

JAPAN IS DIVIDED ON ARMS AND EAST

Bureaucrats Fear Anglo-Saxon Domination.

SOME FAVOR HARDING

Battle for Rights at World Session Is Favored. Crisis Declared at Hand.

Tokio.—Japan Monday seemed to be an empire divided on the great issues created by the summons of President Harding to a conference on disarmament and far eastern problems. On one side, largely in the ranks of the bureaucrats, there was fear expressed that the proposed conference would be dominated by the Anglo-Saxons, and might result in strangling Japan's political and economic development in Asia.

On the other side there was arrayed a powerful liberal group which was demanding that Japan enter into the deliberations fearlessly, submitting her wants resolutely, combating for them with confidence and not opposing just claims. Haggling and bickering, they insisted, would ruin the cause of Japan.

Both camps agreed that Japan was facing a crisis, requiring tact and breadth of vision. Many members of the privy council, according to the well-informed newspaper Chugai Shogyo Shimpo, were pessimistic about the conference; they contended that the proposal to discuss problems and policies of the far east indicated cooperation between the United States and Great Britain in an attempt to settle international questions favorably for them, an indication of which was to be seen in the attitude of the English toward the Anglo-Japanese alliance.

The invitation to China to join in the conference, it was further urged, was additional evidence in support of the theory of a secret purpose on the part of the Anglo-Saxon nations in calling the conference.

U. S. Pays Money to England

Washington, D. C.—Despite Great Britain's debt of \$4,500,000,000 to this country, payment of \$32,688,352 has been made by the American government to the British ministry of shipping in settlement of a claim against the war department, treasury officials admitted Saturday. The payment was made, officials said, pursuant to an opinion by Attorney-General Daugherty.

The British claim was for transportation service arising out of the war with Germany, and the payment, it was explained, constituted final settlement between the war department and the British ministry of shipping of all claims of either party against the other for transportation service.

Secretary Mellon asked Mr. Daugherty for a ruling as to whether the act of March 3, 1837, which requires the secretary to withhold the payment of any judgment against the United States where the claimant is indebted to this country in any manner, applied to such a claim.

Mr. Daugherty held the act did not apply, as it was not the practice of sovereign nations to prosecute their claims against one another in the courts and obtain judgment, but adjust such matters through diplomatic channels.

Famine Grips 20,000,000

Berlin.—Twenty million persons are on the verge of starvation in the drought-stricken sections of Russia, subsisting mainly on moss, grass and the bark of trees, according to the Vossische Zeitung, quoting information from "reliable Russian sources."

Refugees are reported to be pouring into Moscow and Petrograd by thousands and to be fleeing hopelessly in every direction.

The parched earth, it is asserted, is opening up great crevices and wells and rivers are drying up. Many villages are reported on fire. All cattle in the stricken districts have been slaughtered.

Navy Recruiting Halted

Washington D. C.—Navy recruiting has been stopped except for old men who "ship over." Only continuous service re-enlistments will be accepted. Reports for the past week indicate that approximately 600 re-enlistments have been received, while 346 new men signed up before the order became effective. They will be the last to get in until the personnel is reduced to the 106,000 total provided for by law.

SHIPPING BOARD LOSS HUGE

Deficiency Far Exceeds Previous Estimate Lasker Announces.

Washington, D. C.—Operations of the shipping board's fleet for the fiscal year just ended resulted in a loss of approximately \$380,000,000, Chairman Lasker of the board announced Monday. This deficit was greater by approximately \$280,000,000 than previous estimates from official sources and was made following an examination of all board accounts.

The government's venture in the merchant marine business last year involved a total expenditure of \$680,000,000 so far as could be ascertained from the board's books, which Mr. Lasker declared are in bad shape. The new chairman estimated that it would cost the government \$300,000,000 to carry on operation of the fleet this year.

A deficiency appropriation of \$150,000,000 for the shipping board will be asked in a few days, Chairman Jones of the senate commerce committee informed the senate.

"The situation there is critical," said Senator Jones, adding that the proposed appropriation was designed to save several hundreds of millions.

The appropriation, he said, was an obligation taken over from the last administration.

In stating that an examination of the books showed that \$380,000,000 had been expended from the public funds of the shipping board last year, Mr. Lasker said this "revealed an astounding case of deception to the country and congress."

"The president was astonished and dismayed that such a condition could exist when I laid these figures before him, but he wanted me to give the public the facts," he added.

Total expenditures over receipts appeared to be approximately \$380,000,000, Mr. Lasker said, instead of \$99,618,567.11, as previously shown by the board's books.

