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THE DAILY CAPITAL JOURNAL

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OUTLOOK FOR FARMERS.

American farmers are being envied in some quarters because of the nice, fat profit they are supposed to have made on their wheat last year, and still more on the profit they are expected to make next year. The government price guarantee, intended merely as a necessary stimulus to production, happens to insure the farmer a liberal bonus or subsidy over and above the anticipated market price.

Nobody need jump onto the farmer for this, or onto anybody else for that matter. It is one of the fortunes of war.

So far as the producers are concerned, though they will benefit considerably, their profit will not be as great by any means as some frenzied calculators have estimated. They may make \$200,000,000 or \$300,000,000 more than they would make next year, without the government guarantee, in an open market. Who will say that they do not deserve this luck, because of the zeal with which they plunged into their task of feeding the world?

Let surly critics remember, too, that if the war had continued for another year, their wheat would easily have been worth \$2.26 a bushel. If they are now profiting from early peace, their good fortune is only part of our universal good fortune.

The additional year of war would have cost \$20,000,000,000 or more. Out of that we can easily spare the farmers' bonus.

So far as we can make out the Bolshevik doctrine, it is that every head with brains in it should be amputated, and every man with executive ability should be bossed by a man without it, and all private accumulations of wealth in excess of 30 cents should be confiscated by the government and used to finance Bolshevik propaganda in other countries.

The aero club of America has decided to equip an expedition for airplane exploration of the North Pole, expecting to accomplish in one season what would take years of effort by any other method. Why not send that expedition to the ice companies instead? Here is a branch of the polar regions long in need of investigation.

"Our great men died too young," says a life-conservationist. But they live a lot of real life before they quit, while the commonplace octogenarian simply vegetates. Life is not reckoned by years.

RIPPLING RHYMES

By Walt Mason

NO WAR GARDEN.

No man can say, this year, I wot, I'm bound to have a garden plot. No man can stop me on the street, and call me traitor and repeat, because I do not raise some peas, some cabbageheads, and things like these. Our precious boons are back again, and we are free, unfettered men, and we can raise string beans, by jing, or we can do the other thing. I'll fuss around with spuds no more; I'll buy my green goods at the store. And when the vernal zephyrs blow, I will not ply a rusty hoe, or scratch the planet with a rake, or dig until my vitals ache. And on the long, long summer eves, beneath umbrageous boughs and leaves, I'll sit and read the baseball score, and weed the turnips nevermore. The worst of war is this, methinks: There are too many busy ginks who call you slacker if you slight the things that they insist are right. They're keeping tab the hour you rise; they watch all day with jealous eyes; and if you fail to raise some spuds, or if you wear some new-laid duds, or if you don't invest your mon the way those ginks themselves have done, scorns' finger at your door they point, and cry "Avaunt!" and eke "Aroint!" Now we've regained our liberties, and we can do as we dern please, and no cheap skate with visage sour can call us slackers by the hour.

THE CHILDREN'S SUCCESS.

Hoover says that Europe needs every pound of pork we can send across. That means that farmers and stock raisers should keep up the good work commenced under the stress of war emergencies, and raise more hogs.

Due credit should be given for the valuable work already done along this line by boys and girls all over the country, who as the members of pig clubs, have been increasing the pork supply. In the state of Vermont alone 1291 boys and girls were enrolled in such clubs. Regarding Oregon, if official figures on this point have been given out, we do not have them at hand; perhaps our own showing was as good. From reports made to school superintendents the Extension Service of the University of Vermont has learned that those children raised and marketed 2000 hogs. The porkers averaged 200 pounds live weight and were valued at \$17.50 per hundred pounds.

Four hundred thousand pounds may be a small amount compared with the millions of pounds talked of in the food reports. In fact, it is no inconsiderable amount. When the work of these Vermont pig clubs is added to the work of the clubs in all the other states, the value of the children's efforts assumes astonishing importance. Quite aside from last year's total pork production, too, there were learned agricultural, economic and business lessons that will never be forgotten by the youthful pig growers.

The position of President Wilson's newspaper critics is insincere and dishonest. They are assaulting him because the sessions of the peace conference are likely to be closed to the public--and it was mainly to secure a public conference, "open-air diplomacy", that the president went to Europe. With the co-operation of the newspapers of this country, indicating solid American sentiment behind him, he might win even yet.

