



SHOWING BEAUTIFUL

# Party Dresses

BLACK LACE — PASTEL TAFFETAS  
BLACK SILKS

—We are showing a new shipment of Beautiful Party and Afternoon Dresses. There are dainty Taffetas in opera and pastel colors, Black Spanish Lace dresses, and all are reasonably priced.

Come In and See Them

## Hill's Dep't Store

# CAPTAIN PLAYS FROM SIDELINES

(By Associated Press)

SPOKANE, Wash., Oct. 21.—Although he will play every game from the sidelines and will not put on a suit during the season, Glen Hutton will act as captain of the Spokane University football eleven throughout the 1922 season.

Hutton, who was the star quarterback of the Spokane University team last year, was injured in the neck during one of the games last season and will remain out of the game this year. Hutton, however, although he is no longer useful as a player, is assisting coaching the team.

The team captain for the Spokane University eleven will be appointed before each game this year, but Hutton will remain captain of the team, even though he does not sit on the bench. Spokane University is a member of the Spokane Intercollegiate conference.

Much Evidence Supports Theory

An anti's remote grandfather the account is in a fair way to gain ground. If the man is not in reality reverting to type.—Tahilo Hild.

# BABSON SEES BRANCH BANKS IN FUTURE

Country Banks are More Independent of City Banks Than Heretofore.

RESERVE SYSTEM IS SURELY PERMANENT

Branch Banks Would Be a Benefit to Bank Stocks, According to Statistician.

WELLSLEY HILLS, Mass., Oct.

# Something Different In Vaudeville ARCADE

Wednesday and Thursday, October 25th and 26th. B. L. WOODWORTH Presents

ROSTAND "THE WIZARD" In His Latest, Greatest Magic Production

'The Necromancers' Mystery from the Orient

A Remarkable Program of Esoteric Magic and Illusions STARTLING WEIRD MYSTIFYING Prices 10 and 40 cents

Fruity Philosophy. Nothing is more obviously false than the theory that the principal reason for the existence of the banks is to serve the public. The banks are not in the business of serving the public. They are in the business of making money for themselves.

There has been much discussion regarding branch banks at the annual convention of the American Bankers Association which was held last week in New York. Owing to the controversy which this discussion has developed, Roger W. Babson was today interviewed regarding the probable outcome.

"Of course the discussion is the natural outgrowth of the establishment of the Federal Reserve Bank. Before the days of the Federal Reserve System," says Mr. Babson, "a branch bank organization practically existed, although it was an unconscious and invisible organization. For instance, the small bank in Indiana took orders from its correspondent bank in Indianapolis; and the Indianapolis bank took its orders from a still bigger bank in New York. The heads of a few of the New York banks would hold a conference at the home of the late J. Pierpont Morgan or at the home of Mr. Baker of the First National Bank, and decide upon a policy. This policy they would pass along to the large banks of Boston, Chicago, Philadelphia, Indianapolis, St. Louis, New Orleans, and other large cities. The banks in these large cities would in turn pass the same policy on to the small banks in their districts. There were no contracts or stock control existing between the banks, but there was an invisible control which was very powerful. With the organization of the Federal Reserve Bank, the clearance of checks at par, and the legislation against interlocking directorates, this control was given a tremendous jolt. No longer is it much of an object for a country bank to keep a deposit with the large city bank. Thus there has been a gradual drifting away on the part of the country banks from the city banks. The large cities have become more independent of the large cities. As long as the money rates were high, this did not worry the city banks, but during the past year, when money rates have been declining, the large city banks have distinctly felt the loss of their former power. Hence, they are looking around for some plan to get their country following back again.

