

# THE FRONTIER

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With the death of Senator Walsh, who had been selected for attorney general in the cabinet of President-elect Roosevelt, Nebraska friends of Arthur Mullen hope that he will be selected for the position. Arthur stands high in the councils of the incoming president and, unless the fact that Iowa has a member of the cabinet militates against it, the gentlemen from Nebraska has a very good chance of becoming a member of the cabinet.

### PEACE AND TAXES.

The friends of world peace are the best friends of tax reduction as well.

The cost of war—past, present and future—is the major item in the operating cost of every great power. In this country, 72 per cent of all federal funds go for war debts, war veterans and the army and navy.

Organized destruction hits every pocketbook.

### THE FARMER MUST HELP TOO

In a letter to members of the American Cooperative Association, C. O. Moser, its vice-president, pointed to some of the dismaying aspects of the agricultural situation.

Almost 50 per cent of the 6,300,000 farms of the United States are under mortgage and this percentage is rapidly increasing. Farm mortgage indebtedness rose from \$3,320,470,000 in 1910, to \$9,247,390,000 in 1930.

Mr. Moser advocates certain legislative moves that would improve the farmer's position and enable him to better cope with present conditions. Some legislation is no doubt necessary. But—during the next few years—the farmer himself must also work out solutions to his problems if relief is to be other than temporary.

It is probable that the cooperative movement offers most to agriculture. It touches both ends of the problem—increased efficiency in production and better organization in selling. A farmer may have a million bushels of wheat that can bankrupt him if the price he receives is below the producing cost. The same farmer, with fair prices prevailing, can make a good profit on a tenth as much wheat.

Of recent months, particularly, more and more farmers have been foreclosed and are being operated by lessees instead of owners. This is a trend of the most dangerous character. It is up to the farmer, the political leader and the general public to throw their support behind the cooperative movement and aid it in preventing a total collapse of the present agrarian system.

### HOOVER ON DEBT PROPAGANDA

President Hoover rendered a real service to the nation during his address to the National Republican Club at New York on February 13 when he called attention to the amount of misleading European propaganda looking towards cancellation of the so-called war debts. In part, the President said:

"I trust the American people will not be misled or influenced by the ceaseless stream of foreign propaganda that cancellation of war debts would give this international relief or remedy. That is not true."

Proof of the debtors' capacity to pay, the President said, is attested by the fact "that in most cases the payments to us amount to less than one-third of the military expenditures of each country."

In exchange for any proposed American sacrifices the President said Europe not only should open up markets to American imports, but should give assurances of cooperation "that will positively result in monetary stability and restoration of world prosperity."

President Hoover's remarks on the foreign debts were well timed in his address following his masterly defense of sound money.

A great many propagandists, most of them European, but unfortunately some of them American, in their efforts to bring about cancellation, have sought to create the impression in the United States that practically all of the world's troubles are due to the European debt owed to Uncle Sam. President Hoover pointed out how the lack of international confidence, and the cheapening of money standards in many nations had started an economic warfare which is in a big part re-

sponsible for the continuation of the depression. Cancelling the debts would not remedy the situation and President Hoover did well to make this fact so clear in his New York address.

### ECONOMIC HIGHLIGHTS

Even though the business statistics show no definite change, there is much encouragement in the fact that a relative degree of stability has been reached and maintained in the past two months.

Readjustments are taking place which will have a healthful influence on industry in general. Weaker units are being eliminated—a necessary prelude to general recovery. The efficiency of industrial operations is steadily increasing.

One of the most interesting signs is that a virtual mortgage moratorium is gradually taking effect. The center of this is in the midwestern states, where officials and courts have shown a tendency to aid the farmer in his fight against foreclosures. The largest mortgage holders—insurance companies and banks—are showing an extremely lenient attitude. A short time ago a group of the largest insurance companies announced a policy which, in brief means that there will be no foreclosures that can be avoided, so long as the mortgagee shows a disposition to do his best to work out his problem.

The long awaited report of the National Transportation Committee was recently issued after months of investigation and study.

Among its suggestions were that parallel lines be abandoned—that top-heavy capital structures be pared down—that legislation be less severe and more flexible.

Meanwhile, a good sign is that railroad traffic and earnings, on the whole, are now ahead of last year.

