

Germany Perfectly Able to Make Reparation Says Clews

New York, July 9.—Signaling the peace treaty aroused very little enthusiasm here, the joy of the occasion having fully exhausted itself at the armistice, while the ceremony at Versailles simply confirmed a long expected event. Germany takes her obligation very seriously. Reparation for damages which Germany had expected the Allies to pay will impose a heavy burden upon her people, but not more than she can pay. A considerable portion of the indemnity will be raised by ships, minerals and other property which by treaty terms she must turn over. Such payments will lessen the amounts to be paid in taxes, treasure or bonds. The Allies have certainly not overlooked the necessity of giving Germany a fair chance to resume work in order to pay off her enormous obligations. Of course, the German people have a series of hard years before them, which are simply just and deserved retribution. But Germany has great resources, and doubtless when passion has subsided and more normal feelings return her people will regain much of their material prosperity. A contrite Germany would hasten such an end more than anything else; and if Germany really wishes to recover her prosperity and re-establish her standing among nations she must make amends cheerfully and cultivate the spirit of friendship in all sincerity rather than the vicious spirit of hate and worship of force which wrought her ruin and wrecked a great empire. Germany deliberately threw a monkey wrench into the world's economic machinery with results infinitely more disastrous to herself than to any of her enemies.

Our Economic Disorders

From a purely economic standpoint, the commercial world, though straightening itself out, is more or less topsy-turvy. Abnormal conditions created by war seem to disappear very slowly; and our business machinery has not yet had time to recover from the confusion created by government control, nor adjust itself to automatic regulation. It will be some time before government control is entirely eliminated either here or abroad. In Europe a large measure of such regulation will be necessary for many months to come; probably until supply catches up with demand, which means much hard work and continued patience. In this country the same holds true, though in a less degree, because we have not felt the pangs of hunger, and much of the government regulation had for its chief end the assistance of our Allies. While these unusual conditions last the law of supply and demand cannot work with its usual and beneficent freedom; for some restraint is needed upon the greed that profits upon the misfortunes of others; and with things as they are the free operation of economic law is unavoidably suspended or made very

irregular. Return to the normal must also wait ratification of the peace treaty, which though signed cannot go into full, practical operation until formally ratified by all the countries concerned. Until our senate ratifies the treaty and President Wilson proclaims peace the United States will be technically at war with Germany, and the trading with the enemy act forbidding commercial intercourse still remains in force; though it is not beyond the range of possibilities that a partial resumption of trade with Germany may be permitted before all technical requirements are complied with.

A Bright Business Outlook

Independence holidays materially interested with business in the financial district, although Stock Exchange transactions passed the million share mark on three days out of the four on which the market was open. Conflicting tendencies, which developed in June still prevail. There is a decidedly strong undercurrent in the market, and some shares scored sharp advances which, however, were not always easy to maintain. On the favorable side of the picture we have a most assuring outlook for business, based chiefly of course, upon our extraordinary agricultural prosperity. We next have the revival consequent upon establishment of peace, the resumption of many pre-war activities, and the urgent necessity of making up lost time and lost work during the war; the latter being conspicuously noticeable in the real estate and building trades, which would break out into a genuine boom if financial limitations did not prevent. Another powerful stimulant is the tremendous expansion in our foreign trade and shipping, concerning which expectations still run very high. Finally we have the element of inflation in nearly every line of business, the power and potentialities of which are not always fully appreciated. Today inflation is a real and very powerful factor in our business life. It has always followed great wars; and this particular cataclysm has been no exception. As everyone knows to his discomfort, commodities have risen continuously, and beyond all reason. Securities alone have lagged behind. Psychology of the public state of mind, has not a little to do with the advance; for while worldwide scarcity has been the main lifting power, the law of supply and demand appears to be temporarily impaired, if not suspended, by a universal breakdown of buyers' opposition to high prices. As long as buyers will pay, sellers will demand; and nothing short of exhausted purchasing power on the part of the public seems likely to stop the present unrestrained upward movement in merchandise. This country is living in a state of exalted prosperity, the end of which is not yet seen; and hard-headed practical business men consider it more advantageous

to go with the floodtide for the time being; keeping a sharp lookout for evidences of the returning ebb.