Reserve System to Stay. "There is no hope of breaking up the Federal Reserve System which is functioning very satisfactorily. The men connected with the Federal Reserve banks are active and ambitious. They are building permanent and substantial banking houses and are accumulating great resources. They are issuing reports and other publications which appeal greatly to the country banks. The larger city banks are distinctly

worried about this and are looking for some other means for recouping their prestige. They first turned their attention to Foreign Trade organizations. Foreign Trade was the key note at the American Bankers Convention two years ago. The foreign trade business, however, has not panned out as well as the banks had hoped it would, and our recent tariff has given almost a death blow to what little new foreign trade we had. Thus, the banks' hopes in this regard are not very sanguine at the moment. Another attempt has shown itself in the organization of separate investment companies and separate acceptance companies. These have been organized by many of the larger banks and most of them are operating successfully. Banks are finding these investment companies more profitable at the moment than their foreign trade adventure.

The banks are gradually coming to the opinion, however, that they can recover their prestige with the organization of branch banks. Hence, there is a drive at present to have the National Bank Law amended so that a city bank can own a system of branch banks in the surrounding cities and towns. Whether or not this is in line with democracy, is a very debatable question; but the drive is on and my guess is that such branch banks are as inevitable as the chain store.

Branch Bank Idea. "All the banking systems of Europe are developed on the 'branch bank' idea. The big banks of England, France and Germany have their branches in hundreds of cities and towns. One of the finest branch systems in the world exists in Canada, far over the United States line. In Montreal there are several big banks, and each of these have from one hundred to three hundred branches in different Canadian cities and towns. As already stated, I doubt seriously whether the branch bank system is as good for the country as the present system. On the other hand, we know that the present tendency of eliminating the small farmer and substituting the renter in place of the owner is not for the good of the country. The development of chain store systems which are slowly crowding out the individual retailer is not good for the country.

"One Christmas Mr. Henry Ford sent me an autographed photograph on which he wrote these words: 'Eliminate absentee ownership and industrial problems will solve themselves.' He is correct in that ab-

sentee ownership is a present difficulty with our industrial organizations. As the chain store grows, a similar difficulty will develop which we do not now have with our individual retail banks, and as a system of branch banks grows, there will be that same difficulty with our banking system. Yet I believe these changes are inevitable. Branch banks will be established throughout the country, and congress will enact such legislation as is needed to make this possible."

Benefit Bank Stocks. "Mr. Babson was then asked what the effect of this would be on bank stocks and he replied that it would be a benefit to bank stocks. There are enough banks in the country districts at the present time. Hence, the city banks will be wise enough not to start new ones to serve as their branches. Instead the city banks will buy control of the better country banks. This will develop a new and active market for country bank stocks. Small banks will surely sell higher. At the present time most bank stocks sell on 'book value' without any consideration of the value of 'good will'. As soon as city banks bid against one another for the country banks, the 'good will' feature will at once be of value. With banks of small capital stock, this will at once become a valuable asset. Banks which have a small capital stock and banks which have a virtual monopoly of the banking interests in a community, will be in special demand. A community which has four banks will have these four banks purchased by four big city banks so that each of the four big city banks will have a branch in the smaller city. When, however, there is only one bank in the community the four big city banks will compete and bid against one another for the stock of this one bank. The stock of many of these small banks, which today can be bought around par, may later be purchased by some city bank at \$200 to \$250 a share. All the country banks need to do to bring about these conditions is to buy good securities.

For Sale. Modern four-room house, two lots, cement sidewalk, garage, lawn, basement and built-ins. Price, \$2500. Terms, \$300 down and \$25 per month, including interest.

Eight-room home, modern. The location and arrangement of the house makes this place very desirable for renting the upstairs rooms. Big lot, \$5000. Garage, sidewalk, lawn and trees. Price \$4200.

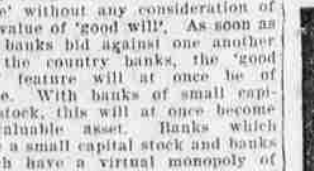
Four-room house, two lots on unimproved street, very liberal terms.

