

Sherman County Journal

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GILES L. FRENCH Managing Editor



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FRIDAY, SEPTEMBER 23, 1932.

ABOUT BANKS

There is a good story going the rounds about an old and wise Indian in an Eastern Oregon town who desired to borrow money from the bank. He dropped in on the town's financial institution and asked to borrow a hundred dollars. "How many ponies have you?" inquired the banker.

"The Indian satisfactorily explained his financial status and received the loan. Within a few days having received his allotment, sold some huckleberries or in other manner gotten hold of some money, the native dropped into the bank to repay his loan. He had a wad of bills that he could barely reach around and with importance to fit the occasion he peeled off a few twenties and took his cancelled note in return.

The banker, seeing the size of the Indian's roll urged him to deposit his money in the bank and gave as argument that some one might kill him or rob him. The red man was not convinced but he listened until the story was done. Then with a sagacity that surpassed that of many of his white brothers he inquired, "How many ponies you got?"

The sudden and violent demise of banks in this county brings us to wonder if this story does not fit the very weakness of our banking system. When one borrows from a bank he must pledge his past earnings and his future prospects; when he deposits money in the bank he leaves it with nothing but a promise to pay that is often not realized upon.

There can be little doubt but that the banking laws of the state of Oregon will undergo radical change at the hands of the next legislature. And they certainly should be changed. Now it is possible for banks to keep but 15 percent of their demand deposits on hand in the form of cash and 10 percent of time deposits in cash. It would certainly be the part of wisdom to raise this reserve limit.

Banks ordinarily borrow money by pledging their assets. In case of rediscount it is merely a sale of assets and has no serious effects on the depositor, but in case of borrowing money it is sometimes very serious. The law states that a bank may not pledge more collateral for loans than 25 percent above the loan except when the approval of the bank examiner is given, then it may be 50 percent. All of the banks of Sherman county had pledged 50 percent above the loan or one and one half dollars for every one received. The banks who borrow from the Reconstruction Finance Corporation pledge two dollars for one dollar of loan.

The law states that banks shall charge off as bad debts loans over a year old on which the interest is not paid. Everyone knows how this law is evaded and, in fact, a ruling has been made to declare the present practice acceptable. Real estate must be charged off or sold within five years, but loans may be continued indefinitely. A change correcting this evil would be of advantage.

The present law was made when times were considered prosperous and it tends to aid the borrower from a bank more than it does the depositor. It has not helped the depositor or the stockholder.

If banks are to regain and keep the confidence of depositors they must be managed under different laws so that the depositor will be better protected. It does not aid confidence for a depositor to look over the assets of his bank and find, after it has closed, that by far the best assets have been pledged to a money lender, that the bank has loaned many times its capital stock in an effort to increase its earnings. It does not help the stockholder, either, to reach for higher dividends and lose everything he has

Those Washington bank robbers are reported to have obtained \$12,000 dollars at Colfax just when folks in this section had concluded that there wasn't that much money in any bank.

It certainly is to be hoped that Roosevelt will learn more about farming then he displayed in his Kansas speech before he wins any national elections.

Folks over at Burns are happy because of a million dollars in borrowed money. It's easy to get happy on.

Gandhi has decided to starve to death. Well, if we had to live on his diet we'd just as soon.

The frost the other night was just a reminder that this summer like weather cannot last much longer.

The bears will have it now for a while. Bear stories about the condition of football players.

Political Announcements

In announcing my candidacy for sheriff of Sherman county I wish to pledge myself that if elected to this office I will perform the duties of the office for the \$1800 salary alone without additional expenses, traveling or otherwise, making a saving to taxpayers of the county of \$850 per year.

Lot W. Rust
Independent Economy Candidate.

Grass Valley

Mrs. O. C. Claypool will be at the Grass Valley Inn September 27th, with Hats, Coats, and Frocks. Will take school warrants.

Hunting has deprived the town of a large part of its citizens as many of the business men are out in the hills looking with expectant eyes for a nice pair of horns to bring home.

