

THE REASON WHY--

You should order that new suit at the
Scotch Woolen Mills Store now.

BECAUSE--

You get an extra pair of pants FREE. A pair of pants is just one-third the value for the full suit but in reality doubles the wearing life of the suit. Practically giving you two suits for the price of one. Order now while you can get this extraordinary value.

SCOTCH WOOLEN MILLS STORE
426 State Street Salem, Ore.

LOOKING FORWARD SHOULD BE NATION'S 1919 SLOGAN

Henry Clews Reviews Financial Past And Forecasts Future Outlook.

New York, Dec. 28, 1918.

Looking forward and not backward should be the slogan for 1919. Today the world is facing new problems of the most perplexing character ever created, and in their solution the experiences of the past are of little value. For the next twelve months the most absorbing questions will be those relating to demobilization and reconstruction at home and abroad. The return of our army is already being conducted upon a liberal scale, and our fleet is again in home waters, both branches of the service having completed glorious and victorious errands.

The year closes with Central Europe in a state of intense ferment, equal to any that existed when war was at its height. Russia is still wallowing in a state of chaotic insanity, and no one can tell whether or where the end will be, though everyone is familiar with Russian characteristics. Believers she will emerge from the fire a purer and stronger nation. Germany seems to have started herself against the shock following collapse of the Hohenzollern dynasty. Revolution is working a drastic cure there also; but as such chaos exists in no other central power, for Germany is essentially an orderly and thinking nation, and there is hope for the establishment of some stable form of democratic government, possibly in the federation of a series of semi-independent states. As for Austria, the Balkans and Turkey, the outlook is still dark and uncertain, though the peace conference is likely to take up these problems as far as practicable upon the lines of race, nationality and self-determination.

Years will be required for the recovery of these nations and many generations must pass before the bitterness and hatred fanned by German brutality can be forgotten. If there is one great lesson to be learned from this

terrible conflict, it is that it matters much what sort of ideals a nation stands for. Ever since the reign of Frederick the Great Germany has increasingly worshipped two ideals—force and self; and if all the complex forces which brought on this catastrophe be followed to the last analysis, these two primitive human instincts will be found to have been the main incentive. Happily the three great nations that brought Germany to her knees fought to crush these instincts, which so cruelly manifested themselves in relentless militarism and rampant ambition. History shows no great international struggle where the issues were so clearly moral as in the one just ended; and it assuredly promises well for the future of the world that America, Britain and France were a unit in the war for freedom, equality and fraternity. This is a trinity of nations and ideals that can be trusted to make the world free and safe for democracy.

One of the most impressive results of the war is our changed attitude internationally; a change which has not yet been fully appreciated. But take it as we may, we are no longer a reclusive among nations, for we have stepped out boldly into the European arena, spending blood and treasure lavishly in proof of our determination to uphold great national ideals. Quite unexpectedly we developed great power in world politics, largely because of our disinterested position; and it may be taken for granted that we will neither relinquish that power nor shrink its obligations. Our president has set forth certain ideals, intended for the good of mankind as much as for ourselves. Difficult as they may be of realization, they correctly represent the views of the American people, and form one of the most precious contributions of the war toward establishing the future peace of the world. Mr. Wilson will certainly have the approval of the majority of patriotic Americans in his efforts toward establishing a League of nations; and even should he not entirely succeed in his high project, he will at least have set for a living ideal which time and common sense may eventually turn into a practical reality.

