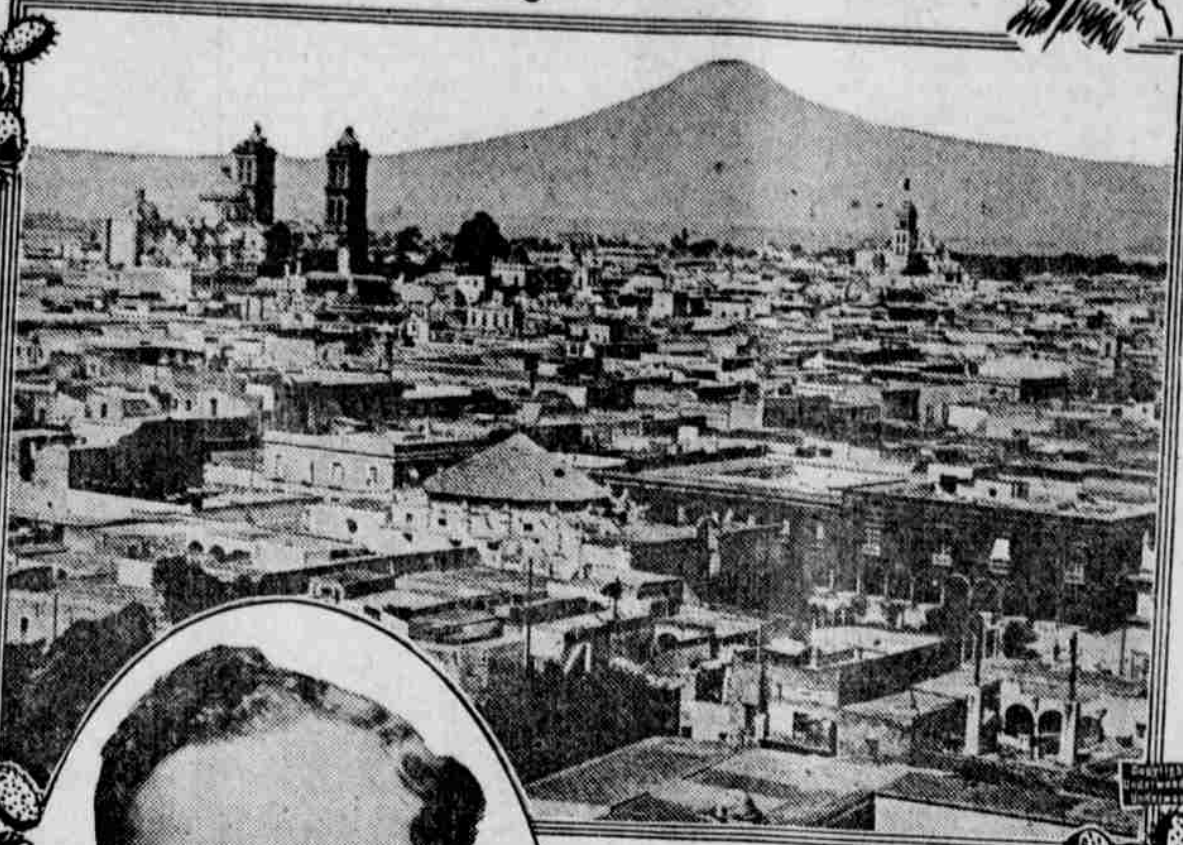


# What Shall be Done With Mexico?



"PANCHO" VILLA



CITY OF MEXICO



PRESIDENT CARRANZA



GEN. FELIPE ANGELES

**W**HAT shall be done with Mexico? Nobody seems to be ready with a complete program, but everybody seems of the opinion that something must be done and done soon.

In this age of the world civilization cannot afford to let a country like Mexico—one of the garden spots and natural storehouses of earth—continue out of the line of march. It must join the procession and must keep up with the procession.

So it is evident, aside from the question of the killing of American and British citizens and other nationals—human life appears to be cheap these days—that financial matters and economic questions will force action by the United States and the allies against Mexico, the outlaw nation.