Word was received here that Miss Irene Kee, daughter of Mr. and Mrs. Bruce Kee, formerly of this place, was married last Sunday to Lawrence Bruce, of The Dalles, in Goldendale.

George Wilcox, Earl Olds, W. B. Wilcox, Sr., Tom Alley and A. A. Dunlap made up a hunting party that left in the cold gray dawn of Monday morning for a point above Paulina where deer are reported to be numerous and tame.

George Schwartz and Stanley Krusov are some place in the hills trying to get a buck deer within range of their guns.

Mrs. A. C. Scheurer is visiting here at the Arthur Smith home from Portland.

Mrs. Pauline Wilcox has rented her ranch to Roy Harbin and has moved to town for the winter.

Mr. and Mrs. Harold Hughes are leaving Friday for Corvallis where Harold will be an instructor in the science department.

Willard Barnett returned from Pacific University the first of the week having found it impossible for him to attend school this winter.

Ray Blake, Arthur Smith and a brother of Mrs. Scheurer left Monday for the mountains around Paisley where they hope to be able to bag a deer or two.

Bob Poley left last Friday for Eugene to reenter the University of Oregon for his second years study.

Ed Alley, Bob Burns and John Hays are hiking over the hills around Suplee hoping that a deer will get within range.

J. W. Shepard and Herman Schilling drove to Spokane Sunday to attend a meeting of the North Pacific Grain Growers. They returned early Tuesday morning.

U. R. French and Mrs. W. I. Westterfeld came home from Portland after spending a few days in the metropolis.

Dale Baker entered Pacific University this week. He was taken to Forest Grove by his parents, Mr. and Mrs. R. J. Baker.

Hays and Lila Boyce are attending school in Beaverton this winter having left last week.

Tom Garrett and Babe Fields are away from their ordinary pursuits this week while they search the Paisley hills for their annual ration of deer meat.

A shower for Mrs. John Rolfe was given by Mrs. Martha McGowan last Wednesday. The young couple were also given a party at the Grange hall by a group of their friends.

Clayton Vinton has entered Pacific University.

Some of the more ardent fishermen have been at Celilo during the past week trying their luck at hauling the big salmon out of the swift water.

Mr. and Mrs. Arch Russell were in Lyle, Wash., last Monday for a pleasure and business trip.

Grass Valley High School Notes

Genevieve Beardsley, Editor

The Freshmen initiation took place last Friday night. The usual rough treatment was received by all of the class.

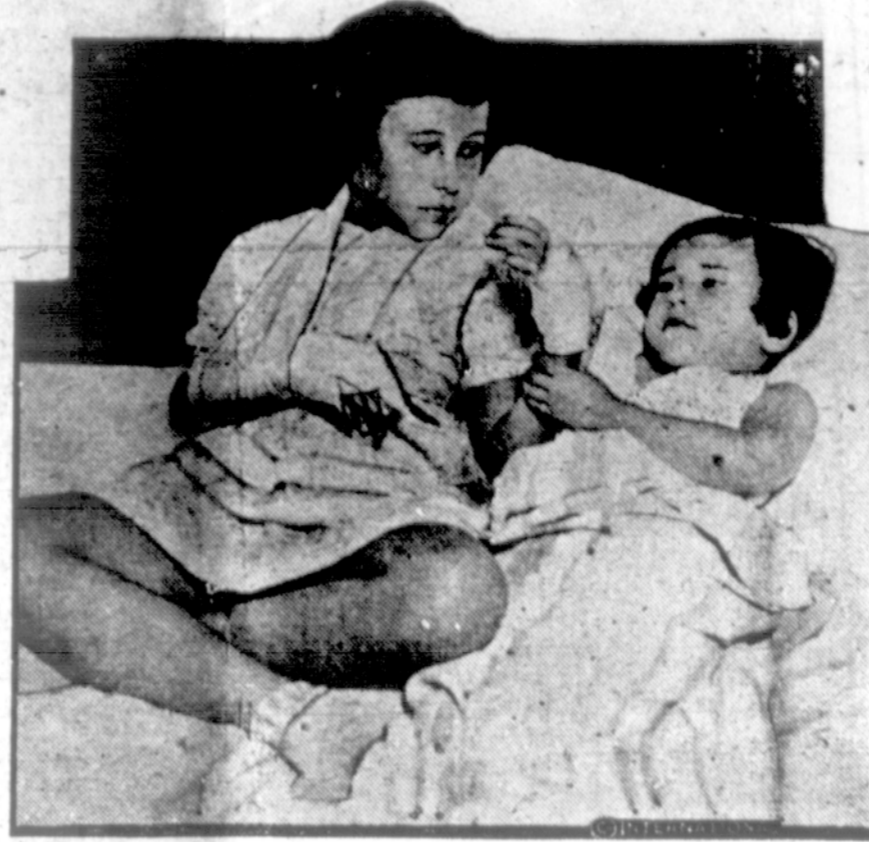
The Rufus girls volley ball team played a practice game with the Grass Valley team. The Rufus team was defeated.

