

THE EVENING HERALD

Issued Daily Except Sunday, at 115 S. Fourth St., by the

HERALD PUBLISHING COMPANY

W. O. SMITH, Editor

SUBSCRIPTION RATES:

Table with subscription rates: Daily, by mail, one year... \$6.00; Daily, by mail, six months... 3.50; Daily, by mail, three months... 1.75; Daily, by mail, one month... .50; Daily, delivered by carrier, one week... .15

KLAMATH FALLS, OREGON, THURSDAY, JULY 28, 1910

COSTS MONEY TO RUN A CITY

MUNICIPALITIES PAYING MUCH HIGHER INTEREST

Steady Rise in Their Rates Shows in the Census Bureau's Annual Report

The rates of interest cities are paying on their outstanding debt obligations are steadily rising, it is pointed out in the census bureau's annual report for 1908 on the statistics of the 158 cities in the United States which had each an estimated population of 20,000 and more in 1908.

The report states that the rate for all the cities combined was 3.85 per cent in 1906, 3.59 per cent in 1907, and 3.92 per cent in 1908. For cities of 200,000 population and over the rate for 1906 was 3.68 per cent, for 1907 it was 3.75 per cent, and for 1908 it was 3.79 per cent.

The highest average rates of interest for cities of different sizes were: 200,000 population and over, San Francisco, 4.5 per cent; 100,000 to 200,000, Denver, 5.5 per cent; 50,000 to 100,000, Tacoma, 5.6 per cent; 20,000 to 50,000, Birmingham, 5.6 per cent.

The corresponding lowest rates were: 200,000 population and over, Washington, D. C., 2.23 per cent; 100,000 to 200,000, Providence, Rochester and Hartford, 3.5 per cent; 50,000 to 100,000, Springfield, Mass., Harrisburg, and Holyoke, 3.8 per cent; and 20,000 to 50,000, Elmhurst, 3.6 per cent.

The preceding rates are paid by the cities on the face value of their outstanding debt obligations, and do not in any accurate manner measure the actual rates of interest that cities have to pay on their loans at the present time.

Net Interest Rates

A new feature of the report is a table showing the net or actual rates of interest that cities had to pay for the use of money on their funded debt or long-term bonds issued during the fiscal year 1908. These rates have been computed from bond tables in a method familiar to all bankers, consideration being taken of the premiums or discounts received or paid by the cities and of the length of time that the bonds have to run. During the year 127 of the 158 cities of over 20,000 population sold to the public \$187,084,286 bonds, on which they received \$5,325,651 in premiums and paid \$484,456 in discounts. Only 11 cities are reported as having sold bonds at a discount, most of these being in the southern states. The net rates, as determined from the bond tables, differ materially for many cities from the average rates borne by the total amount of funded debt outstanding at the close of the year for these cities. Thus the average rate borne by the outstanding bonds of Seattle is 4.5 per cent, but during the year 1908 that city sold to the public \$1,000,000 bonds to run for twenty years at a net rate of 2.97 per cent. The average rate borne by the outstanding bonds of the city of New York is 3.6 per cent, but during the year New York City sold to the public \$64,000,000 of bonds on which it will pay until maturity a net rate of 4.19 per cent.

Credit Rating of the Cities

As indicated by the net interest rate column, the cities of over 200,000 population with the best credit rating were: Detroit, 3.27 per cent; Boston, 3.64 per cent; Philadelphia, 3.79 per cent. The cities of from 100,000 to 200,000, with a high credit rating were: Indianapolis, 3.49 per cent; Cambridge, 3.56 per cent; Worcester, 3.69 per cent, and Fall River, 3.79 per cent. Cities of less than 100,000 population with a high credit rating were: Somerville, 3.69 per cent; Lawrence, 3.61 per cent; Taunton, 3.63 per cent; Salem, 3.67 per cent; Holyoke, 3.78 per cent; Birmingham, 3.73 per cent, and Brockton and Newton, each 3.73 per cent. Cities of over 200,000 with the

highest average net rates were: San Francisco, 4.30 per cent, and New York City, 4.19 per cent. Cities of from 100,000 to 200,000 population with the highest net rates were: Los Angeles, 4.49 per cent; Memphis, 4.34 per cent, and Jersey City and Omaha, 4.27 per cent. Cities of under 100,000 population which had to pay the highest rates for the use of money were: Little Rock, 5.29 per cent; Knoxville, 5.04 per cent; Mobile, 5.02 per cent; San Antonio, Birmingham and Springfield, Ill., 5 per cent; Bay City, 4.96 per cent, and Wichita, 4.71 per cent.

