

# Manifold Ways in Which the Banks Are Serving the Nation

## Handling Millions of Transactions Daily for Individuals, Corporations and State and National Governments—The Structure Strengthened and Deserving of Public Faith

By FRANCIS MARION LAW,  
President American Bankers Association



THE banks of the nation provide the machinery through which pass daily many millions of checks and drafts, aggregating hundreds of millions of dollars.

The banks are largely financing the Federal Government in its Recovery Program, involving the greatest peace-time expenditures ever known.

Likewise the banks are largely financing the current credit needs of states, counties, cities, public schools and other political subdivisions, all of which have intimately to do with the daily affairs of all of the people.

Each day banks throughout the country are making hundreds of thousands of new loans and they are renewing and extending old loans for the accommodation of a vast number of borrowers, these borrowers being individuals, corporations and partnerships and their loans being incident to agriculture, industry and trade everywhere.

The banks, through their trust departments, are continuing the work which they have faithfully carried on throughout the depression and are protecting trust funds placed in their care against the worst shrinkage of values ever known. Included in this activity is the service the banks are performing in connection with administering the affairs of widows and orphans.

The banks, through the medium of their savings and thrift deposit departments, are furnishing safety for the accumulations of many millions of people and on this class of deposits reasonable interest is paid.

The officers of banks are unselfishly and unhesitatingly giving advice and counsel to the people of their communities, thereby to a considerable extent guiding their daily financial and fiscal affairs during this most difficult period of disturbance.

### The Banking Structure Strengthened

The banking structure as it is today has been greatly strengthened and the process of strengthening still goes on. Banking is not a closed science. The banking system which we have had was not good enough, and I earnestly believe that an able and non-partisan commission should be set up to make a study of our numerous banking laws to the end that a properly correlated banking system might be worked out and submitted to the next Congress.

A good system would include rigid requirements as to management, intelligent and impartial supervision and, in due time, unification of supervision. Such a system, composed of banks adequately capitalized, capably managed and conscientiously supervised would eliminate any possibility of a recurrence of what has happened in the past four years.

The temporary Federal deposit insurance plan under which deposits in banks up to \$2,500 for each account are insured has been in effect for six months and has proven a potent factor in restoring confidence. Only two small banks out of over fourteen thousand holding membership in the fund have failed during this six months' period. The temporary plan has been extended very wisely for a year, and the amount of the insured deposit has been increased to \$5,000, thus insuring in full over 98% in number of the depositors in the banks.

Hoarded money is returning to the banks and deposits are showing a vast increase. Banks everywhere are super-liquid, meaning that they have an unusually heavy proportion of their deposits in cash. There are two kinds of unemployment in this country — unemployment of men and unemployment of dollars. These men and these dollars must be put to work. Banks in strong and highly liquid condition are prepared and determined to do their proper part in putting money to work.

### Requisites for Grants of Bank Credit

That brings me to the all important question of the granting of credit by banks. Two things are necessary to increase bank credit:

- 1st. The banks must be liquid and confident in their own strength.
- 2nd. Business men must further lay their fears and regain confidence to the point where they will dare to think and plan ahead.

The first requisite is accomplished. The second is in process. Bank credit will increase and money will go to work when business men get over their disinclination to borrow and this will be when they begin to see profits within their reach.

In past depressions the real movement of the expansion in bank credit has always come after general business recovery got under way and not before. The number of good credit risks is increasing daily. Not in my time have good borrowers been so warmly welcomed at banks as they are today. Never before has there been such competition for

good loans, nor has the interest rate ever been so low.

**A Return of Normal Lending**  
Banks are badly needing loans for revenue purposes, and now that confidence in banks has been largely restored they are naturally returning to a more normal lending policy. Before the bank holiday the confidence of the people was shattered. The thought uppermost in the minds of depositors was the safety of their funds. Withdrawals from banks became increasingly heavy in general. Under such circumstances the banker, mindful of his primary responsibility to his depositors, was more concerned in the collection of loans than in the making of new loans. The result was a severe contraction of credit. For this the banker should not be blamed. He simply performed his manifest duty.