If France wants to annex more territory than Alsace-Lorraine we may yet be sorry that our boys fought and died in her behalf. We want no blood-stains of conquest upon our flag and our peace conference delegation should stand firmly on that principle.

The German military idea has reached the stage where its advocates are potting each other while the world looks on. Always the empire founded on conquest disintegrates in revolution.

The legislator only gets three dollars a day, but he puts in as little time on the job and acts almost as important as the ten-dollar shipyard worker.

German efficiency as applied to Bolshevik agitators cannot be too highly commended. Dead Bolsheviks can cause trouble for no one except the devil.

If the influenza survives this downpour of warm rain then we will lose some of our faith in the healthfulness of the Oregon climate.

One thing has happened that prohibitionists never claimed for a "dry" nation. The price of hops has gone sky-high.

Seattle shipyard workers are striking for more pay and shorter working day. Those fellows are worse pests than the "Flu."

Salem's influenza condition is not so bad as that of some other places not half so widely advertised on account of it.

They are playing baseball all over Gatamala. Who says the pan-American idea is visionary?

It's all right to have a day of prayer, but--don't relax the quarantine.

THE WIFE

By Jane Phelps

RUTH TELLS BRIAN SHE IS GOING BACK TO WORK CHAPTER CXL

Strangely, during all this time neither Ruth nor Brian had discussed her working, neither had business affairs been mentioned. Ruth had not given up her plan of furnishing the office she had looked at for Brian, but she was still in no condition to work, perhaps would not be for several weeks. So while she still had the refusal of the place, she would surprise him when he was able to work.

had been acutely conscious of it. Then: "You didn't expect me to be idle all ways, did you? You do not need me now; my work certainly must have suffered while I have been away. Don't look like that, Brian! You know I was going back, didn't you?" "I hadn't thought about it," the answer was slowly spoken. "I thought--because your aunt?" "You imagined I had given up my position because aunt was here? Why Brian, I wouldn't have done that. You see I have been planning great things. She hasn't let me spend hardly any money for the house, and I have saved a lot. And?" "I have also saved some, Ruth. You would take none of my pay and I have saved a good half of it. I thought?" "You didn't think we could live on what you earned, did you?" "Ruth didn't mean to be cruel. The question had slipped out unthinkingly. But Brian winced. "I don't blame you for thinking I can't support you, Ruth. But perhaps?" "It isn't only that, Brian. I am so much happier working." Ruth saw she had distressed him by her question and hastened to make amends. "I know I never made you very happy, Ruth, but I told Mollie before I left that I was going to, after I got home. That I was coming back to husband for you and the kid." So he had talked his plans over with Mollie King! That was the one thing that had impressed Ruth. Mollie's name was mentioned only once or twice since she had returned--

RETURN OF RAILROADS TO PRIVATE OWNERSHIP IS DOMINATING FINANCES

New York, Jan. 15.—The dominating question in financial circles at the moment is the railroad situation. Shall the railroads be returned to their owners; if so, under what conditions? The Association of Railway Executives, representing about 95 per cent of the railroads, has put out a solution of the problem that should receive careful consideration. Its main features are private ownership under government control; the establishment of a Department of Transportation under direction of the Secretary of Transportation; the maintenance of the Interstate Commerce Commission as a quasi judicial or advisory body; the transfer of all administrative powers from that body to the Department of Transportation; the roads to have right to initiate rates subject to Government approval; the issue of securities to be regulated by the Government, and the Sherman law to be modified. These are all perfectly just measures, and would save the roads from the policy of starvation which prevailed under rule of the Interstate Commerce Commission. It is to be hoped these suggestions will receive the endorsement of public opinion. Public ownership of railroads is a vastly different matter in the United States, with its immense territory and mileage, and peculiar political conditions, to what it is in Great Britain, Germany or France, with their compact territory and different political methods. Government ownership would be a doubtful road to efficiency; and, granting the past misdeeds of private management which will not be repeated, the best solution is that of private ownership combined with government regulation. Certainly no such radical step as public ownership can be justified, until the other alternative has been tried; and the country has enough serious problems on hand without complicating them by imposing upon an already overburdened government such an experiment in transportation.