It is no exaggeration to say that for months no other international problem, not connected with the proceedings at Paris, has been so fully discussed as the Mexican question, and apparently sentiment in this country and abroad is rapidly crystallizing.

The exclusion of Mexico from the League of Nations was based on the ground that Mexico had been unable to give proof of intention to observe international obligations. Mexico has failed to observe these obligations in these ways:

Mexico's neutrality was more than tinged with German bias.

Mexico has made no attempt to meet her foreign debt obligations.

Mexico shows increasing inability to afford protection to the lives and property of foreigners and nationals also.

Mexico has given evidence of a studied and systematic attempt to put through schemes which would result in the confiscation of foreign property, the most glaring example of which is the case of the oil companies, although the express and railway companies' interests are in almost as great danger.

It is no secret in Washington that renewed representations on the Mexican situation are being made to the American government by Great Britain and France. For several months these countries have been urging upon the United States the desirability of putting Mexico on its feet so that it might resume the payment on national and other debts and afford adequate protection to foreign lives and property.

British citizens are holders of a considerable amount of Mexican bonds, both national and railway, while the French have extensive investments in the banks, which it has been charged were looted by the government under the guise of obtaining "loans." Nationals of both countries hold extensive interests in oil properties. Many French citizens of moderate means invested their savings in Mexican bonds, on which they have received no interest for six years.

In short, the Mexican situation has apparently resolved itself into this: The United States will soon be compelled to take Mexico in hand—unless European nations are to be suffered to intervene there in spite of the Monroe doctrine.

In official Washington the prediction is hazarded that the United States will intervene, acting as the mandatory for the League of Nations.

In congress the Mexican situation has ceased to be a partisan question. Senator King of Utah, a Democrat and one of the administration's strongest supporters, introduced the other day a very stiff resolution directing the secretary of state to report in full on Mexican conditions and what the department of state was planning to do in the matter. The resolution was immediately considered and agreed to.

In the house Representative Gould of New York, Republican, introduced a resolution providing for a sweeping investigation of American-Mexican relations and all phases of the Mexican problem since 1910. The investigation would be made by a committee of three senators and three representatives, to be selected by the foreign affairs committees of the two houses. It was stated leaders of both the houses were consulted before the resolution was introduced, and that they are favorable to the inquiry.

Mr. Gould gave figures showing that 300 Americans had been murdered between 1910 and 1916; figures for the three years following being unobtainable.

All of which seems to indicate that President Venustiano Carranza of Mexico is in bad with Uncle Sam and the allies. It seems reasonably certain that he cannot much longer stave off a settlement of the grievances which have been piling up in the United States and various European nations because of the high-handed treatment accorded to foreign interests in the Mexican republic.

Also it appears that either Carranza must come to terms with the United States and the allies, with acceptable guarantees that Mexico will meet

her obligations to these countries, or the revolutionists will shake him from power. In addition to the Villa rising there are not less than ten revolutionary movements in Mexico. There are those who say he would not last two weeks should he be thrown over by the United States.

There is no gainsaying that Carranza is in a tight place, with the League of Nations planning economic pressure from without and a growing pressure from revolutionists from within.

What are the investments of foreign nations in Mexico? No official figures are to be had, with the exception of the estimate prepared in 1910 by Marion Letcher, an American consul in Chihuahua, which is this:

American .....	\$1,057,770,000
British .....	321,302,800
French .....	143,446,000
Various .....	118,535,380
<b>Total .....</b>	<b>\$1,641,054,180</b>

Another estimate, prepared by an American corporation enjoying special facilities, totals nearly the same, but differs widely in the distribution of investments. It is regarded as the best obtainable. It follows:

American .....	\$655,000,000
British .....	670,000,000
French .....	285,000,000
German .....	75,000,000
Spanish, Dutch, etc. ....	190,000,000
<b>Total .....</b>	<b>\$1,875,000,000</b>

These figures are said to include the foreign investment in the national debt of Mexico and the distribution, as far as can be worked out, of the holdings of the securities of all companies operating in Mexico.

The British government is demanding adequate protection for British subjects and property in Mexico, including specifically the oil wells the British government recently has purchased from British corporations, and also is demanding reparation for the destruction of British lives and property.