Bankers at this time are very properly viewing the credit needs of business with serious and sympathetic consideration. Applicants for loans are not always familiar with the rules governing bank credit and constructive and interested help on the part of the banker will bring about the making of many additional loans, and without doing violence to any principle of good banking.

Certainly no one would advocate the making of unsound loans by banks. The creation of a large volume of unsound loans would not only weaken the banks—it would prolong the depression and wipe out some of the gains already made. It is to be earnestly hoped that no banker will yield under the pressure of his desire for earnings, or for any other reason, and make loans of the wrong sort.

There are many needs for credit of kinds which are not within the province of commercial banks to meet. Likewise there are many types of credit, but there are also many types of credit facilities available—enough, it would seem, to meet the requirements of all classes of worthy borrowers.

**The Duty of Every Banker**  
It is clearly the duty of every banker in the country to perform certain services. The most important of these are:

1. To afford perfect safety for deposits.
2. To grant credit to those who deserve it.

In the matter of credits the public must in fairness remember that commercial banks are not lending their own money, but the money of their depositors, represented very largely by the earnings and savings of the people. The people who own these deposits have accumulated them through years of labor and sacrifice and in many cases the deposit represents their all. These depositors have the right to call for their money at any time, or at most on short notice. Deposits constitute a sacred trust.

There are certain basic principles in sound banking that must be held onto even in this period of change, but the progressive banker must be responsive to changing conditions and he must be active in seeking proper opportunities to meet the sound needs of his customers.

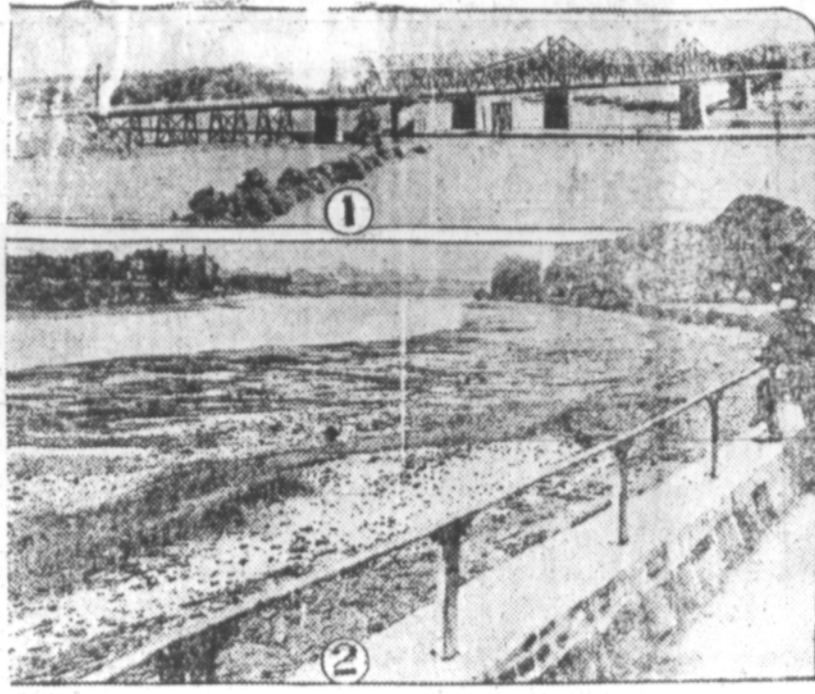
Repeated assurance has been given by the Administration that there is no desire on its part to continue government lending a moment longer than is necessary and that at the earliest possible time the government will gladly give way to the banks and other lending institutions. This, of course, is as it should be and we are all earnestly looking forward to the time when private initiative and enterprise shall have recovered its vitality sufficiently to throw government crutches away.

Numerous bank failures have created in the minds of many a grossly exaggerated idea as to the losses of depositors in closed banks. The record indicates that depositors in banks which closed in the past three years will realize on an average about 65c on the dollar. That would mean a loss of 35%. It has been estimated that during the depression the average value of investments in stocks lost about 90%; bonds similarly declined approximately 60% and commodities 65%.

Deposits in sound banks continued to be worth 100% throughout the depression and 90% of the bank deposits of the country were not affected.

