

# PANAMA'S FUTURE DEPENDS ON GROWTH OF INDUSTRIES ALONE

### Withdrawal of Canal Laborers Will Mean Dull Times on Isthmus.

### Problems No Longer Engineering Ones, but Economic, Fiscal and Political.

PROBLEMS of Panama have ceased to be engineering ones. They are no longer related to canal construction. They are now economic, fiscal and political. Some of them are far more complicated than the Cucaracha slide in the Culebra cut.

The American administration of the canal zone and the operation of the canal present no serious problems. These plans were all worked out a year ago. They will be put in force as soon as the law passed by congress in 1912 becomes fully effective through the appointment of a governor of the zone to supersede the canal commission. The governor, of course, will be Colonel Goethals.

While no promises are made as to the time when the canal will be opened to commerce and cargo vessels will be passing through it, writes Charles M. Pepper in the Washington Star, to one on the ground it is apparent that this will be much sooner than has been anticipated. A few weeks will determine the experimental questions in regard to the operation of the canal. Then it should pass under the form of administration provided by congress.

The operating and administrative force for the canal will consist of about 2,500 persons, exclusive of sanitation and government. It is this reduction from the huge force of laborers and clerical employees to the minimum that raises some serious problems directly for the republic of Panama and indirectly for the United States. While in the beginning the merchants on the isthmus objected strenuously to the United States feeding and clothing its army of canal employees through the medium of the army commissary, nevertheless they

the treaty in granting to the United States the rights, powers and authority which it would possess and exercise "if it were sovereign" is an admission of complete sovereignty.

To the American officials the meaning of this language is that the United States is sovereign in the canal zone and in the auxiliary lands and waters mentioned. By the Panamanians the language has been construed as a limitation of the authority of the United States.

The treaty of 1904 has been interpreted and given effect in many of its provisions under what is variously known as executive order No. 15, or the Taft agreement. This order was issued by direction of President Roosevelt soon after the treaty became effective in 1904. Mr. Taft was then secretary of war, and hence his name was given to the agreement. During



RUINS OF ST. AUGUSTIN'S TOWER ON SITE OF OLD CITY OF PANAMA.

his term of president he approved various modifications or interpretations of the agreement in the form of supplementary orders.

#### Question of Tariff.

At the present time the republic of Panama is chafing under one provision of the agreement. This relates to the restrictions on its sovereignty in making its own tariff laws. Under the treaty of 1904 the United States has been the tariff lawmaker for Panama. The customs duties were mainly of a revenue character, and the rates were not high, but when Panama wanted to raise them from 10 to 15 per cent ad valorem the consent of the United States had to be obtained. It was given, but not unconditionally, and the Panama officials were not entirely happy over the situation.

Another view of the case was taken by the majority of the Americans, including some of the officials who are identified with the canal construction. Food supplies and clothing were admitted into the canal zone free since they were part of the commissary supplies, but the duty had to be paid on cigars and two or three other articles. The Panama national assembly at its session last spring passed various laws whose avowed purpose was to encourage native industries. Some of these did not require the sanction of the United States and are now in force. Others have not been promulgated because the United States has withheld its approval.

The plan of having the United States continue to regulate the Panama tariff is questionable. Some classes of commodities imported from the United States would have to pay increased rates, but it does not appear that American commerce would suffer or lose appreciably in volume. The question is actually one of policy or, possibly of expediency.

#### To Establish National Bank.

With the other measures passed by the national assembly was a very comprehensive one which looked to the establishment of a national bank of issue. It was drawn up with the purpose of securing the establishment of an American bank on the isthmus, and its provisions were submitted to various financial institutions in New York, which were understood to look with favor on the project.

After the measure was passed the New York financiers lost interest. The plan itself has not been given up, but if carried out it will be by London banking capital in control and with American banks satisfied to take a minority of the capital.

A project more directly related to the canal is for the establishment of free ports. This is somewhat vaguely advocated without a definite distinction between bonded warehouses, with a slight warehouse transit charge, and absolutely free ports with no restrictions on imports and exports.