Efforts to stabilize the oil industry took concrete form with the adoption by the American Petroleum Institute of a new and aggressive policy to eliminate evils. Main result sought is balancing of production with consumption.

The Institute will fight diversion of gas tax funds to other purposes than roads, tax increases, gas bootlegging and tax evasion, and will maintain that gas should rightfully be taxed by the states only.

In the midcontinent field, crude is still selling at ruinous prices, with the California division of the industry in better condition.

Late reports on major industries show:

**Copper**—Higher prices are expected. Great interest shown in withdrawal of American Smelting and Refining Company from Copper Exports, Inc., the world association formed in 1929 to sell copper outside this country.

**Lumber**—New business fairly good, with demand exceeding production. Further slow improvement in next 60 days is expected.

**Shipping**—Apprehension is expressed that the coming World Economic Conference will attempt to stop federal subsidies of U. S. shipping. These subsidies, in the form of mail contracts, have made it possible to

meet low-wage scale, foreign competition.

**Steel**—Seasonal buying recently caused improvement. Scrap prices have been firm, and finished steel prices weak.

**Canners**—Outlook—extremely uncertain for food canners, with prices low. However, shipments have been larger than last year. Eighty per cent of 1932 asparagus pack is sold, and more than 66 per cent of peach pack. A limited pack is expected this year, in attempt to eliminate carryover.

Of late, farm prices have been on the downgrade, but losses have been small. Cattle was one of the exceptions, showing a rise. Cotton, grain, hay, hogs and sheep took losses.

The price of grain futures rose temporarily with extremely bad weather. Caution was evident, however, and there has been little pronounced change.

The visible supply of wheat is decreasing steadily—a good sign for future price and market improvement.

Business conditions in the Philippines shows no improvement, with credits and collections difficult. Industrial activity is at a high level in Japan. Little change in England. Italy showed a heavy unfavorable trade balance in 1932. Conditions in Austrian industries are unfavorable. In Finland, the low exchange value of the mark during 1932 enabled export industries to increase sales abroad, and marked gains were shown in textile, foodstuffs, metal and other industries.

A good sized delegation of farmers, many of them belonging to the Farmers Holiday Association, were in the city last Monday, being, so we have been informed, interested in a case that was set for hearing in county court that day. The case in point was that of the Old Line Life Insurance Company vs. Robert E. Tomlinson, et al. From the petition in this case the plaintiff alleges that through their agent, R. H. Parker of this city, on February 22, 1932, they leased the south half of section 5, township 30, north, of range 10, west of the Sixth P. M. to Tomlinson. They allege that he has defaulted in the terms of said

lease and they seek to recover possession of their land. The case was set for hearing last Monday but, by mutual agreement, was continued until next Saturday. The members of the Holiday Association did not go near the court house, but held several conferences down town.

### LAST PHASES OF DEPRESSION.

National Republic: A number of students of economics recently have pointed out the fact that the closing phases of every depression we have had in the past have been accompanied by demands for inflation. Recovery from the depression, they add, has come, in each instance, after the government and the people had taken a firm stand for sound money and had defeated inflation.

If growing demand for inflation marks the final stages of depression then we have undoubtedly arrived at that time in our present era of difficulty. Inflation is one of the much discussed topics of the hour and bids fair to be one of the big issues in the next administration.

Already there are around a half hundred bills in Congress providing for some form of inflation. Some of these contemplate cutting down the gold content of the dollar, others the free and unlimited coinage of silver and still others inflation by speeding up the printing presses in the turning out of currency.

If history is to repeat itself, therefore, we will pull out of this depression only after all schemes for monetary inflation have been defeated. Whether this can be brought about remains to be seen. Enthusiastic inflationists some time ago expressed the belief that some kind of inflation would be written into law by the old Congress. But there is little chance of this for the reason that President Hoover would veto any such measure.

It is then up to the incoming administration. Just what it will do remains to be seen. Both parties in their platforms last year declared for sound money, and there is no reason as yet to believe that the incoming President is not in line with the majority of his party on the subject. But his cabinet appointment and his first message to the new Congress, which is to be called into special session, will be awaited with interest.