**Bankers Deserve Confidence**  
The country can have full confidence in the integrity and competence of the bankers of the country. Out of the lessons of the last few years has come experience that will be valuable to the banker and to his community. He can be counted on to show a proper appreciation of his responsibilities and obligations and to take his place among those who are making earnest and unselfish effort to promote recovery. He is not infallible, but with every power that lies within him I believe he may be depended upon to fulfill his duty as a custodian of the people's money, as a dispenser of credit and as a God-fearing American Citizen imbued with a sincere respect and regard for the common good.

## Scenes and Persons in the Current News



1—New Roosevelt International bridge across the Lawrence at Roosevelttown, N. Y., and Cornwall Ont., which was dedicated by Secretary of War Dern and Governor Lord Bessborough. 2—View of the Thames at Barnes, England, when the river was at its lowest level since 1821, due to the drought. 3—Rev. Dr. Paul Press of St. Louis, Mo., president of the Evangelical Synod of North America (left), shaking hands with Rev. Dr. H. J. Christman of Dayton, Ohio, president of the Reformed Church in the United States, as they consummated the organic union of these two denominations into the Reformed and Evangelical Church.



## Views from the Wasco Community

Frank and Veda Reed are attending the Epworth League Institute at Suttle Lake.

The Wasco Library has received a number of new books to be loaned out at a charge of 5 cents per week per book.

Mrs. Dick Schunke and son left Sunday to visit her mother at Hood River returning Friday.

Mr. and Mrs. Ed Feldman motored to Hood River Sunday on a picnic.

Cliff Fridley is in Portland to go through a clinic in search of better health.

Mary Barbour from Portland is the guest of her mother, Mrs. W. E. Tate for several weeks.

Mrs. Kenneth Woods and children will move to Longview where Mr. Woods is employed.

Mrs. Warner was a guest at the Sargent home until the Warner's left Sunday for the home of Mrs. Warner's mother at Mon-

mouth.

Martha Hastings and Laura Wells and R. G. Gow were in Portland Friday returning home Saturday.

Mrs. Ida Heltzer from Portland is a guest for the summer of the Spencer family.

Florence Armsworthly spent the week end in The Dalles.

Mrs. Jack Sheets and children are visiting her parents at Stanfield.

Mrs. E. W. McQuillan was a visitor in Portland Friday and returned with her daughter Janet and Grace Hughes Wednesday.

Wheat has been coming in to the warehouse the yield being very light but of good quality weighing 142 to 145 pounds to the sack.

Mr. and Mrs. M. G. Tuel left for Portland Saturday so that Mr. Tuel could enter a hospital for an operation for goiter. The operation was performed Monday morning

and he is reported to be doing well. Mrs. Tuel returned Tuesday. Mrs. Dell Hull accompanied them to Portland.

Miss Kunhausen from Glenwood, Wash., Mr. Richeliefer and Mrs. Watkins and son were dinner guests at the Evans home Friday.

Miss Elsie Rogers was a guest of the Fred Fortners Sunday.

Mrs. Frank Knox and children and Mrs. J. P. Yates left for Portland where they will spend a week. Dorothy and Donna Knox will spend their vacation at the camp fire girls camp at Bull Run.

Mr. and Mrs. Louis Scholl motored to The Dalles Friday.

Marion Tuel is visiting her grandmother, Mrs. Dixon in Portland.

Mr. and Mrs. Floyd Root were in Portland Wednesday to attend a wedding of friends.

Mr. and Mrs. Heber Woods of Los Angeles were guests at the Harry Proudfoot home Saturday.

Mrs. H. D. Proudfoot had as her guest this week her sister, Mrs. G. W. Smith, who is returning to her home in San Diego after a trip east.

The house guests of Mrs. Louis Hildebrand this week were her nephew Donald Turner from Portland and Mr. and Mrs. L. B. Blakney of Oregon City.

Earl Dutton who has been in The Dalles hospital recovering from an appendicitis operation returned to his home in Fossil this week.

Mrs. Joe Hildebrand was in the Dalles Monday to visit her brother who is ill in a hospital.

Mrs. Bob Gow returned to Portland and Mr. Gow will leave in a few weeks.

Mr. and Mrs. G. G. Wolcott of Tucson, Ariz., will visit her mother, Mrs. Charles Everett for several weeks.

Mrs. Jack Ramcy and daughter were visitors in The Dalles Monday.