The Panama national assembly passed a law for the creation of bonded warehouses, but the terms are not satisfactory to the local banks, which would be expected to advance funds on

goods in bond. Unless the act is modified it is not likely to prove effective in creating bonded warehouses.

The free port project has a broader basis. It is that Panama could be made the distributing center for a large area on the Pacific side, while Colon would serve for the Caribbean districts. If it became a free port Colon would find itself in competition with Curacao and St. Thomas for the West Indian trade, but Panama would have no competition on the Pacific side.

#### Free Port Republic.

Should the scheme be attempted it might be necessary to make the minor ports free also, so that Panama would, in fact, be a free port republic. The country could find sufficient sources of revenue to get along without import duties and could remit the present small export tax, but such a plan would be adopted with a great deal of hesitation, especially since it might mean the abandonment of the present policy of encouraging domestic industries.

Long years back Panama was a free port and merchants paid a graded license tax. Those of them who are advocating the free port project say that such a system would be satisfactory now and would insure a larger revenue.

The republic does not seem to be at all badly off for revenue. Besides the interest on the \$6,000,000 canal purchase money deposited in New York it is now receiving from the United States the \$250,000 perpetual annual rental for the canal concession. This is a very comfortable lump income for a country which has only 300,000 inhabitants. But into the question of bonded warehouses and free ports again enter the relations with the United States and the canal zone. It is the United States which is building a terminal at Balboa, with all that is required for ships and cargoes.

#### The Porras Administration.

The administration of President Porras has an internal improvement program of its own—good roads, agricultural development and railway building. All this is good. Its success is not dependent upon American control of the canal zone. It rests with the Panamanians whether this program becomes more than a paper program.

The United States has had to disapprove of some railway projects because they were so clearly in strategic



TYPICAL VILLAGE IN THE INTERIOR OF ISTHMIAN REPUBLIC.

hostility to the canal. Other plans for railway lines offer no such objections. The canal commission has a large quantity of surplus equipment both for the construction and the operation of railway lines. If advantage is not taken of this opportunity for cheap railway construction the fault will be that of Panama.

In connection with the possible development of the agricultural and other resources of the country as a means of freeing it from a too great dependence upon the canal zone the future of the zone is important. It is being depopulated in accordance with the act of congress, except for those who will be engaged in the operation and administration of the canal. The canal laborers will not be allowed to remain within the limits. Land titles are being extinguished and vested in the United States, which in a short time will be a monopoly landowner of some 350 square miles of territory.

#### Planning For Future.

It is clear that this plan of depopulating the canal zone is desirable at the present time. A question is raised, however, whether the zone should be continued indefinitely as a military reservation. Some of the officials who have been engaged in the canal construction and administration think that the United States later should lease the lands on the zone to American citizens who would care to engage in tropical agriculture.

Another view of the depopulation of the canal zone is the political one. With the zone as a military reservation irritating questions will not arise, and it is to be remembered that in Panama, as elsewhere in Latin America, there is an anti-American element which is always looking for a grievance.

On the isthmus this element is especially critical of any concessions which the government may make to the United States. This local opposition is violent and unreasonable. Allowance should be made for it in the efforts of the present administration to adjust satisfactorily the various questions which arise growing out of the somewhat anomalous relations of Panama and the United States.



(Conducted by the National Woman's Christian Temperance Union.)

### VIEW ON PERSONAL LIBERTY

#### Home Has Its Rights Which Saloon is Bound to Respect—Each Man is King Over Himself.

You say, "I will eat, drink, wear, speak, just what I please." But society says, "Nay, friend, you cannot speak what you please. It will be easy for you to utter words so blasphemous or so unfit for ears polite that you will trench on the sharp circle of the law. It will be easy for you to appear among us in such garb, that we shall hand you over to the courts."

And so we come with the question, "What business do you intend to follow?" In your contract with society it is important to have an answer to this question before we let you in. "I shall start a gambling house."