As to the necessity for defeating inflationary movements if we are to get out of the depression, there can be little doubt. Controlled inflation, if inflation can be controlled, would be of little avail. We already have enough money in the country for commercial purposes. Controlled inflation would not help. It has not helped in Great Britain where it was predicted that abandoning of the gold standard would raise prices and help industry. And uncontrolled inflation means ruin—ruin first to the creditors and then to those in debt. The example of Germany along this line ought to be eloquent and convincing proof of this fact.

Francis H. Sisson, president of the American Bankers Association, recently well summed up the situation when in part he said:

"Inflation is not the pathway to business recovery in the United States. The nation has an ample volume of currency and resources for sound credit expansion to finance the restoration of business to normal proportions and activities. The great need of the hour is to set our existing currency and credit powers in motion—to give them velocity and dynamic force which are in fact just as effective in stopping deflation and stimulating business activity as inflation is thought by its exponents to be, without its known baneful effects and deceptive evils.

"And what is needed to give our currency and credit resources velocity is business confidence—confidence among industrial and business leaders for their undertakings, courage to ask the banks for sound loans to finance them and prudent courage among bankers to grant them—courage, also, among our people to resume normal

spending and replenishments, and among our investors to resume normal investing.

"I believe that the government at Washington has largely within its grasp the possibilities of making business confidence a plain, everyday working reality. A program of real economy in government expenditures and a sound plan of taxation revision to produce adequate revenues to balance the budget and yet relieve productive economic activity from its repressive weight would be a mighty power for restoring confidence."

### McCAULEY BACK IN JAIL

Arthur McCauley, who has been kept in a local rooming house in this city since he was brought back from Omaha, about three weeks ago, was taken to the county jail yesterday, where he is now confined.

Colored Evangelist: Look what the Lord has done for you. Gib Him a tenth.

Perspiring Member: Amen, gib Him mo'. Gib Him a twentieth.

"Did you give the man the third degree?" asked the police officer.

"Yes. We browbeat him and badgered him with every question we could possibly think of."

"What did he do?"  
"He dozed off and merely said now and then, 'Yes, my dear, you are perfectly right.'"

Mrs. Subbubs—Are there any questions you would like to ask, Nora?

New Maid—Yes, ma'am, just one. Where do you keep the time-tables?

## Factory Demonstration 2 Hour Sale

Wednesday, March 8th  
4:00 to 6:00 P. M.

**C. E. STOUT**  
DRUG STORE  
O'Neill, Nebraska

Present this coupon and 99c and receive  
One box Madam Josephine Face Powder,  
One bottle Madam Josephine Perfume,  
One Genuine Rock Crystal Necklace,  
Two pairs of Ladies Fine Quality Hosi.

You Save \$4.01

**A \$5.00 Value for Only 99c**

If you cannot be there during the hours of sale, leave money at store and your set will be reserved.

# 98c 98c PENNEY'S 98c 98c BIG VALUE PARTY!

98c for 2 yards

**PRINTED All-Rayon CREPE**

Plaids, stripes, florals, geometrics! Ready to reward your needle with the smartest frocks and blouses! 39 inches.

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Charming spring checks, plaids, florals, geometrics, stripes! Standard percale; 36"; fast color.

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- LADIES HOUSE FROCKS, 2 for ..... 98c
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- LADIES SUEDE GLOVES, 2 for ..... 98c
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- SILK BRASSIER & PANTIE COMBINATION ..... 98c
- LADIES SILK SLIPS ..... 98c
- LADIES OUTING GOWNS, 2 for ..... 98c
- COTTON BED SPREADS, 2 for ..... 98c
- INDIAN BLANKETS ..... 98c
- PURE SILK CREPE, PLAIN COLORS, 2-yds. .... 98c
- CRETONE, NEW PATTERNS, 8-yds. .... 98c
- DOUBLE COTTON BLANKETS ..... 98c
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- BED SHEETS, 81x90, 3 for ..... 98c
- PILLOW CASES, 42x36, 10 for ..... 98c
- WASH CLOTHS, 30 for ..... 98c

2 for 98c

**Men's Fine-Ribbed Combed Cotton UNION SUITS**

- Ankle-length!
- Long or short sleeves!
- True to size—well-made!

98c Infants and Misses!

**Elk Blucher OXFORDS**

The greatest value in juvenile footwear Penney's has ever offered! Good looking... tough enough to stand the wear and tear of restless young feet! Black, all-leather!

**Ladies' Silk HOSE 2 pairs 98c**

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