A commercial concern operating on a similar basis would have been in the hands of a receiver some time ago, the chairman asserted, stating also that he knew this state of affairs was not the fault of Admiral Benson, ex-chairman of the board, nor of Controller Tweedale. He said that it was due to the system started during the war, and continued until recently. The money which is unaccounted for was said by the chairman to have been disbursed by operators of government-owned boats for which a full accounting has not been made.

The chairman further asserted that of 9000 voyages made only 3000 had been accounted for and that 200 auditors were now working on the books of these operators to find out what happened.

A balance sheet of the shipping board's books classified receipts from operation of ships, \$500,000,000; from appropriation, \$100,000,000; from balance on hand July 1, 1920, \$80,000,000; and from sale of assets \$200,000,000, a total of \$680,000,000.

Expenses were, general operations, \$409,000,000; new ships, \$150,000,000; drydocks, etc., \$5,000,000; supplies, \$18,000,000; advances to foreign offices, \$15,000,000 and miscellaneous expenses, \$72,000,000; a total of \$680,000,000. From this balance sheet, Mr. Lasker said, the board had spent above earnings \$100,000,000 in direct appropriations, \$80,000,000 from a balance of a previous year and \$200,000,000 from assets sales, or \$380,000,000 of deficit.

"I am asking congress for \$300,000,000 for the year," Chairman Lasker said, "and I fear that I may throw a lot of sand into the gear box of tax revision, but we estimate that it will take from \$100,000,000 to \$125,000,000 to run the next six months. But we plan to pay for all losses of operations and settle a part of the claims against the shipping board, amounting to more than \$200,000,000. These may be settled at no more than 50 cents on the dollar, because they are believed to be padded."

Church to Have Ad Man.

New York.—Advertising columns of daily newspapers are to be used for general church advertising as well as for evangelistic purposes, it was announced Monday by officials of the Protestant Episcopal church. The publicity department of the church has been instructed to add a competent advertising writer to its staff. The extent of the new venture in church publicity was not announced.

Frisky Lamb Is Costly.

Yakima, Wash.—One frisky lamb caused a stampede that drowned 109 sheep in the Poshastin river, with a loss of \$800 and the cost of recovering and burning the bodies, according to A. D. Dunn, who told the story here Monday. The sheep belonged to Everett Butler and William Knox of this city and were part of a band to be shipped to Chicago.

STATE NEWS IN BRIEF.

Bend.—The Deschutes county court has refused a bid of \$95,126 on \$50,000 worth of county road bonds and decided to dispose of the county's securities by private sale as the money is needed.

Grants Pass.—The Grants Pass chamber of Commerce has offered a prize of \$20 for the best song submitted about the city or valley. Other prizes are also offered, about 20 songs being wanted.

Salem.—The Associated Oil company of California has remitted to the secretary of state \$18,235.49, covering the corporation's tax on sales of gasoline and distillate in Oregon during the month of June.

Klamath Falls.—Fire late Friday afternoon destroyed the Christy sawmill, west of town, with a loss of \$70,000. The fire spread to the timber and was still burning Saturday night, with a crew of fire fighters endeavoring to check its progress.

Medford.—Prospects for the heaviest tonnage of fruit ever shipped out of the Rogue valley are bright, according to a census just completed by the Southern Pacific Railroad company, working in co-operation with the field staff of the Oregon growers.

Salem.—The average daily attendance in the schools of Union county increased from 3,395 in the year 1920 to 3,677 in the year 1921, according to a report prepared by Mrs. A. E. Ivanhoe, county superintendent, and filed with the state superintendent of public instruction.

Salem.—There were two fatalities in Oregon due to industrial accidents during the week ended July 15, according to a report prepared by the state industrial commission here. The victims were Anna McNaughton, elevator operator, Portland, and Jack Pressler, logger, Myrtle Point.

Hood River.—L. M. Tucker, in charge of the recently established state fish hatchery on Hood River at the mouth of Green Point creek, has just received 230,000 trout eggs from a hatchery at Klamath Falls. He formerly received an allotment of 200,000 eggs, all of which have been hatched.

Albany.—Work on a building which will house one of the most modern creamery plants in the state began here Monday. The structure will replace the old plant of the Albany Creamery association, destroyed by fire a few weeks ago. J. H. Hammett of Albany has received the construction contract.

Salem.—So-called weighing jacks have been received by the state automobile department here and a campaign to enforce the law relating to trucks and loads operating on state highways will start next week. The campaign will be carried to every section of Oregon, according to T. A. Rafferty, chief inspector of the motor vehicle department.