The war quickly changed this country from a debtor nation to next the chief creditor nation of the world; stimulating our foreign trade to such a degree that in less than five years our exports increased 150 per cent and our imports 50 per cent. In even less time than that we absorbed, net, \$3,000,000,000 in securities, and have also loaned to our allies about \$10,000,000,000 net. Our national wealth is estimated to have increased about 4 per cent; our bank deposits about 50 per cent and our bank clearings nearly 90 per cent. As a maritime power we have leaped almost from the bottom to a good second, having 3,000,000 tons already completed and 13,000,000 tons projected. In spite of the diversion of our economic energies and the consequent dislocation of labor, we produced more than half the world's supply of copper and oil. Of steel and cotton we already produce vastly more than any other nation. We raised larger quantities of grain and cattle than ever in our history, and Mr. Hoover has told us that we must send not less than 20,000,000 tons of food this year to starving Europe, which can safely be done without causing any scarcity at home. In truth, the United States has found itself internationally.

In foreign trade we are sure of great development. Immense quantities of commodities, crude products and building materials will be wanted in Europe for reconstruction, France and Germany can supply but little. Britain is already well prepared, and is making a prompt start; but much of her greatly revitalized energy will be consumed in the new development of her own empire. The United States, with therefore, come in for a liberal share of this new demand. We, too, are making ambitious plans for trade development in South America and the Far East, and many new opportunities will be opened by this great war. Several of our great banking institutions are alive to the future, and American branch banks are opening all over the world. Under the Webb law, designed to permit combinations of exporters, very extensive preparations are being made, and many large industrial corporations have joined these organizations. Small concerns have equal opportunity with the larger under the Webb law, which was also intended to avoid possible conflict with the Sherman Anti-trust law. During 1919 we may look for a large expansion of exports and a very considerable growth of imports, although the latter, under present conditions cannot be expected to keep pace with the former, and we shall continue to be a leading creditor nation. The only means by which these debts can be settled and by which foreign countries can buy our products is for a liberal granting of credit on our part, also a much wider investment of American capital in foreign enterprises. This is a new but necessary departure, one that will ultimately lead to an increase of national prosperity and peace. When war borrowing is ended we will be in a position to grant these credits freely, having large gold supplies and a growing income from our foreign holdings, the proceeds of which to a very considerable extent can be profitably employed abroad.

Though we have suffered less and spent less than some of our allies on the war, its effects have in some respects been almost as marked as there. Great social and political changes are inevitable. Some of them have already occurred, and others will follow. Even now we are unconsciously in a quiet and orderly revolution. Extraordinary incursions have been made by the government into business. Many new functions were projected, and official activities were tremendously expanded into entirely new fields. Not a few of these activities are sure to remain, despite demobilization; and whether government ownership of public utilities expands or not, it is certain that government participation in industry is



"HOBEBY" BAKER DIES IN FALL OF AIRPLANE—Captain Hobart A. Baker, a famous Princeton athlete, known to the college days as "Hobey", an aviator in the army in France, was killed in the fall of his airplane. He was a famous football player, having been captain of the Princeton team in 1913. He led the college hockey team and there was not a skater in the American college who could match him.

THE WAY TO USE VAPORUB FOR SPANISH INFLUENZA

The Influenza Germs Attack The Lining Of The Air Passages. When VapoRub Is Applied Over Throat And Chest, The Medicated Vapors Inhaled Loosen The Phlegm, Open The Air Passages And Stimulate The Mucous Membrane To Throw Off The Germs.

Most authorities now agree that what we call Spanish influenza is simply the old fashioned grip, which was epidemic here in 1889-90. The influenza germs enter through the nose and mouth and attack the lining of the air passages—nose, throat and bronchial tubes.

There is no cure or specific for this disease, but nature will throw off the attack, if only you conserve your strength. A competent physician should always be called. The use of VapoRub does not interfere with any internal treatment and it is now being used by broadminded physicians everywhere, in order to stimulate the lining of the air passages to throw off the grip germs, to aid in loosening the phlegm and keeping the air passages open, thus making the breathing easier. Hot, wet towels should be applied over the throat, chest and back between the shoulder blades to open the pores. Then VapoRub should be rubbed in over the parts until the skin is red, spread on thickly and covered with two thicknesses of hot flannel cloths. Leave the clothing loose around the neck, as the heat of the body liberates the ingredients in the form of vapors. These vapors, inhaled with each breath, carry the medication directly to the parts affected. At the same time, VapoRub is absorbed through and stimulates the skin, attracting the blood to the surface, and thus aids in relieving the congestion within.