Thyra Fields left for Fossil

**11 WAYS TO HEALTH**  
By ADA R. MAYNE  
OREGON DAIRY COUNCIL

The season for fresh apricots is comparatively short and a few suggestions for their use are timely. Apricots are not only delicious in flavor but have real food value as they carry both mineral elements and vitamins. They are especially rich in copper and iron and thus contribute to the blood building process.

There are literally scores of ways to serve apricots. Apricots are delicious sliced and served with cream and sugar. They may be eaten alone at the beginning or end of the meal, or combined with breakfast cereals. A favorite salad is made of halved or sliced apricots with a generous sprinkling of grated cheese and nuts for garnish. For variety they may be used with cottage or cream cheese and with either French or fruit dressing.

Fresh apricots, made into a sauce and served with vanilla ice cream is delicious. The sauce is made by cooking for five minutes the sliced fruit with a half cup of sugar and half cup of water for each cup of fruit used.

Other ways of serving apricots are:

- Apricot Marshmallow Pudding**  
1 cup coarse bread crumbs  
1 cup apricot pulp  
2 tsp. lemon juice  
2 cups milk  
3 egg yolks  
1-4 tsp. cinnamon  
1-2 cup sugar  
6 marshmallow
- Put the crumbs into a baking

dish and sprinkle with cinnamon. Add apricots and lemon juice. Add finely cut marshmallows. Mix remaining materials as for custard and add to pudding. Bake slowly for about one hour. Top with meringue and brown in the oven or with whipped cream.

- Apricot Ice Cream**  
1 1/2 cups sugar  
1 1/2 tsp. vanilla  
3 cup apricot pulp and juice  
3 cups rich milk  
1 cup heavy cream  
1 tsp. lemon juice  
1-4 tsp. salt.

Mix apricots with sugar and stir freeze add remaining ingredients and mix thoroughly. Freeze using 3 parts crushed ice to 1 of salt. When very stiff remove paddle and pack in salt and ice.

**Apricot Box Cake**  
Cut an even slice from the top of a sponge cake, using a very sharp knife. Hollow out the lower part of the cake and half fill with fresh or stewed apricots that have been sweetened and drained of all syrup. Cover apricots with a thick layer of sweetened whipped cream. Replace the top slice of cake and spread quickly with a cake icing made by stirring 1 cup confectioners sugar in 1 unbeaten egg white and tsp. syrup drained from apricots to a smooth consistency. When ready to serve, cut the iced cake into squares or rectangles. If desired the cake may be served with vanilla ice cream piled on top.

**PYROIL**  
Lubricating Process

Saves Gas  
Saves Oil  
Saves Wear

Saves its Cost  
three times.

"Ask the man who uses it."

Sold in Sherman County by:  
Avery Martin, Wasco  
Geo. B. Moon, " Mckean & Searcy  
Geo. C. Wilde, " Moro

**Pyroil Sales Agency**  
Wasco : : : Oregon

Sunday where she will visit with friends.  
Mrs. Afton McIntyre and baby are doing nicely and are expected home soon.

## COURT NEWS

(Continued from page one)

|   |        |
|---|--------|
| National Hospital Association             |        |
| Road employees contribution               | 2.13   |
| State Indus. Accident Com.                |        |
| Road employees contribution               | 3.42   |
| Geo. Wilde, Road supplies-machinery parts | 23.55  |
| Howard-Cooper Corp.                       |        |
| Road supplies                             | 135.91 |
| Un'on Oil Company                         |        |
| Road supplies                             | 24.76  |
| Hal White, county engineer                | 5.20   |
| E. L. Weld road laborer                   | 46.56  |
| Shell Oil Company, Road supplies          | 15.50  |
| Standard Oil Company, Road supplies       | 11.82  |
| Sherman Gar. & Machinery Co.              |        |
| Road supplies                             | 153.23 |

## COUNTY COURT PROCEEDINGS FOR JULY TERM

July 5, 1934

County Tax Collector's turnover report on Delinquent Taxes collected for period ending June 30, 1934, accepted and ordered filed.  
County Tax Collector's turnover report on current taxes collected for period ending June 30, 1934, accepted and ordered filed.  
County Treasurer Van Gilder's bond for \$20,000.00 presented to the County Court and accepted.  
Coroner's report on death of W. O. Smith of Kent, accepted and ordered filed.  
The County Treasurer was authorized and directed to issue to the Fair Board of Sherman County a check for all 1933 "racing fund" received from the State of Oregon for fair purposes within the county.