The teacher's reception will be held Friday night at the Odd Fellow's hall.

Gerald Lindsay of Hood River is enrolled in the Junior class here.

Several of the graduates of the

Little Victims of Gang Bullets



Frieda Falls, three, who was shot in the abdomen, examines the bandaged hand of her sister, Rose, eleven, who was also hit by gangsters' bullets meant for underworld foes. They were playing in front of their Brooklyn home when the shooting occurred.

high school were visitors last week. They were Florence Schilling, Helen Engstrom and Willard Barnett.

The De Moss family are giving a concert at the Grass Valley High School auditorium, Friday, September 23, at 2:30 o'clock.

Kent News

Warren Norton and Donald MacInnes left Saturday for the Ochoco mountains in search of deer.

Miss Rita Harpe, a former teacher of Kent, and Henry Simmons were here Saturday from Fossil.

Frank Haynes, Bill Mitchell and Bob Phelan left Monday for a hunting trip.

Lorena Young left for Hood River the first of the week where she will visit relatives.

Mr. and Mrs. Andy Holt of Redmond spent Sunday at the home of their daughter, Mrs. Joe Gregg.

Luther Davis, George Witter and Amandus von Borstel visited in The Dalles last Tuesday.

Kent grange held its regular meeting Wednesday evening when about thirty members were present. They will meet again September 28th.

Arthur Norton is here from Airlie to visit his brothers J. E. and Warren.

Wilbur Helyer and Earl Harbin were at Mt. Hood Sunday looking the Helyer Dude Ranch there.

Jack Kelly went to Madras this week to barbar for a few weeks.

To The Point

Butcher: "Do you want top of the round steak or bottom?"
Mrs. Newbride: "The bottom, please. My husband says that most of your cuts are too high."

Or "Kay"

Mother (teaching alphabet): "Now, dear, what comes after 'O'?"
Child: "Yeah!"

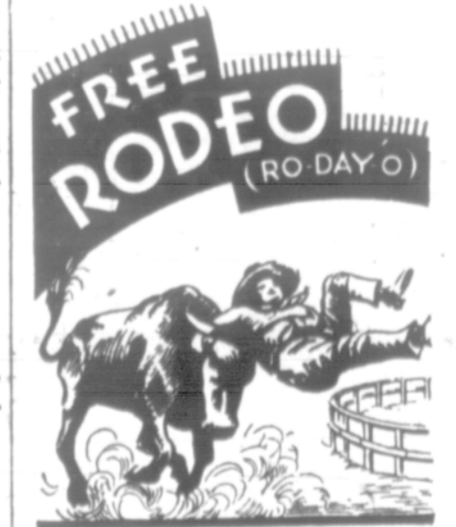
Wood: "Did I ever tell you about the awful fright I got on my wedding day?"
Stone: "Careful, old boy. No man