The French government is making similar demands and in addition insists that Carranza pay the interest on the \$30,000,000 Huerta loan, which was floated in France but which has been repudiated by the present Mexican government.

The \$30,000,000 loan constitutes the difference between the amount of the Mexican external debt, as estimated by T. W. Osterheld at \$173,469,067 and the figures given today by the Mexican government, which are \$143,472,125.

Regarding the internal loan debt of Mexico, the Mexican treasury department says it totals \$69,397,775, with interest to June 30 next amounting to \$17,914,972.92.

The official Mexican figures fail to take into account the entire railroad indebtedness, guaranteed specifically by the Carranza government when the lines were taken over, and which is given as \$290,564,532, United States currency.

Nor do the Mexican figures include obligations other than railroads which the Mexican government has guaranteed and which, therefore, constitute a valid claim against Mexico as a direct external loan. Chief of these is the "Caja de Prestamos" farm loan banks obligations, which, with interest to June 30, equal \$31,506,742.75. Nor does the official Mexican report take into account the "infalible," issue of paper money, of which \$80,000,000 at 10 cents United States currency, remains outstanding, making another \$5,000,000, which the Mexican government upon issuing solemnly pledged itself to redeem, but which it later repudiated and which it will some day be compelled to pay.

Nor does the official Mexican report take into account the \$20,000,000 which the Carranza government took as a "loan" from banks of issue in Mexico City and which is now the subject of injunction proceedings by the Bank of London to enjoin the financial agent of Carranza in New York City from reaching credits in United States banks.

Also Mexico has been using the total income of the railroads and express companies as well as other public utility establishments and has steadfastly refused to make admission of responsibility. Most of the American money went into Mexico during the 34 years of the Diaz rule, ending in 1911. The following figures as to investments and damages are regarded as the most reliable.

	Cash Invested.	Physical Damage.
Railroads .....	\$150,000,000	\$40,000,000
Oil .....	200,000,000	5,000,000
Mines .....	200,000,000	15,000,000
Lands and cattle .....	50,000,000	10,000,000
Industrials and public service .....	50,000,000	10,000,000
<b>Total .....</b>	<b>\$850,000,000</b>	<b>\$80,000,000</b>

This investment of \$850,000,000 had grown in value until in 1910 it was said to be worth \$2,000,000,000.

Damage claims aggregating \$500,000,000 are said to be filed with the American state department. In this are included legitimate claims for additional losses due to the following causes:

Destruction of new values created by the American energy which has now been driven out.

Destruction of business through confiscatory taxes and uncerber banditry, making operations impossible.

Destruction of original values through unstable government.

Destruction of entire financial and credit system of the country through government decrees.

Losses in profits which would have been made during present era of high prices.

Potential damage which would wipe out virtually all values will become actual if President Carranza carries out his confiscatory "Constitution of 1917" and his subsequent decrees, including the following:

Making foreign corporations or individuals incompetent to own property in Mexico unless foreign citizenship is renounced.

Appropriating all corporation-owned land, giving in return unguaranteed state bonds of virtually no value.

"Nationalization" of oil, making oil subject to denouncement, when the entire oil-producing system is now founded on the principle of its belonging to the land itself.

Prohibiting any foreign corporation or individual from owning anything within 60 miles of the frontier or 30 miles of the seacoast.

There are dozens of other interesting things in the Mexican situation which cannot be considered here. For example, a study of Carranza's sayings and doings shows him to be of human curiosity.

Is Villa alive or dead? Of course his name is very much in evidence. Nevertheless, who has seen him in the flesh for a year or more? He isn't being interviewed and photographed—that's sure. The personality of Angeles, who has cast his lot with the Villistas, is interesting. He is educated and personally attractive.