**IN THE CIRCUIT COURT OF THE STATE OF OREGON THE COUNTY OF SHERMAN THE OREGON - WASHINGTON JOINT STOCK LAND BANK OF Portland, Oregon, a corporation, Plaintiff,**

**VERSUS**  
**JAMES HARVEY FERRELL and COUNTY OF SHERMAN, a municipal Corporation of the State of Oregon, Defendants,**

**NOTICE OF SHERIFF'S SALE**  
By virtue of the writ of execution and order of sale duly issued out of the Circuit Court of the State of Oregon for the County of Sherman, on the 7th day

of July, 1934, pursuant to a decree entered in said Court, July 5th, 1934, in a suit wherein The Oregon - Washington Joint Stock Land Bank of Portland, Oregon, is plaintiff, and James Harvey Ferrell and County of Sherman, a Municipal Corporation of the State of Oregon, are defendants, said writ being directed to me commanding me to make sale of the real property hereinafter described, I will on Saturday, the 11th day of August, 1934, at 10:00 o'clock a.m., at the front door of the Court House of Sherman County, in the City of Moro, State of Oregon, offer for sale and proceed to sell to the highest bidder for cash in hand the following described real property, situate in Sherman County, State of Oregon, to-wit:

Southeast Quarter of the Northwest Quarter (SE 1/4 of NW 1/4) and East Half of the Southeast Quarter (E 1/2 of SE 1/4) of Section Seven (7) and the West Half of the Northeast Quarter (W 1/2 of NE 1/4) and the West Half of the Southwest Quarter (W 1/2 of SW 1/4) of Section Eight (8), Township One (1) North, Range Nineteen (19) East of Willamette Meridian, and that certain piece or parcel lying and being in said section, Township and Range and more particularly described as follows: Beginning at a point .80 rods East of the Northwest corner of the Southwest Quarter of said Section Eight (8), Township One (1) North, Range Nineteen (19) East of the Willamette Meridian, thence East 70 rods; thence South 160 rods; thence West 70 rods; thence North 160 rods to the place of beginning, containing all told 350 acres more or less

to satisfy the sum of Four Thousand Six Hundred Seventy-Two and 56-100 Dollars (\$4,672.66) with interest thereon at the rate of six per cent (6%) per annum, from the 5th day of July, 1934; and the further sum of One Thousand Two Hundred Eighty-Two and 63-100 Dollars (\$1,282.08) with interest thereon at the rate of eight per cent (8%) per annum from the 5th day of July, 1934; and the further sum of \$500.00 attorney's fees; together with the costs of said suit taxes at \$10.40, and the costs of and upon said writ.

Hugh Chrisman  
Sheriff of Sherman County,  
State of Oregon

**R. H. McKean**  
Mrs. B. E. Hailey, Asst. Mgr.  
Retailers of  
**Crown Mills FLOUR**  
GRAIN, FEED, INSURANCE  
Mitchel, Lewis & Staver Co.  
Farm Implements  
**Wasco : : : Oregon**

**UPDEGRAFF & PEPPER**  
Attorneys At Law  
Moro, Oregon

When Your Shoes need repair send them to  
**WERNMARK'S**  
GOOD SHOE REPAIRING  
04 Second St. : THE DALLES

**Truck Insurance**  
Do NOT put off Insuring truck or car  
See **Geo. B. Moon**  
Wasco, Ore. : : : Agent

**WASCOMARKET**  
RED & WHITE STORE  
Groceries—Meats—Fresh Fruits and Vegetables in Season.  
Your Patronage Solicited

Now is the time to think of **GRAIN INSURANCE**

**Snow Maid Flour**  
\$6.25 per bbl.  
High Grade Family Patent Flour

**Mill Feed of all Kinds**  
Chick Feeds & Egg Mash

YES—We Buy Wheat  
DEAL with YOUR LOCAL  
**Sherman Cooperative Grain Growers**  
WASCO, OREGON