It is seen that Detroit, Indianapolis and most of the Massachusetts cities can borrow money on extremely favorable terms, while most of the southern cities, New York City, and others have to pay materially higher rates. The length of time that bonds have to run has some effect upon the rates of interest that cities have to pay for the use of money.

Among other factors that determine that rate may be mentioned a small net debt. Detroit had the smallest per capita net debt of any city of over 200,000 inhabitants, and Indianapolis had the smallest of cities of from 100,000 to 200,000 population. Each of these cities sold their bonds on the most favorable terms of any cities of their respective groups.

The table also shows the net rate of interest that cities pay upon their long-term bonds sold to their sinking and other city funds. New York City sold to its funds during the year more than \$17,000,000 bonds on which it will pay a net interest rate of 3.91 per cent until maturity, this rate comparing with a net rate of 4.19 per cent paid to the public. Baltimore also borrowed from its funds at a net interest rate of 2.45 per cent compared with a rate of 3.93 per cent paid to the public. The net rates paid city funds in the cities of Ohio and Massachusetts were considerably higher than those paid to the public.

The cities with the largest per capita payments of interest on city debt are: Boston, \$6.67; New York, \$6.26; Pueblo, \$5.31; Montgomery, \$4.97, and Cincinnati, \$4.76.

MONROE DOCTRINE AGAIN

FAMOUS PRINCIPLE MADE TO FIT MANY SITUATIONS

Recent Diplomatic Controversies Bring the Question Prominently Into View

United Press Service.

WASHINGTON, D. C., July 28.—Recent diplomatic developments and international discussions involving the attitude of European powers—especially Germany—toward Nicaragua have brought the Monroe doctrine into the world's spot light again and the impression is strong that it will soon be given a new application.

The Monroe doctrine is an elastic diplomatic garment—not so elastic as the popular imagination depicts it, but capable of so much stretching, when occasion demands, that it will fit a multitude of situations, however different. There has not been an administration since its inception in which this guiding principle has not been hailed out of its historic recesses to do service in connection with one difficulty or another, and indications are that President Taft's administration will be no exception to this rule.

The Monroe doctrine is already spoken of as a most suitable diplomatic habitment to enfold the international eyecore, into which the chaos of Nicaragua is fast developing, while the United States restores order and sets the struggling republic on its feet again. Agitation has already begun, too, in the Pan-American conference on the part of the Latin-American governments, which owe much of their development to its existence, to make the doctrine—now merely a declaration of the United States—a guiding principle for the entire Western hemisphere. Such a

political profession of faith would mark a new era for the two Americas. There is little doubt that the Monroe doctrine of the present day contains much that was not contemplated by the president who first gave it formal expression. Each administration, in a crisis has tacked a new meaning on it or stretched an old meaning to greater lengths until it has become a coat of many colors, but none the less a stout garment, and showing no signs of wear.

President Monroe, in his message of December 2, 1823, said: "The occasion has been judged proper for asserting as a principle in which the rights and interests of the United States are involved, that the American continents, by the free and independent conditions which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers. We owe it, therefore, to candor, and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or in controlling in any other manner their destiny, by any European power, or in any other light than as the manifestation of an unfriendly disposition toward the United States."

Briefly the Monroe doctrine, as so uttered, declared against the interposition of European powers in the affairs of the American states, the particular kin of interposition being that undertaken for the purpose of controlling their political affairs and of extending to this hemisphere the system in operation on the continent of Europe. Out of the Monroe doctrine Luis M. Drago, Argentine minister of foreign affairs, evolved the now famous Drago doctrine, declaring that "the public debt cannot occasion armed intervention or even the actual occupation of the territory of American nations by a European power." This naturally led to another question. If the United States expressly declared against the occupation of American territory by a European power, who is going to take the matter in charge when a country, much the same as Nicaragua now finds herself, persists in such a course that there is no prospect that its debts will ever be paid or its just international obligations fulfilled?