"O, no, you won't, my friend; the principle of gambling is a principle of getting something for nothing, and would be utterly subversive of society."

"Well, then; I will have a shop to sell vile literature."

"O, no, you won't; we shall interfere with your personal liberty just at that point in the sacred interest of childhood and of home."

"I will set up a tannery, a slaughter house, a powder mill alongside of your houses."

"No, you will not; for we will declare them a nuisance on the instant. You may not even build a house of such material as you happen to prefer. We legislate on all these matters in the interest of the majority."

"Well, then; I will start an opium den."

"No, we will have an ordinance against that whenever you attempt such an atrocity."

"But if you are so hard on me, I will start a saloon instead."

"No, you will not, my friend, and for the self same reason that we will not tolerate the traffic in opium—poison gathered from poppies—we will not let you sell the alcohol poison distilled from fruits and grains. The opening of your saloon would be the opening of Pandora's box. It would light the incendiary's torch, impel the random bullet and the pernicious knife stroke, and descend in heaviest blows on the gentlest and most innocent among us. Thirty-five per cent. of the insanity, eighty per cent. of pauperism and ninety per cent. of crime are caused by strong drink. The personal liberty the dealer really seeks in his own liberty to enslave a class. His practice proves too much against his theory. In proportion as the slavery of the drink appetite enchains his patrons are his own receipts increased. Ours is a country where each man is supposed to be king over one—that one himself—but when the integers in the problem of free government are systematically converted into ciphers by the effects of strong drink and the education of the saloon, then is the danger widespread and appalling. The home, too, has its rights which the saloon is bound to respect."

#### WINE VS. WATER.

Why does wine dry the mouth? Because the alcohol in it absorbs water.

Why does water moisten the mouth? Because the skin takes it in.

Why does wine burn the stomach? Because the alcohol in it dries up all the water it can find in it.

Why does water cool the stomach? Because the stomach in doing its work gets warmer than the water.

Why does wine tire the heart? Because the alcohol in it makes the heart beat faster.

Why does water help the heart? Because it cools the blood.

Why does wine disease the blood? Because the alcohol thickens it.

Why does water make the blood good? It washes it.

Why does wine redden the eyes? It burns them.

Why does water brighten them? It rests them.

Why does wine madden the brain? Because the alcohol in the wine burns it.

Why does water cool the brain. Because it keeps the blood cool which flows to the brain.

Why does wine madden the brain? Because the alcohol in it dries every part of the body.

Why does wine make thirst? Because it gives what every part of the body needs.

Why is wine costly? Because it is difficult to make, and because men who sell it want to grow rich fast.

Why is water free? Because it is the gift of God.

#### Can't Walk Straight.

The Northwestern Christian Advocate speaks straight to the point in the following utterance: "We have known of many influential laymen and some ministers "under the influence of liquor" who never took a drink. How's that? They were afraid to speak out against the saloon or to vote the institution out of their midst because of some prominent brewer or politician. Such people are very much under the influence, so much so they can't walk in a straight path."

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE MIDDLE DISTRICT OF PENNSYLVANIA.

In Bankruptcy No. 2572. In the matter of LEVIN A. WALTZ, Bankrupt.

To the creditors of Levin A. Waltz, of South Sterling, county of Wayne, and district aforesaid, a bankrupt.

Notice is hereby given that on the 4th day of November, 1913, the said Levin A. Waltz was duly adjudged bankrupt; and that the first meeting of its creditors will be held at the office of the referee, in the borough of Honesdale, county of Wayne, and within the said district upon the 24th day of Nov., 1913, at 2 p. m., at which time the said creditors may attend, prove their claims, appoint a Trustee, examine the bankrupt and transact such other business as may properly come before said meeting.

WM. H. LEE, Referee in Bankruptcy. Honesdale, 5th Nov. 1913.