## NEWS NOTES OF INTEREST TO EVERYONE IN NEBRASKA

Governor McKelvie has appointed six departmental secretaries provided for under the administrative code bill, passed by the last legislature. The appointments are as follows: Phillip E. Bross, private secretary to the governor, secretary of finance, Leo A. Stuhr, drug and dairy commissioner, secretary of agriculture, J. E. Hart, secretary state banking board, secretary of trade and commerce, Frank A. Kennedy, labor commissioner, secretary of labor, George E. Johnson, state engineer, secretary of public works, H. H. Antles, former chief of police in Lincoln, secretary of public welfare. Each secretary will draw a salary of \$6,000 a year.

Hall county farmers, who signed a petition for a county agent, and which was turned down by the county board, have decided to carry the matter into court to test the constitutionality of the new state law, which provides that each county in Nebraska set aside funds for farm bureau work, if petitioned by the required number of citizens.

Nebraska has the honor of being the fourteenth state to ratify the national suffrage amendment. The states which acted on the amendment ahead of Nebraska are: Illinois, Wisconsin, Michigan, Kansas, New York, Ohio, Pennsylvania, Massachusetts, Texas, Iowa, Missouri, Arkansas and Montana.

A man and a boy were injured and windows were broken in a number of buildings, while firemen were destroying walls of the Paddock block at Beatrice. Fire had completely gutted the structure.

The rains of the past week came just in time to save crops and pastures from serious damage in many sections of Nebraska. Crop experts contend that the long dry spell did not damage corn to any extent.

One of the most hilarious sessions ever held in the senate chamber of the state house at Lincoln took place when the upper house of the state legislature unanimously ratified the national suffrage amendment.

Housewives at Fremont are now paying 15 cents a quart for milk. Boosting of the price to that level has taken place at Omaha and several other cities of the state.

Paving is being laid upon a number of streets at Geneva. If petitions, which have been presented to the city council, are favorably acted upon, forty additional blocks will be added to the first district.

A 600-acre wheat field in Deuel county yielded 21,100 bushels, which tested sixty-two pounds. A number of wheat fields in the county produced as high as forty-five bushels to the acre.

Lack of attendance, due to hot weather, resulted in a deficit of \$400 suffered by the Red Cloud chautauqua. The company announced they would expect the local guarantors to make up the shortage.

Wahoo expects a captured German cannon in recognition of Saunders county's war activities, according to a resolution recently introduced in congress by Representative McLaughlin.

Warden Fenton of the state penitentiary has sold the grain raised this year on the penitentiary farm south of Lincoln and the state treasurer received a check for \$6,068.

The state supreme court has ruled that it is not unlawful for a person to have a reasonable amount of liquor in their homes providing it was purchased prior to July 1.

The South Omaha live stock market led the nation in the receipts of sheep last week, when a total of 123,200 were marketed.

A total of eighty-five carloads of wheat was shipped from the Farmers' elevator at Chappell in a little more than two weeks.

J. W. Lewis, Chase county farmer, threshed from two big wheat fields, twenty-six and thirty-three bushels to the acre.

A company is to be organized at Fremont which will purchase an airplane to make flights daily over the district.

The primary election for selecting candidates to the Constitutional convention will be held on Tuesday, September 16.

Laurel has let a contract for 20,000 yards of paving to cost about \$82,000.

The Arlington Telephone Co. has made application with the state railway commission for an increase of 25 cents on each telephone.

Sixty Gage county veterans of the world war voted at a meeting at Beatrice to apply for a charter, preliminary to the organization of a part of the American Legion.

Mrs. Clara G. Quimby, of Colorado, has assumed her new duties as superintendent of the state industrial home for girls at Geneva. She succeeded Paul McAuley of Omaha.

With the turning over of the telegraph and telephone companies to their owners by the government on August 1st, word was received by the State Railway Commission at Lincoln that a new schedule of rates would go into effect.

The Lincoln street car company has been permitted to increase its fares from 5 to 6 cents in the city, and to 7 cents to suburbs by the federal court, which also issued a restraining order against the railway commission from interfering with the establishment of the new schedules.

The administrative code law enacted by the last legislature and which is now operating, does away with practically all the state boards and commissions, which have been conducting the various state activities, such as inspection of foods, drugs and oils, enforcement of health, sanitary and labor laws, supervision of all agricultural activities, the operation of the blue sky law, the building of state highways and the registration of automobiles and enforcement of water power and irrigation and drainage laws.

