

The Herald, the old established reliable newspaper of the Coquille Valley in which an "ad" always brings results

THE COQUILLE HERALD

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COQUILLE, COOS COUNTY, OREGON, TUESDAY, SEPTEMBER 1, 1914.

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CITY DIRECTORY

Fraternal and Benevolent Orders

A. F. & A. M.—Regular meeting of A. F. & A. M., at Masonic Hall, every Saturday night in each month on or before the full moon.
D. D. PIERCE, W. M.
R. H. MAST, Secretary.

O. E. S.—Regular meeting of Beulah Chapter No. 6, second and fourth Friday evenings of each month, in Masonic Hall.
MARY A. PIERCE, W. M.
ANNA LAWRENCE, Sec.

I. O. O. F.—Coquille Lodge No. 53, I. O. O. F., meets every Saturday night in Odd Fellows Hall.
C. H. CLEAVES, R. G.
S. LAWRENCE, Sec.

MAMIE REBEKAH LODGE, No. 20
I. O. O. F., meets every second and fourth Wednesday nights in Odd Fellows Hall.
EMILY HERSBY, N. G.
ANNE LAWRENCE, Sec.

COQUILLE ENCAMPMENT, No. 25
I. O. O. F., meets the first and third Thursday nights in Odd Fellows Hall.
J. S. BARTON, U. T.
J. S. LAWRENCE, Sec.

KNIGHTS OF PYTHIAS—Lyceum Lodge No. 72, meets Tuesday nights in W. O. W. Hall.
R. R. WATSON, K. R. S.
O. A. MISTON, K. C. C.

PYTHIAN SISTERS—Justus Temple No. 35, meets first and third Monday nights in W. O. W. Hall.
MRS. GEORGE DAVIS, M. E. C.
MRS. FRED LINDGAR, K. of R.

RED MEN—Coquille Tribe No. 46, I. O. O. F., meets every Friday night in W. O. W. Hall.
J. S. BARTON, Sachem.
A. P. MILLER, C. of R.

M. W. A.—Regular meetings of Beaver Camp No. 10,550 in M. W. A. Hall, Front street, first and third Saturdays in each month.
C. D. HUDSON, Consul.
L. H. IYVINS, Clerk.

R. N. A.—Regular meeting of Laurel Camp No. 2972 at M. W. A. Hall, Front street, second and fourth Tuesday nights in each month.
MARY KEEN, Oracle.
EDNA KELLEY, Sec.

W. O. W.—Myrtle Camp No. 197, meets every Wednesday at 7:30 p. m. at W. O. W. Hall.
Lee CURRIE, C. C.
JOHN LENSEVE, Sec.

EVENING CIRCLE No. 214, meets second and fourth Monday nights in W. O. W. Hall.
O. A. MISTON, M. L. G. N.
MARY A. PIERCE, Clerk.

FARMERS UNION—Regular meetings second and fourth Saturdays in each month in W. O. W. Hall.
FRANK BURKHOLDER, Pres.
O. A. MISTON, Sec.

INTERNATIONAL AID No. 398, meets the second and fourth Thursdays each month at W. O. W. Hall.
MRS. CLARA EVLAND, Pres.
MRS. LORA HARRINGTON, Sec.

Educational Organizations and Clubs
COQUILLE EDUCATIONAL LEAGUE—Meets monthly at the High School Building during the school year for the purpose of discussing educational topics.
RENA ANDERSON, Pres.
RENA MINARD, Sec.

K. O. KEEL CLUB—A business men's social organization. Hall in Laird's building, Second street.
A. J. SHAWWOOD, Pres.
FRED SLADGE, Sec.

COMMERCIAL CLUB—L. H. HAZARD President; C. A. HOWARD, Secretary

Transportation Facilities
TRAINS—Leave, south bound 9:00 a. m. and 3:00 p. m. North bound 10:40 a. m. and 4:40 p. m.

BOATS—Six boats plying on the Coquille river afford ample accommodation for carrying freight and passengers to Bandon and way points. Boats leave at 7:30, 8:30, 9:30 and 9:50 a. m. and at 1:00, 3:30 and 4:45 p. m.

STAGE—J. L. Laird, proprietor. Departs 5:30 p. m. for Seaside via Myrtle Point, carrying the United States mail and passengers.