Next to the railroad question, the demobilization of industry is the most potent influence. Satisfactory progress is being made, although more or less confusion exists. This must be expected, and is only temporary. Thus far most of the labor released by reason of demobilization has found ready employment. Of late, however, there have been signs of the supply exceeding the demand, usually owing to the difficulty of bringing men and jobs together. The labor situation, however, is still acute, as demonstrated by the harbor strike this week in New York. The business outlook is affected materially by innumerable uncertainties arising from the war. Prices are a subject of considerable concern; the tendency of many commodities being distinctly downward in spite of denials. As stated before in these articles, there is no scarcity of staple products, save in exceptional instances, and not infrequently these are ample supplies. In some cases demand has diminished because of cessation in war orders; in other cases because of lessened consumption following high prices. There is no doubt but that deflation in commodities has already started which is necessary as a matter of safety; and if prices could only be reduced to a gradually lower level, there is no doubt that business and enterprise would revive under a stimulus so natural and sound. In all probability we may have to endure a period of quiet while the process is going on; but intrinsic conditions are sound, especially among the agriculturists and wage earners, and recovery seems to be confidently expected when spring arrives and construction becomes possible.

The monetary situation, arising from war finance is an added feature of restraint. Preparations are already in order for the next loan of billions more, which the government is even now discounting by selling short time treasury notes. The latest estimate is that the loan may be \$6,000,000,000, but it is hoped a less sum will be ample as it is unnecessary to say that such a tremendous drain upon the nation's savings now is a heavy handicap upon business.

On the Stock Exchange business has been much restricted by the many uncertainties referred to. Investors are cautious and speculative operations are also strictly limited. January disbursements failed to have the usual stimulating effect. There is the absence of usual January offerings; the exception an issue of \$65,000,000 telephone bonds on about a 6 per cent basis. The offer is an attractive one and will prove a good test of the investment situation. Government bonds, both Liberty and foreign issues, ruled staidly, recovering some of the December decline.

There is little capital available for the many long deferred enterprises, that if started would give abundant employment to all; and it is unfortunate that the government does not make more serious efforts in the direction of right economy, instead of ship building and other outlays that can reasonably be postponed. Very soon the peace congress in Europe will get down to actual work, and all progress in this direction will be encouraging. The wretched state of anarchy in Russia and Germany is naturally unsettling, and the end is by no means in sight. Such disorder is greatly intensified by scarcity of food; and we must send liberal supplies of food where most needed, thus serving both humanity and the cause of peace. Congress should grant the president the \$100,000,000 he asks; this being one of the most effective forms of relief. The outlook for foreign trade under such conditions is not entirely satisfactory, and we may have to wait for the expected development of our export trade. Europeans are too impoverished to buy, and have little to sell. Yet they are sorely in need; and we can do no better for them or for ourselves than supplying their immediate needs.

The monetary situation is satisfactory in some respects; that is bankers have the situation well in hand and are doing their best to prevent dangerous inflation. The tendency, if any, is toward deflation, and commercial paper rates are slightly easier in some sections of the country. The loan market at this center is, however, still under artificial regulation; and such restraint often works unjustly, if not detrimentally. The new revenue law continues to be a source of much concern. Congress shows no haste to pass the present oppressive measure, which makes destructive inroads upon profits, whence the nation's new capital must be derived. Many industrials are showing the effect of such drastic taxation by reduced dividends, and others are reducing dividends because of increasing costs of production. How the government is going to raise the money with this impairment of taxable resources is a puzzle for experts.

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HENRY CLEWS

Rather Broad Market For Saturday Half Day

New York, Jan. 18.—The New York Evening Sun financial review today says:

Apparently the raiding tactics resorted to yesterday by the bears bore good fruit to embolden them to try again today. As before the operators engaged in this pastime flitted from stock to stock. The result was a rather broad market for a Saturday half holiday. Prices opened steady but the decline set in without much loss of time and a fraction in the standard issues to one and two points or so in the specialties which were singled out for attack. Pressure continued in the second hour without abatement and in some cases losses were extended. This involved the rails as well as the industrials with especial weakness in Reading, St. Paul preferred and Texas and Pacific. Some took the view that the bears were seizing the last opportunity and that this indicated an improvement in sentiment was in sight.

South Dakota To Test Out State Ownership

Bismarck, N. D., Jan. 18.—State ownership faced its first great test in America here today. Seven amendments to the state constitution providing state-owned banks, flour mills, elevators, mines and other industries, awaited only governor Francis' signature to become a law. Besides state-ownership, the amendments include initiative, referendum, tax reforms and quick action on constitutional amendments. Rail insurance will also be provided. Non Partisan League leaders who promulgated the amendments said the plan is to institute only the state ownership program this year.