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Strawberry Rodeo... The "Dynamic of Cowboy Culture". A dollar show free at grandstand daily, except reserved seats.
Night Stampede... Venues, Picadors, Matadors, Toreros, Casaca, Bullfighters, Fighting Broncos, Congress of range cowboys, spills, bulls, clowns, funny mules. A night show never before presented in an indoor arena on the coast. Admission reduced to 50c; reserved arena seats 75c to \$1.00.
Panorama of Progress... Thousands of exhibits of land, dairy and industrial products, eggs and rabbits, live deer, sheep, goats, chickens, geese, ducks, pigeons, rabbits, wild fowl, dogs, cats, etc.
Carnival, amusements, rides, shows, dance.
Special Days for Grange, Farm Union, National organizations—quizzes, etc.
12 Bands... Many choruses and orchestras. 18 musical programs by Music Federation.
Monday... "FAMILY BARGAIN DAY". Entire family and car admitted for \$1. Boys and girls, high school age or under admitted FREE.
Reduced fares... by bus and rail.
STATE FAIR
Sept. 26-Oct. 1

so outstanding on dryland seedings in Baker county that farmers have pooled orders for more than 500 pounds of seed be sown for next year. On the T. C. Deringer farm near here the new grass was far superior to others established in test plots in cooperation with the county agent, making an excellent stand with grass 18 inches high.

New Chancellor Has Had Busy Life

Dr. William Jasper Kerr, newly appointed chancellor of higher education in Oregon, has had 47 years experience in educational work of which 38-years have been as college president, though he is only 68 years of age at this time. He was born in Richmond, Utah, November 17, 1863, the same year Henry Ford was born. His early education was obtained in the public schools of Utah after which Kerr attended the state university where he received his A. B. degree. Subsequent graduate work was taken at Cornell university where he practically completed work for his PH.D. degree. He has received the honorary degrees of doctor of science and doctor of laws.

Both in public school and college Kerr was interested in debating and he early planned a law career, declining an opportunity to attend West Point because he was intent on entering the law profession. He was also interested in business and was manager of a mercantile firm at 21 years of age when he was induced to become a teacher and later superintendent in the Smith, Utah, schools.

He was made professor of mathematics and astronomy at University of Utah in 1892 and served as head of that department and was in charge of graduate study until 1894. In 1900 at the age of 36 President Kerr was elected president of Utah State College where he remained until elected president of Oregon State College in 1907.

When President Kerr was chosen head of the Oregon college it was a small institution of only 777 students and 32 faculty members and having little internal organization. Under his administration it attained front rank position among land grant colleges and increased to a size five times that when he became its head.

Tum-A-Lum Co. Grass Valley

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Lower License Fees Must Come

Secretary of State Hoss insists that automobile owners are entitled to lower licence fees. We agree with him but also believe that the license fees now imposed on small privately owned trucks should be reduced.

WHY?

Because, for years, automobiles and small trucks have been carrying the load of highway construction and maintenance while the heavy truck and trailer freight outfits, operating for compensation and hogging and destroying our roads, have been escaping with ridiculously low fees.

For the fiscal year ending June 30, 1932, the state collected in license and mileage fees, \$6,548,000. Of this amount the freighters (Classes 4 and 7), nearly 3000 in number, paid out \$300,000 or around \$100 per vehicle for the year.

In the year 1931 the State Highway Commission was obliged to spend over \$7,000,000.00 for reconstruction, betterments and maintenance—burdens imposed largely by the operations of heavy vehicles.

Our proposed Highway Protection Law makes it the duty of the State Highway Commission to classify all traffic on our highways, determine the burden imposed by each and make recommendations to the Governor for a redistribution of all license and mileage fees.

When this is done lower license fees for automobiles and small trucks should follow.

Vote 314 Yes

Highway Protective Association
By Oswest West, President
Ry. Exch. Bldg., Portland, Ore.

Paid Adv.