

CHATTANOOGA NEWS

By The Chattanooga News Co.

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WATCHING MR. HARDING.

Reference has been made in these columns to the great public interest which centers about Mr. Harding's choice for secretary of state. It is generally believed that this selection will indicate measurably the new administration's attitude toward the league of nations. Regarding this feature of Mr. Harding's foreign policy there is as much uncertainty and mystery in the country as ever. Of course, it is known that the new president will oppose acceptance of the league "as it was written at Versailles," but whether he will consent to American membership on any terms is the great issue to be determined. It is this question which invests the secretaryship of state with unusual interest. Those who contend for the outright rejection of the league covenant and the undertaking of an entirely new plan to preserve peace would be satisfied with Knox or Lodge as head of the cabinet, while those who would have us enter the league with proper reservations would prefer Root or Hughes. Within the past few days the names of the last mentioned have been discussed with much favor.

Summers that the president-elect is on the point of yielding to the league-with-reservations advocates are said to be afflicting the backs of the bitter-enders who, it is claimed, will fight to the last against ratification of the league covenant in any form. It has been given out that they will oppose Mr. Harding in such an endeavor just as readily as they fought President Wilson. Notwithstanding their objections to the league, senators of the irreconcilable group are now urging an agreement with the leading powers looking to a curtailment of naval construction. This seems to be a sort of counter play. The practical question for Mr. Harding to settle, however, is whether the nations whose interests are already bound up in the league of nations will consent to abandon that entree to join with him in some other sort of association. It is altogether probable that most of these would prefer to make concessions in order to induce America to become a member of the existing league.

One thing is apparent, and that is the putting of the disarmament question up to America by the recent session of the league has produced in this country a profound sentiment in favor of some form of affirmative action to lessen the probability of "war" returning. It has been made clear that if no practical steps are taken to promote peace, the blame will lie at America's door. This is not a very pleasant responsibility, and it is the contemplation of it that has focused the eyes of the public on Mr. Harding's cabinet selections.

A LEGITIMATE CONCLUSION.

Nations are merely associations of individuals united for the promotion of the common good. There is, therefore, nothing particularly unusual in the discussions of public policies having their reflexes in individual life. For instance, the great desirability of bringing about disarmament of the nations leads one of our contemporaries to emphasize the equally patent propriety of disarming the people. Just as nations which are armed find it easier to become offended and begin hostilities with their neighbors, in like manner does a man who is armed engage in a quarrel and perhaps in a fight with one he may conceive to be his enemy. And the point is well taken. Carrying of arms by a private citizen is considered a public nuisance and a public menace, and is accordingly almost universally outlawed. The danger from armed nations is proportionately less in like manner, greater than that resulting from the bearing of arms by individuals, aside from the crushing burden which it imposes on the taxpayer. As our contemporary observes with so much point, "we should get away from the firearm habit," in an individual, a national and an international sense.

New York is properly shocked when its gunmen turn their artillery upon each other.

Peace is apparently near. Restaurants seem to have heard that prices are coming down.

That report of D'Annunzio's death seems, unfortunately, to have been considerably exaggerated.

A New York woman is charged with being a witch. In the hope, perhaps, that the court would suggest the stake.

Virginia is already at work on the selection of her next governor. Harry St. George Tucker is prominent in the running.

Legislators who rise above the strata of local bills and private schemes will doubtless be able to perform real public service.

With jails in England and Ireland overflowing, it is said that requisitions are now being made on the jail space of Wales.

Something more than ignoring the existence of Russia will be necessary to remove it from occupancy of a large portion of the earth's surface.

With assurances of the continued favor of the folks at home, Uncle Joe Cannon looks forward to a pleasant and honorable career in captivity.

Belgium follows the British precedent and renounces the seizure of German property within her confines. Prices is yet to be heard from, however.

A MAGNIFICENT OUTLOOK.

The outstanding feature of industrial progress in this country in the immediate future is water power development. An illustrating the great interest in this enterprise, it may be said that from the passage of the general water power bill last summer, up to Dec. 15, applications for permits had been filed looking to the development of more than 12,000,000 horsepower of this subtle force. It is estimated that these projects if combined would provide all the power required for twenty such cities as Chicago. Twenty-seven states besides Alaska and the District of Columbia are represented among the 125 applications for permits which have been filed, California topping the list with thirty-five. It is calculated that \$1,200,000,000 of capital will be required to finance these undertakings to final completion.

Enterprises comprehended in the vast scheme of development are said to range all the way from a ten-horse power plant for a summer colony in Wyoming to a gigantic project for the storage of the waters of the upper Colorado and its tributaries in a huge reservoir which contemplates the eventual development of more than 2,000,000 horse power. Assuredly, they think in big terms out west! Ten permits are sought for sites in Alaska, which is a significant pointer in the direction of what is to be expected in the opening up and development of that virgin territory. Quite a number of applications have been filed in behalf of cities which seek the production of power for municipal purposes. Most of the sites for which permits are sought are in the west—as a preponderance of the potential water power is in that section—but there is a fairly general distribution over the country. New York having no less than thirteen applications to its credit.