President Roosevelt, in answer to this, tacked on another patch to the Monroe doctrine, giving expression to the function of "police power" to be exercised by the United States in such contingencies. "Chronic wrongdoing," he said in his message of December 8, 1904, "or an impotence which results in a general loosening of the ties of civilized society, may in America, as elsewhere, ultimately require intervention by some civilized nation, and in the Western hemisphere the adherence of the United States to the Monroe doctrine, may force the United States, however reluctantly, in flagrant cases of such wrongdoing or impotence, to the exercise of an international police power."

It may be for President Taft, in dealing with the Nicaraguan situation, to formulate still another phase of the Monroe doctrine, which has not yet come into view in the diplomatic experiences of the United States. Although President Monroe's name is attached to the doctrine, the principle underlying it goes farther back, even to the beginning of the United States. Washington, in his farewell address, declared that the policy of the United States was to avoid antagonizing alliances with European powers. The republican form of government was, in contradistinction to the monarchical form prevailing in Europe, an ideal for which the colonists had fought and to which they were passionately attached. Anything threatening that ideal was to be looked upon as a foe.

When, therefore, the Holy alliance was formed of the foremost European powers, with the exception of Great Britain, the fledgling republic held aloof with some suspicion of its purpose; and, when the alliance threatened to support Spain in maintaining its grasp upon its American colonies, which were fast slipping through her fingers, the occasion for the declaration of the Monroe doctrine arose though the sentiment underlying it had developed long before.

With that declaration the effort of Europe to dominate the world was curtailed. The United States took its place as a world power and the Amer-

ican ideal of government, as distinguished from that of Europe, assumed its sphere of control. A similarly momentous change inevitably will take place in the Orient when China rises to assert her individuality. The world will then be dominated by those spheres of diplomatic influence—European, the American and the Far Eastern. The last undoubtedly being under the influence and guidance of China and Japan. The Monroe doctrine is the political gospel of the Western hemisphere. That of the Far Eastern is yet to be enunciated.

ONE MAN IS KILLED IN A RIOT

Four Others Are Seriously Injured When Strikers Attack Workmen

United Press Service. NEW YORK, July 28.—An unidentified man was killed, three were fatally wounded and one was seriously shot, while a score were beaten in a riot at the sugar trust pier in Brooklyn. A large force of special police were guarding the strike breakers when 800 strikers attacked them.

Another Good Restaurant in good location on Main street, doing large business, and one of the best paying propositions in the city, clearing \$500 to \$400 dollars per month. You will have to act quick. See Geo. H. Rice, with Chilcote, office adjoining American hotel. Phone 691.

PLASTERING

If you want the right man at the right time and at the right price get THOMAS to do your plastering. All work guaranteed to be first class. Res.: Mills Addition. Phone AX1

BICYCLES

For an up-to-date wheel get a Rambler, on sale at The Gun Store. Tents and Guns for sale or for rent. We carry a full line of Sporting Goods

THE GUN STORE J. R. CHAMBERS Phone 688 Jacobs Bldg.

The Prestige You Gain By having an account in such an institution as the FIRST TRUST & SAVINGS BANK can never be overestimated. Not only does it facilitate your business, but the additional power enjoyed in a social way is something to be reckoned with. Small accounts are made just as welcome as large ones—and a conservative and experienced directorate is ready at all times to advise you on matters financial. First Trust and Savings Bank KLAMATH FALLS, ORE.

They Reach the People The Evening Herald and the Klamath Republican are the only papers in Klamath County reaching the people. They have the circulation—just what the business man who advertises wants. The readers of these papers buy their goods at home, and if you want to sell to them you should advertise in the Evening Herald and the Klamath Republican.

