

FEDERAL RESERVE HELPS FARMERS

How Its Aid to England's Return to a Gold Standard Benefits American Agriculture.

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There has been no more important event for the American farmer and stock man since the Armistice than the recent return of Great Britain to a gold standard. It is a long distance from the Montana farm to the gold vaults of the Bank of England, but the price the farmer gets for his wheat and cattle depends not a little on that gold.

The farmer sells his wheat to the elevator man and yet the real buyer, in many cases, is an Englishman, a Frenchman, a German, or an Italian. About one-third of the wheat crop is usually sold abroad and this part is a large factor in fixing the price of the entire crop. Between the farmer and the foreign buyer there are many steps. In recent years the most important step has been that at which the foreign buyer has to pay the American exporter, for the international mechanism of payment has been badly out of order because Europe was off the gold standard. It was just as though an English buyer drove up to your farm house, bargained for your wheat and drew up the contract. But when you discussed payment, he said: "I'm sorry I haven't any good United States money to pay you with; I'll have to pay you in my English paper money, which isn't worth its face value in gold. I don't know what it may be worth next week, but that is your risk."

A Deadly Foe of Trade
How many would be willing to sign contracts on this basis? Yet that is the way most of the world's trade has had to be carried on since the Armistice. In practically all countries except the United States the currencies have had no fixed value in gold, but have changed in value from day to day. Whenever one country sold anything to another country, somebody had to take the risk of loss because the value of the money might change before payment was made. Such uncertainty of payment is a deadly foe of trade, and people were afraid to do any larger international business than they had to.

Exports of food stuffs from the United States fell from two and a half billion dollars in 1919 to eight hundred millions in 1923, and the difficulties of European buyers in making satisfactory payment for American farm products was one of the large factors in the drop in the prices of farm products. But now the recent action of Great Britain in declaring that it will again redeem its paper money in gold means that British buyers of American products can pay for them with money which is accepted the world over at its face value in gold. With the return of Great Britain to the gold standard, a majority of the countries of Europe have paper currencies equal to gold.

How Reserve Banks Helped
American bankers have assisted in the British return to the gold standard by giving a \$100,000,000 credit to the British government. But more important than this was the action of the Federal Reserve Banks in granting the Bank of England material co-operation. They placed \$250,000,000 gold at the disposal of the Bank of England for two years, to be used by it, if necessary, in maintaining the gold standard. The readiness of the Reserve Banks thus to co-operate was an important influence in the willingness of the British to take this all important step.

This action of the Reserve Banks was a most constructive step in aid of American farmers and producers who will benefit greatly by the removal of this element of uncertainty from their export transactions. If all the sins of omission and commission charged against the Federal Reserve System by banker, business man, the stock man or political bathoscribe in the last five years were true, and practically none of them are, the service rendered commerce and industry by the System in connection with the restoration of the gold standard in so large a part of the world would far outweigh any mistakes that those in charge of the System may have made. No banker, business man or farmer should permit any self-serving declamation by favor seeking demagogues to swerve him from a determination to see that the System is maintained for the future welfare of the country.

Fundamentally conditions are very sound and we are doing a very large volume of business, as little part of which is due to the stabilizing effect exercised by the Federal Reserve System on the credit of the country. Throughout all the stages of the last five years there have been no times of either stringency or plethora of bank credit. Rates have risen along on a rather level keel and my judgment have had much to do with the stable volume of business which we have enjoyed, and which is quite contrary to the old experience of the aftermath of panics. With a credit structure such as only the Federal Reserve System can guarantee, I do not need have no apprehension but of the contrary sound optimism for the future.

longer distance than is necessary, bringing both the rail lines and the mills into an undisturbed and not a constructive competition.

As to distance to eastern markets, the Southern Pacific points out that its line, as projected to Klamath Falls via Oatton, will be shorter than the Oregon Trunk in connection with its parent company's all eastern territory south of and including parts of South Dakota, Minnesota and the major part of Wisconsin, nearly all of the United States east of the Rockies.

Would Jeopardize Investment
The Southern Pacific opposes the common user theory, which has been to some extent publicly promoted as a means of giving the Oregon Trunk access to Klamath Falls over the Naiton line of the Southern Pacific, on the ground that no railroad should be permitted to jeopardize the investments of another by use of latter's invested capital in facilities and thus enable it to come in without capital investment and share the business of the pioneer line, putting itself in position of picking or choosing what part of a line or what part of the facilities of its neighbor it may desire.

The Southern Pacific points out that the Oregon Trunk has proposed two lines, one closely paralleling the Naiton cutoff or involving the common use of the Naiton cutoff, which from newspaper reports, but not from any authoritative statements, it is proper to say has been apparently abandoned; the other the line coming down from Bend almost to Naiton cutoff, but not so far but what it would be a line of a great deal of traffic, and then at its southern end paralleling the existing, as well as some of the projected, lines of the Southern system, to the very great detriment of the latter.

Should Be Protected
The Southern Pacific feels that its main point out, as a business institution, it is obliged to look forward to a fair return within a reasonable time upon the money it invests and

Time Was When Hot

Water Was a Luxury
Gas heaters and stoves and electrical appliances in a score of forms have made hot water common-places. But for thousands of years it was difficult to get, and required both care and labor.