Water power, or hydro-electric power as it is technically known, is susceptible of application to any enterprise which requires power for its operation. Its uses are as varied as are the diversifications of industry. Its development on a large scale will work a revolution in the industry, transportation and economics of the country. Barring unforeseen hindrances, the next ten years ought to witness the electrification of practically all railroads west of the Mississippi, and of many lines east of that river. Think of what that will mean, when considered in connection with the solution of the railroad problem. There is not much coal in the west. The substitution of hydro-electric for steam power will therefore release a large amount of our scarce which the roads have had to use for the transportation of coal for their own consumption and for the benefit of others who will be able to use the new power.

Other advantages to flow from the development of water power are the stabilization of railroad rates and other public service charges—the cost of the power would not fluctuate very much—and the solution of the coal mining and fuel problems. With the demands for the major part of railroad fuel removed there would hardly recur a situation like that through which the country is now passing wherein consumers of coal have been kept in panic over a possible shortage in production and have been robbed in prices in a high-handed and unconscionable manner. But, while the pressures would be appreciably relaxed, there would still be a liberal demand for coal. More American coal than ever is being shipped abroad and there is every probability that this business will increase.

East Tennessee already has several magnificent power plants in operation, but there are also a large number of undeveloped sites. It ought to be a matter of public policy to encourage development of such enterprises. This section also has plenty of coal which would permit of planning water power development on a scale approximating the maximum and the utilization of coal to augment the power during the part of the seasons when the streams were at slack tide. This happy combination of circumstances, taken in connection with our wealth of mineral and other resources, ought to make of East Tennessee, more than ever, a hive of industry. We repeat our opening statement that water power development affords a most inviting prospect of progress and prosperity for the country.

Socialists emphasize "production for use" as against "production for profit." But that is only another one of those slogans which sound well and mean little. Production for use is all right, in a way. But production which does not appeal to and enlist individual initiative will not produce sufficiently to satisfy demand. It is better that a producer receive a profit on his efforts than that all suffer together.

John Bull seems to be sitting on a hot griddle. Added to his troubles in Ireland, it is said that incipient revolt is seething in India. The unrest in the latter instance, it is claimed, is due to the high cost of living. There may also be some smouldering memory of the Amritsar massacre. Meantime Russian bolsheviks are helping the agitation along.

His son has indignantly denied that Gov. Coolidge washed the Christmas dishes. Is this a hint that the latter does not care to serve in the kitchen cabinet?

Even the women do not escape Lloyd George's Irish sleuth policy. Countess Markievicz, a member of parliament, is the latest to draw a prison sentence on a charge of organizing something or other.

Mr. McAdoo has declared himself in favor of the revival of the war finance corporation, but rumor indicates President Wilson's intention to veto the revival resolution.

In the exuberance of its enthusiasm, the Jacksonville Times-Union declares that "Florida sunshine is quite as exhilarating as its moonshine." Some exhilarating, say we.

Senator-elect Frank B. Willis, of Ohio, is still awaiting the resignation of Mr. Harding who insists upon preserving to a republican governor the right to name his successor.

There is said to be danger of precipitating a "birds' strike" on account of the delay about arranging for the peace and disarmament of the world. Such a strike might have a serious effect on the crop of cannon rods.

WILSON VETOES JOINT MEASURE

Returns Without Signature Bill to Defer Enforcement Parts of Clayton Act.

"REASONS INADEQUATE"

Washington, Dec. 29.—President Wilson today vetoed the joint resolution designed to suspend for one year a section of the Clayton act prohibiting common carriers from dealing with any concern having interlocking directorates, with the carrier, except to a limited extent as to contracts.

The president's veto message follows: "I return herewith without my signature senate bill No. 425, amending Section 601 of the transportation act by extending the effective date of Section 10 of the Clayton act."

The Clayton anti-trust act was responsive to recommendations which I made to the congress on Dec. 2, 1913, and Jan. 20, 1914, on the subject of legislation regarding the very difficult and intricate matter of trusts and monopolies.

Read in Senate. The message was read in the senate and some discussion followed as to what should be done with it. Senator LaFollette, republican, Wisconsin, finally asked that it go over and this was agreed to. Chairman of the Interstate Commerce committee, author of the measure, is absent from Washington.

The president in his message said the principle of the Clayton act was sound and that the carriers had had ample time in which to adjust their affairs so as to comply with the law. "It waits with acquiescence, in the first place for laws which will effectively prohibit and prevent such interlockings of the personnel of the directors and officers of banks, commercial and public service bodies—as in effect result in making those who borrow and those who lend practically one and the same, those who sell and those who buy, and those who affect in fact partners who affect different names and in different combinations, and those who compete in fact partners who affect the same field of business. Sufficient time should be allowed, of course, in which to effect these changes of organization without inconvenience or confusion."