Limitations of the Money Market

There is one, and perhaps only one, effectual restraint upon the development of dangerous speculation from such extraordinary conditions, and that is the money market. Fortunately its limitations are keenly appreciated by the banking fraternity. Our banking institutions passed through the test of war in splendid form, and their resources have not been impaired despite the enormous load imposed on them by government and other financial operations. The demands upon them will, however, be very heavy for many months to come. The government must continue to be a heavy borrower on short time until our war expenses have been more closely paid. Recently the banks have materially lessened their holdings of government obligations and will be well able to proffer the aid needed in this direction. The most serious problem probably is the financing of our export trade, which has reached such unenviable proportions, and the resulting abnormal volume of exports can only be offset or diminished by encouraging other countries to pay either in goods or securities. Hereafter as a matter of self-protection credit to foreign countries will be granted with increasing precaution; although a liberal policy in this respect is absolutely imperative for the rehabilitation of Europe, in which we are as much interested as Europe itself. America must set aside its provincial habits and recognize that safe and profitable investments are to be found in Europe and elsewhere as well as at home. Another demand forced upon the money market is the legitimate call of domestic trade which is not only large in volume but much swollen by high prices that materially curtail the effectiveness of banking resources. A striking example of what these demands promise to be is found in the statistics of new incorporations, the amount of which reported in the principal states for June was \$1,250,000,000. This is the highest total on record, except in March 1901, when the United States Steel Corporation was formed with a capital of \$1,100,000,000, and the total was \$1,010,000,000. In June a year ago the total was \$127,000,000, and in 1917 \$423,000,000. During the first six months of the current year the total was \$5,700,000,000 against \$1,400,000,000 a year ago. Among the largest charters in June were the du Pont Securities Company \$250,000,000, and the United Retail Stores Corporation \$116,000,000. There are also a number of new oil, shipping and chemical concerns. During the next six months over \$350,000,000 foreign loans placed in the United States will mature, also some important municipal and railroad loans a portion of which will be paid off and the balance refunded.

A Strong Security Market

Despite three days' intermission the Stock Market showed striking strength and much activity. Not a few sharp advances were scored, but profit-taking was frequent and held the advances within reasonable limits for it was

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THE PLAN If you buy any two articles listed at a similar price, we GIVE you a third one of equal value—choice to be made by you—"3 for 2." To illustrate.—Buy any two 25c articles listed here and we will give you your choice of any other 25c article on the list. Buy any two 50c articles and there will be a third 50c article FREE. With a purchase of any two articles, you have the opportunity of selecting a third article at that price, which you may have FREE.

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A strictly first class Tar Shampoo Soap of highest grade. Gives a thick abundant lather and helps keep the hair and scalp in a healthy condition. Once used—always used.

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The talcum for persons of refinement. Made of the highest grade Italian Talc, doubly boiled and delightfully scented with Parma Violets.

A necessity for Midday's dressing table.

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A perfect dentifrice, antiseptic and deodorant. Cleans and whitens the teeth. Comes out flat on the brush.



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Or FREE with a purchase of any other two 25c articles.

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An antiseptic and healing cold cream, specially recommended for chapping and roughness of the skin caused by exposure to sun and wind.

25c

Per jar, or FREE with any other two 25c articles.

FENEWAY'S ASSORTED CHOCOLATES

A luscious surprise awaits you. A full pound box of rich chocolate creams that melt in your mouth. The gift par excellence. One pound 75c and you may select any 25c article on the list free, or buy two pounds at the regular price and we give you one pound FREE.



PERRY'S DRUG STORE THE Rexall STORE

understood that a runaway market would meet with short shift from the money market. The favorable July report on business conditions by the Federal Reserve Board acted as a fresh stimulant; as also did the brighter outlook for railroad traffic, and reports from Washington that an advance in transportation rates was imperative to cover current losses. It is further expected that railroad problems will receive prompt attention from congress after the president's return, if the roads are to be handed back to their owners at the end of the year. The steel trade shows some improvement in activity, which was reflected in market values of the leading issues. In oil shares dealings continue very heavy, and over 123 concerns with authorized capital of \$350,000,000 were incorporated in the principal states during June. This is the largest monthly total on record. It is estimated that the capital of new oil companies this year will approximate fully \$1,000,000,000. Foreign exchange is much unsettled. Sterling again touched a very low level, owing chiefly to the heavy offerings of cotton and produce bills. Imports are increasing somewhat, but not sufficiently to offset the enormous outward movement to supply European necessities. Dealings in kronen have been resumed and those in marks should soon follow. Advances concerning the wheat crop are satisfactory; the harvest has begun, and cars are being rushed westward to bring the product to market. Cotton indicates further deterioration in condition, which, of course, means a smaller crop than expected in May and a corresponding stiffening of values.