Home Realty Co. "THE FARM SPECIALISTS" Phone 811 525 Main St., near 6th H. RABBS WM. WAGNER FARM LANDS AND STOCK RANCHES No. 1—154 acres; very near 1 mile Lost River front; A new house; partly cleared and in crop; nothing finer in the country. FARM LANDS AND STOCK RANCHES No. 1—160 acres 3 miles southeast of Midland; 25 acres in sagebrush, 35 acres under ditch, 85 acres in cultivation. Produced 21 bushels of wheat to the acre last year. Terms: Per acre... \$20.00 No. 2—160-acre homestead relinquishment, 17 miles out; good house, large barn, windmill; 25 acres in potatoes; good team. All for... \$1,000.00 No. 3—160 acres 8 miles from Klamath Falls; 100 acres in crop; 3-room house, good barn and out-buildings; 1/2 mile from school and 2 miles from church; 4 miles from Midland. With crop, \$55 per acre; without crop, per acre... \$45.00 No. 4—160 acres in Poo Valley, 20 miles from Klamath Falls, 1 1/2 miles from school; small house and barn; 66 acres cleared. Terms: \$1000 cash, balance 8 per cent. Per acre... \$15.00 No. 5—80 acres with 45 rods of Kwanina Lake water front; 30 acres of reclaimed Tule land; 25 acres under Government system; small house and barn; good well. Terms: Per acre... \$20.00 No. 6—392 acres, 117 acres meadow, 50 acres tillable and 125 acres timber; 8 miles from Klamath Falls; house 5 rooms, large barn; fine stock proposition. Terms: \$3,000 cash, balance 5 per cent... \$5,000.00 No. 7—160 acres, 4 1/2 miles from Klamath Falls and 2 miles from Midland; 90 acres in cultivation; small house and barn; good well; all fenced; 116 acres under government canal. Price, \$25 per acre, terms: Per acre... \$20.00 No. 8—160 acres, sagebrush; 60 acres under the ditch; corner of county road; close to school house; 7 miles from city; terms: Per acre... \$27.50 No. 9—320 acres, all under the ditch; 8 miles out; all in sagebrush; fine soil; main county road; with machinery; with stock, per acre... \$40.00 No. 10—160 acres near Merrill; over 100 acres under the ditch; house, barn, well, fenced; in crop; terms: Per acre... \$20.00 No. 11—320 acres, 175 under cultivation; all above ditch, all under fence; 3 1/2 miles from Klamath Falls; 4-room house, large barn, 3 wells. Terms: \$2,000 cash, balance 7 per cent. Per acre... \$20.00 No. 12—160 acres; 7 miles from Klamath Falls, on Lakeview road; 3 miles from Olene, good house and barn; place was homesteaded 20 years ago; well improved in every respect. Per acre... \$27.50 No. 13—168.72 acres, all in sagebrush except about 10 acres in pine timber; 120 acres fenced, sub-irrigation; 12 miles from Klamath Falls and 2 miles from Olene. Terms: Per acre... \$25.00 No. 14—80 acres 9 miles from Klamath Falls, all under ditch and in cultivation; well improved; good house, good barn, windmill, etc. Exceptionally good property. Terms: Per acre... \$70.00 No. 15—80 acres on Lost River, 12 miles from Klamath Falls; 60 acres under ditch; all cleared and in cultivation; under fence. No better soil in Klamath basin. Terms: \$1,500 cash, balance 8 per cent. Per acre... \$50.00 The above is only a partial list of the many farms and ranches we have for sale. If it is good, we have it. A HOME OR AN INVESTMENT New, modern, 4-room, pantry, closet, bathroom; plumbed complete, tub, toilet, lavatory; hot water in kitchen; plastered; three coats of paint; perfect interior finish; double floor; fine location; splendid view. Nothing better in the city for quality or price. Terms or cash... \$2,500 CITY PROPERTY IMPROVED No. 1—Six large lots, fine new house, new barn; two large new hen houses, fruit trees, modern improvements, all for little more than cost of building; Fairview Addition... \$2,500.00 No. 2—Lot 60x50 in Fairview Addition; new 3-room house, city water. Terms... \$700.00 No. 3—6-room house in Nichols Addition; large lot; good location. A splendid investment. Terms... \$1,500.00 No. 4—Pine 5-room bungalow on Pine Street; new and modern in every respect. One of the best buys in city. Terms... \$2,500.00 No. 5—25 feet on Main Street; frame building, rented for \$50 per month. Terms... \$4,000.00 No. 10—6-room house on California Avenue; Excellent home; house new and on car line. Terms... \$1,000.00 If you do not see it on this list, ask about it. We have it. HOME REALTY CO. Auctioneers—Get Our Term "THE RED FRONT" DON J. ZUMWALT, President Abstracting E. M. BURN, Vice-Pres. and Treas. Maps, Plans, Blue Prints, Etc. Klamath County Abstract Co. Surveyors and Irrigation Engineers HENRY S. WITZDORF, Secretary Klamath Falls, Oregon