NOTICE OF INCORPORATION. Notice is hereby given that application will be made by Edgar Jadin, Grace A. Jadin and Fred M. Spencer, to the Governor of Pennsylvania on the 3rd day of December, 1913, at 10 o'clock a. m., under the provisions of an Act of Assembly, entitled, "An Act to Provide for the Incorporation and Regulation of Certain Corporations," approved April 29, 1874, and the several supplements thereto, for a charter for an intended corporation to be called the JADWIN PHARMACY, Inc., the character and object of which is the manufacturing, buying and selling drugs and medicines, at wholesale and at retail, and dealing in stationery and other supplies, and for these purposes to have and possess and enjoy all the rights, benefits and privileges conferred by the said Act of Assembly and its supplements.

WILLIAM H. DIMMICK, CHESTER A. GARRATT, Solicitors. Honesdale, Pa., Nov. 19, 1913. 9lw3

PUBLIC AUCTION. The school board of Berlin township will sell at public auction on Friday, November 21, 1913, at 2 o'clock in the afternoon, at the old school house in the village of Beachlake, the following property, viz:

The Beachlake School House and out-buildings, and the grounds upon which they are situated.

The lower Beachlake School House and out-buildings, and the grounds upon which they are situated.

The Troop School House and out-buildings.

The Vine Hill School House and out-buildings.

The Long Pond School House and out-buildings.

Terms of Sale—Cash. At the same time and place the said School Board will receive sealed proposals for the drawing of coal for the schools of Berlin School District for the present term of several schools. The school board reserves the right to reject any and all bids.

BERLIN SCHOOL DIRECTORS. By G. C. Olver, Secretary. 92el2t

EXECUTOR'S NOTICE, Estate of CLAYTON, YALE, Late of Lebanon Township.

All persons indebted to said estate are notified to make immediate payment to the undersigned; and those having claims against the said estate are notified to present them duly attested for settlement.

WILLIAM S. YALE, NORMAN TAYLOR, Executors. Cold Spring, Pa., Oct. 30, 1913.

AUDITOR'S NOTICE. Estate of Charles H. Mills, late of Lake Township, deceased.

The undersigned, auditor, appointed by the Orphans' Court to hear and determine all claims on the assets and report distribution of said estate, will attend to the duties of his appointment on TUESDAY, DEC. 9, 1913, 10 A. M., at his office in the Borough of Honesdale, at which time and place all claims against said estate must be presented or recourse to the fund for distribution will be lost.

CHARLES A. McCARTY, Auditor. 92t4

## NOTICE TO WATER CONSUMERS!

The use of hose for sprinkling is absolutely prohibited, except between the hours of 6 and 8 a. m. and 6 and 8 p. m.

### Honesdale Con. Water Co.

## ABSOLUTE SECURITY.

### Wayne County Savings Bank

HONESDALE, PA.,

# 1871 42 YEARS OF SUCCESS 1913

### THE BANK THE PEOPLE USE

BECAUSE we have been transacting a SUCCESSFUL banking business CONTINUOUSLY since 1871 and are prepared and qualified to render VALUABLE SERVICE to our customers.

BECAUSE of our HONORABLE RECORD for FORTY-ONE years.

BECAUSE of SECURITY guaranteed by our LARGE CAPITAL and SURPLUS of \$550,000 00.

BECAUSE of our TOTAL ASSETS of \$3,000,000 00.

BECAUSE GOOD MANAGEMENT has made us the LEADING FINANCIAL INSTITUTION of Wayne county.

BECAUSE of these reasons we confidently ask you to become a depositor. COURTEOUS treatment to all CUSTOMERS whether their account is LARGE or SMALL INTEREST allowed from the FIRST of ANY MONTH on Deposits made on or before the TENTH of the month.

OFFICERS: W. B. HOLMES, PRESIDENT. H. S. SALMON, Cashier. A. T. SEARLE, Vice-President. W. J. WARD, Asst. Cashier.

DIRECTORS: T. B. CLARK, H. J. CONGER, J. W. FARLEY, E. W. GAMMELL, W. B. HOLMES, F. P. KIMBLE, W. F. SUYDAM, C. J. SMITH, A. T. SEARLE, H. S. SALMON.

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