HENRY CLEWS.

AMERICA
(Round Robin version)
My party, 'tis of thee,
Round Robin O. O. P.,
Above our land;
Babies Penrose is our pride,
Hi Johnson's our guide,
By Bob La Follette's side
With Lodge they stand.
My R. R. G. O. P.,
Our love and loyalty
We give thee first;
Phil Knox will regulate,
Sherman his horn will toot,
Fighting the league with Root,
Also with Hearst.
Let Bush swell the breeze,
Let Miles Pindexter wheeze
His hymn of hate;
With snarls and jeers and tricks
We'll play our politics
And teach the Bolsheviks
To scorn the state.
Our party's boss, to thee
We humbly bend the knee,
Thy name we greet;
What though our country call,
What though the world shall fall,
We have one purpose, all—
Wilson to beat.
—New York World.

Try Salem First In Buvi
BARGAIN DAY— JULY 12TH
Salem's a Good Place to Trade

Nation's Corn Crop Now 100,000,000 Bushels Over Previous Record Harvest

Washington, July 10.—(United Press)—The corn crop of the United States for 1919 today was estimated at 2,315,000,000 bushels by the department of agriculture. This report sets a record by more than 100,000,000 bushels. The estimate was based on conditions July 1. The crop covers approximately 100,000,000 acres, it was stated. Estimated condition July 1 was 86.7 per cent normal, which was 1 per cent below the crop condition July 1, 1918. The department estimated the condition of winter wheat as 53 below the estimated condition a month ago. Spring wheat is 11.7 below the condition June 1. On this basis, the winter wheat crop was fixed at 830,000,000 bushels, 50,000,000 bushels below the June 1 figure. Spring wheat was estimated to yield 322,000,000 bushels. A yield of 1,403,000,000 bushels was predicted for the 1919 oats crop, averaging 33.1 bushels per acre.

FLEET SAILING SET

Washington, July 11.—The new Pacific fleet will sail from Hampton Roads between 8 and 9 a. m., July 19, Secretary Daniels announced today. It is due at Panama July 25 and at San Diego August 7 or 8. Later it will go to Los Angeles and San Francisco.

MOST HOGS IN IOWA

In number of hogs on farms, Iowa is by far the most distinguished state in this country. The estimate of the bureau of crop estimates for 1919 is 10,925,000 hogs in Iowa, 5,724,000 in Illinois, 4,943,000 in Ohio, 4,250,000 in Indiana, 4,206,000 in Ohio, 4,250,000 in Nebraska, and 3,043,000 in Georgia. Every other state is below 3,000,000. Iowa's hogs are about one-seventh of the nation's total, and nearly double the number of Illinois, the state next below.



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Shoes for all kinds of feet

Bargain Day Prices

HERE'S JUST A FEW OF THEM

Men's Elk Outing bala\$2.69
Others ask you \$2.95
Men's \$8.00 Brennan Oxford, we will sell for\$5.95
Men's \$10.50 Brennan Oxfords, we will sell for\$8.65
Men's \$14.00 Stetson Oxfords, we will sell for\$9.85
Men's \$15.00 Stetson Shoes, we will sell for\$11.85
Men's \$5.50 Work Shoes, we will sell for\$3.85
Men's \$7.00 Army Shoes, we will sell for\$5.45
Boys' \$4.00 Calf Button, Neolin Soles we will sell for\$3.15
Youth's \$3.65, same style, we will sell for\$2.65

Ladies' \$12.50 White Kid Lace, we will sell for\$10.85
Ladies' \$11.50 White Kid Lace, we will sell for\$9.95
Ladies' \$12.00 White Kid Oxford, we will sell for\$8.95
Ladies' \$6.50 White Reigskin Lace, we will sell for\$4.85
Ladies' \$3.50 White Canvas Pumps, we will sell for\$1.95
Big Girls' \$6.00 Brown Calf Oxfords, White Neolin soles, we sell for\$4.45
Misses' \$3.25 White Reigskin Lace, White soles, high top, 11 to 12, we will sell for\$2.60
Child's \$2.75, same style, 8 to 11, we will sell for\$2.20
Misses' \$1.75 White Canvas, 2-strap Pumps, we will sell for\$1.39

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