"This particular recommendation is reflected in section 10 of the Clayton anti-trust act. That act became law on Oct. 15, 1914, and it was provided that section 10 should not become effective until two years after that date, in order that the carriers and others affected might be able to adjust their affairs so as to comply with the law. Further, in time, amounting in all to more than four years and two months, have since been made. "These were in part due to the intervention of federal control, but ten months have now elapsed since the resumption of private operations. In all, over six years have elapsed since this enactment was put upon the statute books, so that all interests concerned have had long and ample notice of the obligations it imposes."

"The interstate commerce commission has adopted rules responsive to the requirements of section 10. In deferring the effective date of section 10, the congress has exempted corporations organized after Jan. 11, 1913, and as to such corporations the commission's rules are now in effect. Therefore, it appears that the necessary preliminary steps have been taken to put section 10 into effect, and the practical question now to be decided is whether the partial application of these rules shall be continued until Jan. 3, 1922, or whether their application shall now become general, thus bringing under them all common carriers engaged in commerce, and at last giving full effect to this important feature of the act of Oct. 15, 1914."

"The grounds upon which further extension of time is asked, in addition to the six years and more that have already elapsed, have been stated as follows: "That the carrying into effect of the existing provisions of section 10 will result in needless expenditures on the part of carriers in many instances; that some of its provisions are unworkable and that the changed status of the carriers and the enactment of the transportation act require a revision of section 10 in order to make it consistent with provisions of the transportation act."

When it is considered that the congress is now in session and can readily adopt suitable amendments if they shall be found to be necessary, which reasons for further delay appear to me to be inadequate, the expediency of the principle embodied in section 10 appears to be generally admitted. The whole some effects which its application was intended to produce should no longer be withheld from the public and from the common carriers immediately considered, for whose protection it was particularly designed."

U. S. MAY TAKE HAND IN PEERLESS CREAM CASE

Local revenue officials stated Thursday that internal revenue agents at Nashville, charged with the special investigation of income tax returns, would undoubtedly give immediate and careful examination of the returns of the Peerless Creamery Co., which concern in 1919 increased the salary of its president from \$1,500 to \$7,500 a year, it is charged.

The matter was brought to the notice of the internal revenue officers through the filing of a suit in chancery court Wednesday by the minority stockholders against the president, F. R. Rettig, and other directors of the concern. The bill claimed that shortly after the passage of the excess profits tax, Rettig and directors of the company, under his dictation, increased the former's salary from \$1,500 to \$7,500, the minority stockholders objecting.

Local revenue officers state that the matter appears, without an investigation, to be clearly a distribution of profits and as such may be disallowed by the revenue collectors. It is reported that the matter will be reported to Nashville headquarters at once and special investigation may follow.

GUARDS PROTECT BANDITS

Culver, Ind., Dec. 29.—Extra guards were placed about the jail at Plymouth, Ind., today from here, early today by Sheriff Franklin to protect four of the five bandits who yesterday hid up the State Exchange here and were captured after a fight with a posse of citizens. Threats of lynching caused Sheriff Franklin to take unusual precautions.

Jacob Russell Saine, well-known hardware merchant of Culver, is reported near death today from wounds received in the battle with the bandits. Joseph Zechal, a stock buyer, is recovering from wounds in the hip.

Search is being made today for the fifth robber, who escaped in an automobile which the bandits had parked in a woods near here.

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A Few Facts — ARE — Coming to Light!

The public will be interested in reading a new phase of the Gas Fight as told in today's Times under the heading, "Gen. Chamlee Takes Note of Gas Contract."

At last the Times steps into the sunlight of truth long enough to vindicate the stand taken by the Gas Company and to feebly explain that after all, the real issue is to break the Gas Company's contract with the Chattanooga Coke & Gas Company, and thereby make the public pay more for gas.

Certainly a most shameful and unjustified position.

The real truth as told in yesterday's News came as a great surprise to the public, and it is not in the least astonishing that the Times is seeking to shift the burden to other shoulders and to quietly abandon its associates who would spare nothing to break the gas contract.

If the Times has any idea that the Gas Company will desert the public and submit to the demands of its ally, the Chattanooga Coke & Gas Company, it may as well abandon such ideas. If the Times believes it has intimidated the Gas Company through the use of Dobrin, and his still unexplained checks of \$500.00, Chivington and his mighty pen; Adler and his Resolution, the paid stenographer at Nashville who reported the meeting of Dec. 27th to headquarters; the Messrs. Littleton & Littleton, attorneys for the Chattanooga Coke & Gas Company, he is certainly mistaken.

The truth is coming to light. The public are now learning the facts.

Chattanooga Gas Company