POSTOFFICE—A. F. Linegar, postmaster. The mails close as follows: Myrtle Point 8:40 a. m. and 2:35 p. m. Marshfield 10:15 a. m. and 4:15 p. m. Bandon and way points, 7 a. m. Norway and Arago 12:45 p. m. Eastern mail 4:15 a. m. Eastern mail arrives 10: p. m.

City and County Officers
Mayor—A. T. Morrison
Recorder—J. S. Lawrence
Treasurer—R. H. Mast
City Attorney—L. A. Liljeqvist
Engineer—P. M. Hall-Lewis
Marshal—A. P. Miller
Night Marshal—Oscar Wickham
Water Superintendent—S. V. Epperson
Fire Chief—W. C. Chase
Councilmen—D. D. Pierce, C. T. Leach, C. I. Kime, G. O. Leach, W. H. Lyons, O. C. Sanford. Regular meetings first and third Mondays each month.

Justice of the Peace—J. J. Stanley
Constable—Ned C. Kelley

County Judge—John T. Hall
Commissioners—W. T. Dement, Geo. J. Armstrong
Clerk—James Watson
Sheriff—W. W. Gage
Treasurer—T. M. Dimmick
Assessor—T. J. Thrift
School Supt.—Raymond E. Baker
Surveyor—A. N. Gould
Coroner—F. E. Wilson
Health Officer—Dr. Walter Culin

Societies will get the very best
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FINANCIAL SITUATION DISCUSSED

Address Delivered by A. L. Mills, a Portland Banker who is no Prophet of Disaster and who Takes Some Hard Falls out of Calamity Howlers

On Wednesday your Committee honored me with an invitation to speak to you tonight on the existing and future financial conditions in the United States.

There is not true tonight, nor perhaps is there inclination on your part to listen to an exhaustive economic discussion of American finance; at best, only the most striking feature of the situation can be touched upon.

Certain facts—and beyond peradventure the most important ones in the consideration of our present financial conditions, which must be indelibly impressed upon the mind of every business man in these United States, are—

First—That financial conditions in our country today are sound, and at no time since our government was established were they ever in a sounder condition than they are at this moment.

Second (and let this sink deep into your understanding)—There is absolutely no danger today of a financial panic sweeping across this country such as all of us have seen in times gone by, nor, indeed, shall you or I ever again witness in this country such panic conditions as prevailed in 1907 or 1893 or, indeed, in other panic years. These are cold, hard facts and not the rosy dreams of some visionary student of political economy; facts that are established truths in the minds of financiers of established reputation, and facts that should and must be equally well established in your mind and in the mind of every business man in these United States.

Let me repeat them, for they cannot be reiterated too often:—First: These United States were never in a sounder financial condition than they are today. Second: There is no danger of financial panic today nor shall we ever again see such panics as we have in the past.

Take these statements of facts home with you, mull over them, make them a part and parcel of your daily financial creed, and then join with other loyal patriotic citizens in preaching to your neighbors the gospel of faith in our country's institutions and the absolute soundness of its present financial system.

Aye, this and more, you and I and all of us should do—combat with the power and force that is within us the dismal croakings of the confirmed pessimist who, whenever there is the smallest cloud in the sky, believes that the sun will never shine again. Such calamity howlers are pests in society, of value neither to themselves nor to others, but rather they are a drag upon the wheels of our nation's progress.

Pardon this digression, but there should not be even standing room for the pessimist in this great country of ours.

To return to our subject—why should the best financial minds in our country believe financial conditions never sounder than they are today?

First: Because in these United States there are one billion, five hundred million dollars of gold, a supply, roughly two and a half times greater than that of any other country; an amount more than sufficient to transact the business of this country; when treated scientifically as a reserve against currency issues it is sufficient to carry a burden of currency fifty times greater than we now have, without endangering our maintenance of a gold standard. Take for example the panic of 1907, when England had but four hundred millions of gold; and yet so perfect was England's financial system that it parted with one half of this supply to this country without shaking the financial fabric of Great Britain. Our supply of gold today is nearly four times larger than that of Great Britain in 1907, and should with ease carry all the burdens that may be put upon it.

Second: The strength of our financial system today is shown by the ease with which we parted with one hundred millions of gold in the first five months of this year and forty-eight millions more during the month of July, without disturbing one iota our finances. At no previous date in the history of our country have we exported a like amount of gold in so short a time; to have done so in years gone by would have rocked every financial institution in the country to its foundations and probably brought ruin to many. Today not one has been disturbed by such a heavy exportation of the precious metal; nay more, financial leaders say so good and sound is our condition that another one hundred millions could have gone abroad without perceptibly affecting conditions.