Governor McKelvie won the first round of the fight to prevent the filing of the referendum petitions against his code bill when the Lancaster county district court denied a writ of mandamus to compel Secretary of State Ambsberry to accept the filing of the 26,000 signatures. The court ruled that each of the 1,200 petitions circulated should have had attached to it a full copy of the code bill, containing 500 pages.

Nebraska members of congress, especially Representatives Reavis and Jeffries, played a leading part in the debate in the house preceding the adoption of a resolution demanding that surplus army foodstuffs be sold to the public.

Laxity in the method of keeping accounts is blamed for a loss of \$7,000 suffered by the Jansen Equity Exchange, a Jansen organization, during the past year. An audit of the books of the company revealed this loss.

Plans for the erection of a building to replace the Hotel Paddock at Beatrice, which was destroyed by fire, are already under consideration. The destruction of the Paddock leaves Beatrice without a first-class hotel.

Plans for Nebraska's 1919 State fair, to be held at Lincoln, August 28 to September 6, have been virtually completed. Those in charge say the fair will be the greatest ever held in the state.

The new social science building and the teachers' college building on the downtown campus of the State University at Lincoln will be ready for occupancy when school opens next month.

That southeastern Nebraska is a profitable fruit raising country is attested by the fact that a quarter acre of raspberries on the farm of Oscar Mason, near Stella, netted the owner \$84.15.

Eighty-five Nebraska soldiers, residents of nearly as many towns and cities of the state, arrived at New York aboard the transport George Washington from overseas. The men were members of the Second division.

Five departments from Fairbury, Wymore and Lincoln were called to Beatrice to assist in controlling a fire of unknown origin which destroyed the Paddock hotel, at a loss of \$300,000.

The Ashland Platte river bridge is now the property of the state and Saunders county, and hereafter will be free to the public. It has been operated as a toll bridge since 1911.

The state board of assessment has fixed the state levy at 13 mills for the year 1919. On an estimated valuation of the state of \$572,000,000 this will raise \$7,426,000.

Juvenile farmers, members of Nebraska boys' and girls' clubs, are expected to have more exhibits by far at the State Fair at Lincoln this fall than ever before.

A fast Burlington passenger train crashed into a herd of 43 cattle near O'Dell, Gage county, killing thirty-four of them. Several were pure-bred Herefords.

Street car fares at Lincoln have been increased from 5 cents and 6 cents to suburbs to 6 cents and 7 cents, respectively, on authority of the federal court.

Preparations are being made at Red Cloud to pave thirty-four blocks of streets and four blocks of alleys. The work will cost between \$150,000 and \$200,000.

Several farmers in Dodge county reported loss of stock from the recent hot period. One farmer reported the loss of a \$1,000 bull from stroke.

Farmers south of Superior report much excitement in the vicinity of the Standard Oil company's drilling, oil having been struck, they say.

Wayne Megrue, 12-year-old Harvard lad, was killed when a Ford in which he and a chum were riding, turned over near Bingville.

A total of 772 bushels of wheat, valued at \$1,019, was harvested from a field at the Richardson county poor farm near Falls City.

Omaha's official welcome-home day for soldiers and sailors has been set for August 27.

September 24 to October 4 are the dates set for the Ak-Sar-Ben fall festival at Omaha.

Chancellor Avery of the University of Nebraska announced he had denied the application to admit to the University of Nebraska for technical training a number of students identified with the federal soviet republic of Russia.

W. E. Sharp, president of the American Potash company, announced that he has received an order for 150 carloads of Nebraska potash, valued at \$1,500,000. It is the largest sale of potash ever made in the United States.

Pender has a new banking institution, the Farmers' and Merchants' State bank. It is capitalized at \$50,000 and opened for business the first of the month.

The recent convention of the State Suffrage association, held at Lincoln, was the greatest in the history of the organization. It was decided at the meeting that hereafter efforts of the association will be centered upon the education of women voters along the lines of government politics. Mrs. C. H. Dietrick of Hastings was chosen president for the ensuing year.