Salem.—The 28th carload of Willamette valley prunes, purchased for distribution in England, will be shipped from Salem as soon as they can be crated, according to the Oregon Growers' Co-operative association. This week three cars of prunes will be shipped to New York, while 10,000 of the better varieties of the product will be sent to Portland.

Falls City.—This summer marks the launching of a community enterprise in Falls City, which bids fair to be a success. It is the Falls City cannery, formerly owned by the A. Rupert company, which was purchased March 9 by an aggregation of local townspeople and farmers, involving about \$20,000 in the transaction. C. J. Pugh, ex-manager for the Rupert company, was made president and manager of the new concern.

Salem.—More than 20,000 pickers will be needed to harvest Oregon's hop crop this year, according to estimates. Approximately half this number will be required in Marion and Polk counties. Pickers will enter the local field about August 20, and about three weeks will be required to complete the harvest. Although wages have not yet been determined, growers said that the figure probably would be fixed at 40 to 45 cents for a 50-pound box.

Salem.—Oregon hop growers this year will exert special care in the conduct of their fields with relation to cleanliness and good picking, according to T. A. Livesley & Co. and other dealers in this vicinity. The word has been given out by Salem hop dealers that letters received from England indicate that the buyers this year will demand clean hops and that only first-class product will be accepted. English syndicates handle practically all of the local hop crop and it is the desire of the growers that the product shall meet with their satisfaction.



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There was another pause, broken only by the rustle of leaves and the rushing of the river.

"Beulah was right," he said, at last. "Beulah is a wonderful girl, and a beautiful."

"She will not be wanting to go back home with us," said the mother.

"So much the better. Mary, Mary, we have no home to go back to!"

She looked at him with a sudden puzzled, half-frightened expression. "No home, John? No home? You don't mean that?"

He nodded and turned his face away. "I said I hadn't told you all," he managed at length. "I sold the farm."

She was sitting on a fallen log, very trim, and gray, and small, but she seemed suddenly to become smaller and grayer still.

"Sold the old farm," she repeated, mechanically.

"Yes, I sold the old farm," he said again, as if finding some delight in goading himself with the repetition. "I thought I saw a chance to make a lot of money if only I had some ready cash to turn in my hand, and I sold it. I thought I would be rich and then I would be happy. But they took the money last night. They found out about it some way, and took it, and nearly killed our boy, Mary, you worked hard all your life, and today you have nothing. I brought you to this."

She saw it all, and for the moment her heart shrank within her. But she saw, too, the futility of it all. She might have upbraided him; she might have returned in part the sorrows he had forced upon her, for he was wounded now and could not strike back. But she rose and stretched her arms toward him.

"You said I had nothing John. You are wrong. I have you. I have everything!"

"And it was to you, beloved, to you, a woman of such great soul, that I could do this thing. . . . I should be utterly wretched. . . . But I'm not." He spoke slowly and deliberately, as one having ample time, and with the diction of earlier years. "I should be scouring the valleys with a troop of men, hunting for our money. But I'm not. It seems such a puny thing, it's hardly worth the while—except for the happiness it might bring to you, and Beulah."

When they returned to the house it was almost evening, and they found the doctor from town busy over Allan.

"Would have killed nine men out of ten," he told Harris, quite frankly; "but this boy is the tenth. He's badly hurt, but he'll pull through, if we can arrest any infection. His constitution and his clean blood will save him."

Before the doctor left Arthur inquired if the police had any further details of the crime. Harris appeared to have lost interest in everything except the members of his family.

"Quite a mystery," said the doctor. "I understand one of the robbers was shot, and I will go on up from here to make an examination, as coroner. Tomorrow the police will bring out a jury, and a formal verdict will be rendered."

At a crossing her horse almost collided with a boy returning home from some late errand. "Oh, Mr. Boy," she said. "Come here, please, I want you to help me."

The boy approached hesitatingly, as though suspicious that some kind of trick were being played on him.

"Can you tell me," she said, in a low voice, "where the jail is? I'll give you \$1 if you do."

"There ain't no jail here, miss," he replied frankly, evidently satisfied that the question was bona fide. "There's a coop, but you wouldn't give a dime to see it. It's just a kind of a shed."

"That's just what I want to find," she continued, "and I'll give you \$1 to show me where it is."

"Easy pickin'," said the boy. "Steer your horse along this way."

He led her through the main part of the town, to where a one-story building, somewhat apart, stood aloof in the darkness.