The amendments are: 1.—Initiative and referendum. 2.—Limiting emergency measures and making them effective on signature of the governor. 3.—Direct action on constitutional amendments. 4.—Fixing status of taxable property by legislature. 5.—Rail insurance by land tax. 6.—Limiting state bonded indebtedness for industrial enterprises to \$10,000,000. 7.—State ownership. The body of John Nelson of Chinook, Wash., was found in the Columbia a short distance below that place Tuesday evening.

OPEN DIPLOMACY IS DEMANDED BY SENATORS

Members Of Committee On Packers Hearing Believed This Was Necessary.

Washington, Jan. 18.—"Open diplomacy" in the government here as well as the peace conference was demanded by senators at the packers hearing here today.

Members of the senate agricultural committee and Francis J. Henry, appearing as a witness, attacked Food Administrator Hoover for holding secret conferences with packers to fix meat prices.

Members of the senate committee believed the situation called for action. Kenyon, Norris and Gronna are especially anxious that effective legislation be put through at this session. Conferences are being held daily over suggestions for control of the packing industry and stockyards.

"Regulation by the food administration did not amount to anything so far as regulating packers' profits is concerned," Stuart Chase, federal trade commission investigator, said at the hearing. Armour's profits before the war averaged 6.5 per cent, but from 1915 to 1917 they averaged 16.7 per cent, figures compiled by the federal trade commission indicated.

Prewar Profits Swift's pre-war profits were around 8.0 per cent, while during the war they jumped to 24.5 per cent. Morris' pre-war profits of 7.2 per cent doubled after 1914.

Henry related how Hoover called conferences with Swift and company and other packers.

Senator France, Maryland, suggested that packers "can come down to executive departments and shut themselves behind closed doors."

"And get what they want," interrupted Senator Gore, Oklahoma.

"It is not the way to conduct the government," France added.

"It would be perfectly permissible for departments to hold open hearings just as legislative committees do," he explained.

"That Hoover sent for the packers in itself ought not carry condemnation with it," Henry said. "My belief, like the principle President Wilson is contending for, is that the conference should be openly conducted."

Senator France inquired if it was consistent with public policy for executive departments entrusted with price-fixing powers "to go into secret conferences with producers of articles on which prices are to be fixed."

"No, it is not, in my opinion," Henry said. "Several men from Swift and company were here as dollar a year men and drawing \$10,000 from Swift," he continued. "One was in charge of canned goods and another in charge of poultry."

State Lime Board Wants Restrictions Removed

The state lime board will ask the legislature for two favors. One will be that it be permitted to handle its affairs just as any business institution would that had \$30,000 invested and the other that it be given a working capital of \$20,000.

As the situation now stands, the state lime board has a fine working plant and an investment of \$30,000, but no money on which to do business. It is restricted so in its business affairs that as the situation now stands, it is up against it.

In the first place, the board is only permitted to sell for cash in advance. This might be done if the board could sell large consumers or wholesale houses. But its selling is restricted by law to selling in car lots only and then only to farmers.

From past experience, the board has found that farmers do not in general buy in car lots and do not always have the amount of money in advance for a car shipment. Enough farmers who could use in car lots are not available.

Hence to place itself on a basis like any big business, the board will ask of the legislators that it be given a working capital of \$20,000, an amount that it would be able to handle its affairs just as would be done by any large business.

This will include the granting of the privilege to sell to wholesalers, to sell out of the state and to use ordinary business practice in its business affairs.

At the meeting held Friday morning there was present A. B. Cordley, B. G. Leedy, Benton Bowers and Warden Stevens. As warden of the penitentiary Mr. Stevens is a member ex-officio.

Three Thousand Sick And Wounded Return

Newport News, Va., Jan. 18.—Bringing nearly three thousand officers and men, many of them sick and wounded, the transport Huron arrived today from France after being buffeted about in a hundred and twenty mile gale for two days, sometimes careening as much as 31 degrees.

Some of the sick and wounded were thrown from their bunks and their wounds reopened. The Huron was 14 days making the trip.

The Huron had on board 459 sick and wounded; companies I, F and K, Fifth engineers, a medical unit of the same organization, the Second heavy ordnance mobile repair shop, eight casual companies and field hospital 304 of the 10th sanitary train.