HOW TO AVOID THE DISEASE
Evidence seems to prove that Spanish influenza is a germ disease, spread

principally by human contact, chiefly through coughing, sneezing or spitting. So avoid persons having colds—wash means avoiding crowds—common drink cups, roller towels, etc. Keep up your bodily strength by plenty of exercise in the open air, and good food.

KEEP FREE FROM COLDS
Above all, avoid colds, as colds irritate the lining of the air passages and render them much better breeding places for the germs.
Use Vick's VapoRub at the very first sign of a cold. For a head cold, melt a little VapoRub in a spoon and inhale the vapors, or better still, use VapoRub in a benzoin steam kettle. If this is not available, use an ordinary teakettle. Fill half full of boiling water, put in half a teaspoon of VapoRub from time to time—keep the kettle just slowly boiling and inhale the steam arising.

NOTE—Vick's VapoRub is the discovery of a North Carolina druggist, who found how to combine, in salve form, Menthol and Camphor with such volatile oils as Eucalyptus, Thyme, Cubeb, etc., so that when the salve is applied to the body heat, these ingredients are liberated in the form of vapors. VapoRub can be had in three sizes at all druggists. While comparatively new in certain parts of the north, it is the standard home remedy in the south and west for all forms of cold troubles—over six million jars were sold last year. VapoRub is particularly recommended for children's croup or colds, as it is externally applied and can, therefore, be used freely and often without the slightest harmful effects.

very lightly or escaped altogether. There is also much concern over the tendency of the government to absorb the railroads, shipping, telegraph and other utilities, which too effectually throttles enterprise in those directions. Public opinion does not yet warrant any such move and these tendencies at Washington are likely to arouse much opposition.

The future of our railroads is still uncertain. No experienced judge believes they can possibly be run as well under government ownership as under private ownership. Besides, public opinion as a whole is decidedly against such a remedy, which is only wanted by a noisy minority. If satisfactory regulations can be put into effect, the call for public ownership would have no justification. Meanwhile the roads should be returned to their owners as soon as consistent with safety, and in strict accordance with the promise made when taken over by the government.

The labor outlook has caused much uneasiness, the unsettled mood induced by high costs of living, war wages being the chief cause. Probably the situation will clear itself. There is every likelihood of plenty of employment at good wages, and a shortage of labor will be greatly relieved by return of men from the front. Employers, recognizing the situation, are generally willing to make reasonable concessions. The movement to reach a better understanding on both sides through discussion, getting together, considering the other point of view, and bearing in mind the humanitarian of the situation also promises to aid the solution of an otherwise threatening situation. Certainly if a fair and friendly spirit can be established between capital and labor, including recognition of their common interest and co-operation to such ends, there will be no serious trouble.

Among the difficult questions ahead is that of shipping. We have built enormous tonnage; and though the war is over the present schedule when built will give us a fleet of about 16,000,000 tons of government owned ships. What to do with them when finished is a vexed problem. The have been built at

extraordinary cost, from two to three times that of equal ships in Europe, and the government could not sell them except at a heavy loss. As about two and a half billions have been appropriated for this purpose, it will be seen the loss must be heavy. If the ships be chartered to American concerns, too, latter will be handicapped by heavy costs of operating under the American flag. It is proposed, therefore, to compensate the American owner by adequate subsidies, which, however, would only aggravate the already excessive burdens of the taxpayer, who must then pay for the losses of operation after supplying funds for building. That is anything but good business for either the government or the people.