Roman ruins have given up costly and elaborate heating devices, but made no heat only a little water.

The earliest hot water heater known dates back some two thousand years. That was the invention of the Romans, called bronze kettle with a handle by which it could be hung over the fire.

Following this came the fossilus, a metal container in which hot coals were placed, much as they are placed in the street corner chestnut vendor's stove.

France, in the middle ages developed the bouillotte, a hollow cone of clay, like a horse golf ice into which hot charcoal was fed and on top of which sat a kettle of water. The bouillottes achieved great beauty of form and finish at the time of Louis the XIV, but not even the Sun King could turn a gleaming faucet.

Diamond Superstition
There is an old superstition that the diamond originated in the fires of love. The stone was particularly esteemed in Italy in the Middle Ages, as it was supposed to have the power of maintaining harmony between husband and wife.

LEXINGTON ECHOES

Miss Elsie Tucker who has been employed in Salem for some months just arrived Monday evening for a visit with relatives and to attend the Rodeo.

Sam Ritchie who has been on a hunt in the Blue mountains, returned Monday bringing a deer.

Eldred McMillen, James Lerch, Vesta Lane and Paul Nichols drove over to Pendleton on Thursday and took in the Round-Up.

Mr. and Mrs. Earl Warner accompanied by Miss Feva Shinn and Hank Seever saw Pendleton's Round-Up on Saturday.

Miss Wilma and Opal Leach entertained during the past week Miss Agnes Wilcox of Enterprise Oregon and Miss Peggie Cyne (Pi Beta Phi, O. A. C.), from Boise, Idaho.

Miss Stella Raulo, daughter of Mr. and Mrs. Mike Raulo of near Lone was married recently at Oregon City, to Audrey Cutsforth son of Mr. T. W. Cutsforth of Lexington. Miss Raulo is known to all her acquaintances for her many pleasing qualities, while Mr. Cutsforth is recognized as one of Lexington's most enterprising and progressive young farmers.

Many Lexington friends of Mr. and Mrs. Cutsforth extend sincere wishes for their future happiness and prosperity.

Mrs. Ed Burchell left Friday morning for Wenatchee Wash. where she will visit with relatives.

Mr. and Mrs. W. J. Davis have returned from Hood River where they have owned the bed side of their 125-acre farm. Mrs. P. W. Allison, Mrs. Alison's condition is slightly improved though still very serious.

Mr. and Mrs. Albert Adkins and children, and Mrs. William French and daughters were Sunday visitors in Lexington.

Mr. and Mrs. Ered Kusse have recently taken possession of the Frank Massey ranch where Mrs. Kusse is preparing to put in 300 acres of wheat.

Neil White from Ukiah is in Lexington to visit his Mother, Mrs. Sarah White and to see Hopper's Rodeo.

Misses Maxine Gentry, Omi and Wilma Leach leave this Wednesday to attend school at O. A. C.

Lexington was well represented at Pendleton's Big Show last week. Among those who attended were Tom Barnett, Ralph Leach, Ralph Jackson, Clay Phillips and Mr. and Mrs. Dee Cox.

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The 50th Year Opens September 24, 1925

MEN'S DRESS
W.A. Churchill, Secretary
BORN TAILORS GUILD

How to Select a Suit
AN UNWRITTEN law still holds in England that a man, having once made his choice of a tailor, never changes. He often inherits this choice from his father and grandfather, and it is not unusual for the same tailoring firm to serve a family for several generations.

This hard and fast rule would not suit Americans, but in principle it has its advantages. The wise man selects a tailor he knows to be reputable and competent and always goes to him. In this way, the tailor comes to know his likes, dislikes, and individual requirements for fitting. He decides in advance what general type of suit he wishes and about how much he can pay, and then spends plenty of time in choosing the style and material.

A man must understand his own strong points and shortcomings and never allow himself to be carried away by a style that is not meant for his particular type. The man who would look slighter must avoid tight-fitting clothes. The bottom of his coat fronts must be square cut and not rounded, to give an effect of height. The thin man will appear less lean looking if the lines of his suits are not too widely cut.

Quality can be fairly well judged by the price and the word of the tailor. In novelty clothes, it is that feature for which one pays and not necessarily for quality, but in plain materials, price is a reliable guide. No reputable tailor nowadays hesitates to admit that a cloth is only part wool. However, "all wool" does not necessarily mean "pure wool." Woolen goods known as shoddy is made from used cloth rags and does not have the wearing qualities of unspun or virgin wool.

The pattern and color of the cloth should be selected on the same general principles as the style. Extraneous are to be avoided for long wearing.



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Last Night and This
James Whitcomb Riley

Last night—how deep the darkness was!
And well I knew its depths, because
I waded it from shore to shore,
Thinking to reach the light no more.

She would not even touch my hand—
The winds rose and the cedars fanned
The moon out, and the stars fled back
In heaven and hid—and all was black!

Put on! To-night a summons came,
Blinded with a tear-drop for a name,
For as I wondering kissed it, lo,
A line beneath it told me so.

And now the moon hangs over me
A disk of dazzling brilliancy,
And every star-tip stabs my sight
With splintered glitterings of light!

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Clean Up and Paint Up

Illustration of a house and a person painting.