Third: Because the New York Stock Exchange against which so many of our people exclaim, was kept open for days after every organized stock exchange in the world had closed; yet by so doing was able to absorb, without panic or disaster, the immense flood of securities poured upon us by the panic stricken peoples of Europe. Such stability of our financial institutions, for in the end the burden was cast upon them, makes it but the question of a few years before New York becomes the recognized financial center of the world.

Fourth: Because today we have established in this country, and soon to be in full operation a scientific financial system that is capable of withstanding any strain or stress that may be brought upon it. These are the reasons why our practical financiers believe our financial conditions were never sounder than they are today.

Let me repeat them for they are worth remembering:—First: One billion, five hundred million of gold on hand in these United States, an amount capable of supporting a currency system fifty times, at least, greater than now is carried.

Second: The ease with which we withstood a drain within six months, of one hundred and forty-eight millions of gold and the ability to withstand a further drain of one hundred millions.

Third: The remarkable strength of the New York Stock Exchange to absorb vast quantities of our securities without making any perceptible strain upon our financial institutions.

Fourth: The establishment of a scientific and economic system, the equal of any in the world. These are the reasons why financial conditions are sound today in this country. Practical economists believe in them; bankers worthy of the name of bankers believe in them, and it but remains to drive this belief home to every business man in the country, to still forever the pessimist who now goes up and down the land mournfully croaking about impending panics and by so doing disturbing business and spreading unrest wherever he goes.

After what has just been said, do you ask further why there is no danger of a financial panic today, and why we shall never again have such a one as we have experienced in the past? It needs but a word in answer; Due in the first place to the work done by the Aldrich Currency Commission and, later, to the crystallization of that work in the Federal Reserve Act, we have now a sound economic system that makes any serious financial panic an utter impossibility. Tight money we may have in the future, commercial depressions we must and shall have whenever speculation exceeds the bounds of prudence, but financial panics—never again.

sured to us, but I must omit doing so as, before closing, I wish to say a word or two concerning our local conditions and how I believe the European war will effect business interests in the northwest.

We are now harvesting one of the most bountiful crops with which the northwest was ever blessed; a crop that Europe and especially England must have in order that their peoples shall not starve. This crop they must pay for no matter what the cost may be. England appreciates this fact and is bending every effort to compass its safe transportation. The British government itself has announced that it will insure the shipper and owner against any loss occasioned by the European war, and it but remains for our international bankers to perfect arrangements for negotiating the bills of exchange drawn against these cargoes so that they may be converted into cash in New York. This I firmly believe will be consummated within the next two or three weeks. When accomplished, the question of exporting our grain is solved, and with the solution will come a flow of English gold to our country in greater volume than we have ever witnessed before—a volume so great as to materially stimulate every business enterprise within this country.

In the meantime, however, for the next two or three weeks there will be unrest and fear and excitement. It therefore devolves upon us all to practice patience and maintain our courage, for there is nothing to fear in the future. What is true of our wheat crop is true in like measure to our meat, hops and other products.

Your grouchy pessimist, ever seeking for fresh causes to whine about, is going up and down our streets today saying "doubtless it may be true that Europe needs our crops, but nevertheless if they cannot be shipped in safety from our ports they are of no value to us." This is utterly false, as I have endeavored to show you, for England must have our grain and is prepared to pay the price and bear the burden of the war risks. That England is amply able to do this is shown by the fact that when the European war first broke out, as a first protection against a business excitement, the Bank of England raised its rate of discount to eight and then to ten per cent, and declared a few days bank holiday. When it was seen by the English financiers that there was no need for undue alarm the bank of England's rate of discount fell rapidly to six per cent; and then to five per cent. This rate, although somewhat higher than normal, is not an unusual one at this time of year, nor one that is in any way a bar to commercial transactions. It means that the merchants and bankers of London, of worthy standing, can discount their papers and commodity bill at reasonable rates of interest. Such being the case, and with transportation rendered safe, there is practically nothing to hinder our exports freely going abroad. I confidently believe that within a month our foreign export trade will again be on a comparatively normal basis, or at least on such a basis as will permit foreign business to be transacted by the country at a handsome profit.

