak legislation."

The idle of Belgium is told to go to work by the German governor under penalty that all charitable organizations feeding them, will be dissolved.

The German cruiser Emden, forced to run ashore by an Australian warship, had destroyed 23 merchantmen and other small vessels before she was finally captured.

Reports received in Berlin from Copenhagen set forth that the Russian government is protesting to Peking against the concentration of troops on the Manchurian frontier.

General Villa in command of 15,000 men, is said to be marching from the north on Mexico City, ostensibly to oust Carranza who has an army of 40,000 to resist the attack.

The Sheik-ul-Islam, head of the hierarchy in Turkey, has prepared an announcement to all Mohammedans in which he declares that every Mohammedan fighting on the side of Great Britain, France and Russia is not a warrior but a murderer, and liable to religious punishment.