For business men the outlook is promising, though confused by the many uncertainties referred to. Monetary restraints will have to be curiously considered, since there is an unusual degree of inflation in both financial and commercial affairs. Commodities are upon a hazardously high level, owing to worldwide scarcity and high costs of production, and some recessions must be expected. Should the declines come gradually, the result will be stimulating to business by aiding a partial return to more normal conditions. In the agricultural regions there is much prosperity resulting from prevailing high prices and in manufacturing districts the same is true, owing to high wages. In consequence there should be a wide distribution of all the ordinary necessities. What is most needed is a strict conservation in all important business ventures, also a wide economy among the public at large. If these simple safeguards are carefully followed for the coming year, the effect will be to strengthen confidence and pave the way for a safe and certain recovery.

HENRY CLEWS.

R. D. Allen and W. B. Campbell, giving Spokane as their home town, were arrested at Aberdeen for burglary. Or their persons were found hundreds of dollars in currency and a stack of liberty bonds.



ECONOMY

The watchword of a nation — there's real economy in every package of that delicious, strength-building food—
Grape-Nuts

"THERE'S A REASON"

An Economical, Delightful, Light Place to Trade

Matchless Economy Event Our First Big Clearance Sale

There never was a more successful sale. It is successful because it offers genuine bargains in wanted, seasonable, high class merchandise at greatly reduced prices. Our customers realize the importance of this sale and they have not been slow to take advantage of it. Stocks are complete. There are plenty of good bargains left for all. Everything in the store is reduced. Come and get your share.

BLANKETS

Regular \$10 and \$11	sale price	\$7.95
Reg. \$7.95, sale price	\$6.25	
Reg. \$7.45, sale price	\$5.75	
Reg. \$6.95, sale price	\$5.50	
Reg. \$6.50, sale price	\$4.95	
Reg. \$5.00, sale price	\$3.75	
Reg. \$4.50, sale price	\$3.25	



LADIES' APPAREL

One lot Serge Tailored, Satin lined suits, reg. \$45, sale	\$25.00
Sammy cloth suits, \$32.50	
sale price	\$16.50
Oxford satin lined suits, \$49.50,	
sale price	\$28.50
\$75.00 Coats, sale price	\$39.50
\$60.00 Coats, sale price	\$35.00
\$40.00 Coats, sale price	\$27.50
\$35.00 Coats, sale price	\$22.50
\$25.00 Coats, sale price	\$12.50

Ladies' Dress Skirts, one special lot silks, satins and wool, value \$7.50 to \$8, sale price \$5.95

LADIES' WAISTS AND BLOUSES

Silk, Crepe de Chine and Georgette

One lot, extra special, \$7.50 Georgette, beaded front	\$4.95
\$10.00 and \$12.00 waists, sale price	\$7.75
\$9.50 Waists, sale price	\$7.25
\$8.95 Waists, sale price	\$6.95
\$7.50 Waists, sale price	\$5.95
\$5.95 Waists, sale price	\$4.95
\$5.50 Waists, sale price	\$3.95

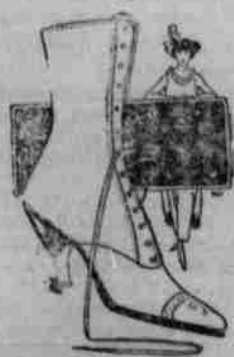
SHOES

Short Lots

We sell all the short lots of fancy shoes in black, brown and gray, irrespective of their former value \$5.00

These shoes are regular \$6.00 to \$8.50 values.

A nice black kid lace boot, Louis heel, regular \$5, now \$2.95



One lot of shoes in broken sizes, black, kid and patent \$1.95

Misses' and Children's Shoes will be displayed on the tables at following prices:

Sizes 5 to 8	\$1.65-\$1.95
Sizes 8 to 11	\$1.95
Sizes 11 to 2	\$1.95-\$2.50
Sizes 2 to 6	\$2.95-\$3.95

416 State Street

Kafoury Bros
THE STORE FOR THE PEOPLE

416 State Street