In the meantime we bankers have before us a few weeks of somewhat difficult financing. Harvest hands in the fields must be paid in cash and also the cost of transporting our crops to the sea board. It can be done and will be done with comparative ease if the business people of the country have faith in our institutions supplemented by a moderate amount of patience. If, however, the business men of the country, such as I see before me now, become excited and each man endeavor to rush in ahead of his neighbor, force collections and grab all that is in sight, the situation will become more complicated. Even then, and in spite of fools and alarmists, the banks of the country will be able to finance the harvests and within a short time make possible bountiful returns for our crops. In 1908, I should not have dared to have spoken so confidently con-

cerning the situation, as at that time we were laboring under an antiquated and archaic system that was utterly incapable of expanding with the needs of commerce. Thanks however, to the Aldrich-Vreeland Currency Bill that was passed in 1908 and extended by the present Congress it becomes possible for the banks of the the country to join together in Currency Association and obtain issues of currency for which "Uncle Sam" acts as the redemption agent. The limit of this currency was at first put at five hundred millions, but within the past few days this limit has been taken off and the Secretary of the Treasury, Mr. McAdoo, is permitted at his discretion to allow this issue to be put out in an unlimited amount. Such currency associations have been formed in New York and Chicago and, I believe in other large centers. Already the strain upon the financial institutions of those centers has been so materially lessened that our recent telegrams from those points state that business again is proceeding normally.

(Mr. Mills here explained that the Portland bankers did not think it would be necessary to issue any Vreeland currency, but that they were perfecting the necessary arrangements to meet a possible emergency, and if it should prove necessary they would not hesitate to take out all the currency needed for the commerce of this section.)

One moving cause for the belief of the Portland bankers that we should go slow in issuing the Vreeland currency is the fact that the Federal Reserve Act will shortly be in operation. The Federal Reserve Board has now been organized and they are pushing forward rapidly the organization of the twelve District Reserve Banks. It is stated that by October first these banks will be in operation. If so, it will easily solve any existing financial troubles and be far less expensive to the borrower. As you know, the Reserve Bank of this District will be located in San Francisco, but we are using every effort to have a branch established in Portland at as early a moment as the parent institution in San Francisco will permit. Should, however, the establishment of the branch bank be delayed more than is expected, nevertheless we shall be ably possible, at some inconvenience, to transact our business directly with the San Francisco bank.

Incidentally, I wish to call the attention of the business men of the community to one change that will ensue in our methods of doing business after this bank is established—Commercial paper proper for discount at the reserve bank must have a fixed date of maturity, and interest must be taken out in advance. It is within the possibilities that when the reserve bank is in operation a member bank will be able to liquidate every dollar of its commercial paper, provided such paper is of the proper character. That means that a properly conducted member bank cannot suspend or fail.

Now, the future! A man is a fool who attempts the role of a prophet—but were I to venture such foolhardiness, I should say that the next year or two will see in Oregon and the United States generally, due to the misfortunes of others, such prosperous conditions as never before prevailed. In the end, however, we cannot have such an enormous economic waste as this great European war seems likely to cause, without materially affecting the ability of those nations to purchase our exports. It is as if you had a country customer whose stock of goods was destroyed by fire and who wired you to replace the same at any price. You might make a handsome profit on the first shipment but thereafter the country store keeper would be so crippled that his purchases for some time to come would be materially lessened. So it seems to me will be the case with the nations of the world. The great nations of Europe, by the destruction of life and property, will be reduced to such poverty that they will not be able to buy the goods we have to sell. The result

(Continued on second page)

FROM THE NATIONAL CAPITAL STATE INDUSTRIAL REVIEW

Events of Interest Reported For The Herald

(By J. E. Jones)

BIG AND BUSY POLITICS

While the Capital itself has been trying to "get the number" of the Attorney General of the United States, the President has been so well satisfied that he has elevated him to a position in the Supreme Court, which is supposedly the greatest honor that can befall a lawyer. McReynolds was practically unknown to American politics until President Wilson dug him up. Another new man has been elevated to the position, and this gentleman, Thomas Watt Gregory of Texas, is as obscure so far as any knowledge of him by the American people is concerned, as a country postmaster. It is understood that Mr. Gregory was appointed largely because of the influence exercised in his behalf by Colonel E. M. House, who is another man of mystery. Colonel House is a Texan, although he lives most of the time in New York and Washington, in the same manner as a good many Senators who are supposed to be residents of particular states and only get back home at election time. Thus Texas which already has the place of Postmaster General in the Cabinet, is given a second portfolio in President Wilson's official family. Politically Texas, in point of being conspicuous, ranks next to New Jersey. It may even become notorious in a short time, since it is probable that the Senatorial contest will be enlivened by the demand of the partisans of former Senator Bailey that he be returned to the Senate.