Geo. H. Currey Real Estate Insurance

General business as reflected in the Babsonchart continues to improve. Its present position—but 3% below normal. The highest point in two years.

HOW BETTER THAN PILLS? The question has been asked: In what way are Chamberlain's Tablets superior to the ordinary cathartic and laxative pills? Our answer is, they are easier and more pleasant to take and their effect is so gentle that one hardly realizes that it is produced by a medicine. Then, they not only move the bowels but improve the appetite and strengthen the digestion.

IT'S TOASTED one extra process which gives a delicious flavor



LUCKY STRIKE CIGARETTE

Are You An Ailing Woman? Why not enjoy Perfect Health? Bakersfield, Calif.—"For quite a number of years I have taken Dr. Pierce's two medicines, Golden Medical Discovery and Favorite Prescription, whenever in a run-down or nervous state of health. The Golden Medical Discovery always gave me relief in any disorder of the stomach. My mother, who was a practical nurse specializing in obstetrical cases, used to recommend these two medicines to her patients, to be taken during the trying months of expectancy, and I have heard her say that they were dependable medicines and that she would always recommend them."—Mrs. Bertha Allen, 1025 16th St.



OPEN NOSTRILS! END A COLD OR CATARRH

How To Get Relief When Head and Nose are Stuffed Up.

Count fifty! Your cold in head or catarrh disappears. Your clogged nostrils will open, the air passages of your head will clear and you can breathe freely. No more snuffling, hawking, runny discharge, dryness or headache, no struggling for breath at night.

Get a small bottle of Ely's Cream Balm from your druggist and apply a little of this fragrant antiseptic cream in your nostrils. It penetrates through every air passage of the head, softening and healing the swollen or inflamed mucous membrane, giving you instant relief. Head colds and catarrh yield like magic. Don't stay stuffed up and miserable. Relief is sure.

HOT TAMALES Jack-O-Lantern 1115 Adams

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OBSERVER ADVERTISING will bring results

# SPECIAL

## Thor Automatic Electric Ironer

Slightly used, but in perfect condition. For Sale at a Great Reduction

Eastern Oregon Light and Power Company

# ARCOLA

Week Oct. 23rd - 28th Special Prices this week only

If you're counting on ARCOLA, the wonderful hot water heating system, to heat your home this winter, now is your best time to buy.

Don't miss money if you buy this week. Special prices are being offered for these two weeks. So get your ARCOLA now—we'll deliver promptly and you'll be comfortable this winter on a smoothed down cost than any other heater.

These Prices This Week Only  
ARCOLA with 2 radiators, \$208  
ARCOLA with 3 radiators, \$243  
ARCOLA with 4 radiators, \$278  
ARCOLA with 5 radiators, \$313

The above prices are approximate. Call and let us show you complete and after you exact price for your home. Ladies especially, by invited.

Fred Speath

# "Wear-Ever"

two-quart Aluminum THICK LINED Pudding Pan

We are making this offer solely for the purpose of affording you an opportunity to give "Wear-Ever" a real service test in your own kitchen. We want you to SEE the difference, FEEL the difference, and KNOW the difference between "Wear-Ever" aluminum cooking utensils and utensils of less thick metal which, consequently, are offered at a cheaper price.

Regular Price \$1.95  
Cover only 20c  
Regular Price 28c

49c

Ore. Hdw. & Imp. Co.

# EVERY DAY PRICES

Good Beef Steak, lb.	18c
Pot Roasts, lb.	12c, 14c, 16c, 18c
Boiling Meat, lb.	8c, 10c
Bacon, lb.	25c
Sugar Cured Hams, lb.	28c

Our large stock always on hand enables us to supply our customers' demands in an exceptional manner. Trade Here and Be Satisfied.

## The Grande Ronde Meat Co.

# Just Arrived!

A complete line of Connecting Rod and Crankshaft Bearings for passenger cars and trucks. At Leighton's Welding & Machine Works Ja Grande, Oregon