"Some coop, ain't it?" said her guide, with boyish irony. "My dad says that's what we git for votin' against the government. The fire truck's in the front end, an' there's a cell with bars behind. Do you want to see that, too?"

"Yes, that's what I want to see, but I can find it myself now, thank you."

She dismounted and made her way to the back of the building. She saw the outline of a door, which was undoubtedly locked, and further down the same wall was a little square window, with bars on it. There appeared to be only one cell, so there was no problem of locating the right one.

She stole up along the wall, but the window was too high for her. Searching about the littered yard she found a square tin, such as the ranchers use to carry coal oil. Mounting this she was able to bring her face to the bars.

"Jim," she said, in a low voice, listening intently. But there was no response.

turned. A systematic search will also be undertaken to recover the money, as I understand that you"—turning to Harris—"suffered a heavy financial loss in addition to the injury to your son. Of course, it is impossible to say how many took part in the affair, but it is not likely the outlaws numbered more than two, in which case they are both accounted for. The one captured had no money to speak of in his possession, but he may have cached it somewhere, and when he sees the rope before him it will be likely to make him talk. They seem to have a pretty straight case against him. Not only

What a Wonderful Soul He Was!

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"Jim," she repeated, a little louder. She fancied she heard a stir, and the sound of breathing seemed to cease.

"Yes!" came a quick reply. "Yes! Who is it?"

"Come to the window, Jim."

In a moment she saw the outline of his face through the darkness.

"Beulah Harris," he demanded, in his quiet voice, "what are you doing here?"

A great happiness surged about her at the sound of his voice and the warmth of his breath against her face.

"I might ask the same, Jim, but such questions are embarrassing. Anyway, I am on the right side of the wall."

She saw his teeth gleam in the darkness. What a wonderful soul he was!

"But you shouldn't have come like this," he protested, and his voice was serious enough. "You are compromising yourself."

"Not I," she answered. "These bars are more inflexible than the stiffest chaperon. And I just had to see you, Jim, at once. We've got to get you out of here."

"How's Allan?"

"Getting better."

"And your father? Pretty angry at me, I guess."

"No. Father isn't angry any more. He's just sorry."

"Times are changing, Beulah. But if he would that sack around my neck in sorrow, I don't want him at it when he's cross."

She laughed a little, mirthful ripple. Then, with sudden seriousness, "But,

Jim, we shouldn't be jesting. We've got to get you out of here."

"I'm not worrying, Beulah," he answered. "They seem to have the drop on me, but I know a few things they don't. Shall I tell you what I know?"

"No."

"Why?"

"Because it would seem like arguing—trying to prove you are innocent. And you don't need to prove anything to me. You understand? You don't need to prove anything to me."

She felt his eyes hot on her face through the darkness. "You don't need to prove anything to me," she repeated.

"Have you thought it over, Beulah?" he said. "I have no right, as matters stand, to give or take a promise. I have no right—"

"You have no right to say 'as matters stand' as though matters had anything to do with it. They haven't, Jim. No, I have not thought it over. This isn't something you think. It is something that comes to you when you don't think, or in spite of your thinking. But it's real—more real than anything you can touch or handle—more real than these bars, which are not so close as you seem to fancy—"

And then, between the iron rods across the open window, his lips met hers.

"And you were seeking life, Beulah," he said at last. "Life that you should live in your own way, for the joy of living it. And—"

"And I have found it," she answered, in a voice low and thrilling with tenderness. "I have found it in you. We shall work out our destiny together, but we must keep our thought on the destiny, rather than the work. Oh, Jim, I'm just dying to see your homestead—our homestead. And are there two windows? We must have two windows, Jim—one in the east for the sun, and one in the west for the mountains."

"Our house is all window, as yet," he answered gayly. "And there isn't as much as a fence post to break the view."

"What are you doing here?" said a sharp voice, and Beulah felt as though her tin box were suddenly sinking into a great abyss. She turned with a little gasp. Sergeant Grey stood within arm's length of her.

(TO BE CONTINUED.)

A Stiff Upper Lip.

Keeping a stiff upper lip is all right, but there's nothing commendable about it. Everybody keeps a stiff upper lip; has to. The upper lip can't be anything but firm. Ever watch a child overcome by emotion? It's the under lip that trembles, and then the jaw drops, to open an exit for the roar. Next time tell him to keep a stiff lower lip. It won't sound right, it will lack punch and probably will fail to inspire the subject to the proper degree of steadfastness, but you'll have the approval of the purist.—Louisville Herald.



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