THE LOST ART OF "WAR CORRESPONDENCE"

When the American fleet sailed for the Gulf of Mexico most of the metropolitan newspapers were represented by special correspondents who, after spending a week or two in the war zone were glad to find a boat returning to the dear old United States. Circumstances connected with the European war confirm the experiences of metropolitan newspapers at the Mexican trouble, showing that the science of "war correspondence" has become a "lost art." Richard Hardine Davis, John Reed, Jack London and a few other gentlemen wrote very enterprisingly of the affairs of Vera Cruz but the real stories the American people looked for hungrily were furnished by the Associated Press and other similar organizations. "Fine writing" will always be appreciated, but, in the hours of excitement the dot and dash of the telegraph instrument, prompted by live war correspondents at the scene of trouble, interested in telling the exact news, is the modern and more satisfactory method demanded by the American newspaper readers. Beside this the scope of operations in modern warfare covers scores of miles, and long range guns make it almost impossible for one army to get near enough to another to be seen. The day of the musketry charge and the slashing saber, and hand to hand fights has passed. The telegraph wire at the scene of battle is inevitably in the possession of the contending armies, and military authorities do not permit interference by correspondents. In the case of European warfare available telegraph lines, if found at all, are apt to be hundreds of miles away from the scene of the struggle. The difficulties of news gathering never were greater in war matters than now. In order to control the natural methods of communication the case of Germany and its censorship is in point. However, that is not a new experience, since no foreign country knows even yet what happened at Mukden. Neither the Japanese nor the Russians would permit any writer near the scene. Besides that, no correspondent could of himself possibly know what was going on over a territory so very many miles in extent.

The Eugene high school will be built of local brick finished with the Willamina product.

Eugene gets a big box factory. Linton gets a \$3500 bungalow. Warrenton gets a clam cannery. Parma gets Dairy Products factory. Springfield sawmill starts August 29th.

Columbia county reduces valuations one million. Astoria has opened bids on \$35,000 sewer contract. \$2100 bridge going across Camas swale, Lane county. \$15,000 is to be expended on the Clackamas hatchery. One vessel took 22,000 cedar ties and poles to San Diego. A large summer hotel is to be built at south Coos river. \$25,000 is to be expended sinking oil and gas wells at Astoria. Cottage Grove Electric Co. secured the municipal contract. Newport is installing a pumping plant to increase water supply. The Hoke cannery at Medford is putting up a large pack of tomatoes. S. A. Buck starts work on a large box factory at Eugene this week. Portland firm got the 2,500,000 gallon reservoir contract at Eugene. Linn county citizens want to establish a county rock crushing plant. Riverside Drive, Portland, will be paved with Warrenite. Cost \$19,342. Bids were opened Aug. 26 for the construction of the Hood River highway. The Star Packing Co of Chicago is putting a large clam cannery at Warrenton. The Pacific Power & Light Co. is preparing to extend service to Warrenton. A force of twenty men are at work on the new highway from Alsea bay east. Roseburg commercial club has endorsed the bill to pension and retire civil service employees. Astoria municipal docks will take two and a half million feet of lumber from the local mills—giving them preference. The boycott for the destruction of the Salem public market is still on but the market is being established on a large scale. The Gold Ridge Mines Co. of Seattle has bought 300 acres of gold placer land on Josephine creek, and will put in a large dredger plant. An injunction was granted by Judge Eakin to restrain the collection of the 10 per cent penalty under the new tax law due after Sept. 1st. The state highway campaign through central Oregon will turn travel through the great interior to the loss of the Willamette valley counties. Portland has awarded ten paving contracts aggregating a quarter of a million, Warren Bros. and Ore. Independent Paving Co. getting the jobs. A force of men have resumed construction work on the Western Union telegraph line between Eugene and Mapleton on the Siuslaw. The new Booth-Kelly sawmill at Springfield, operated entirely by electric power, will be started from Portland by President Griffith of the Commercial club touching an electric button, Aug. 29.

A finished deed to transfer the locks and canal to the United States has now been sent in to the law department and it is believed the property at Oregon City may finally be turned over to Uncle Sam. The European war is boosting prices of Oregon products and will stimulate many industries. One new industry, the manufacture of peppermint oil will be established on a large scale. Establishment of independent meat packing plants in various parts of the state are being encouraged by the farmers as the only solution of the growing abuses of the meat and food products trust.