

Economist Finds Justification To Be Alarmed Over Inflation

By ELMER C. WALZER
UPI Financial Editor

New York—Wall Street at heart have a reputation for being conservative with a sound money background.

But when it comes to the stock market, none belittles the bullish influence of unsound money and inflation.

Recently discussions in the street have centered on the inflationary potentials in the government's deficit and the state of the bond market which makes it difficult for the Treasury to sell bonds to any but the banks.

Right now, not a little comment is heard on the August

letter of the First National bank in Dallas (Tex.) which is given considerable space in the current Commercial & Financial Chronicle.

Arthur A. Smith, economist and vice president of the Dallas bank, finds much justification for alarm over inflation.

The greatest cost of inflation, as he sees it, "is the ultimate destruction of the economy itself—the economy we have called American."

"Use of inflation increases the people's dependence upon the central government and enlarges the government's powers."

The irony of it all is to be found in the flagrant contradiction of spending billions of dollars annually to fight Communism and at the same time moving steadily toward

a Communist system right here at home.

"In a moment of jubilation in Moscow, a high Soviet official is reported to have said about America:

"What difference does it make? Your grandchildren will be Communists anyway."

Dr. Smith finds a different philosophy developing in this generation. People, he says, simply do not hold to the same economic virtues which meant so much to our forefathers.

He finds people more dependent-minded, more security conscious, less venture-some.

"Debts do not worry us," he says, "and thrift no longer rates very high on our scale of virtues."

"The philosophy of government planning has seized America and has a strong grip on us, placing the destiny of our economic life too much at the mercy of political will."

"As a consequence, politics more than sound economics shapes our course."

Dr. Smith would head off inflation by limiting recourse to deficit financing.

"Every cent of federal spending should have been raised since 1946 from taxes—and should be now," he holds.

Market men list the recent federal reserve policy to curb inflation and overspeculation as a market uncertainty, but note that stock's aren't giving ground to any extent.

The experts continue to call attention to vast sums of money seeking investment with a preference for stocks rather than bonds despite the high yields of bonds and the low yields of stocks.

"Preferences lean strongly to common stocks," says Standard & Poor's, "not only for the participation they provide in long-term economic growth but also for protection against inflation."

"While average yields are currently less than on high-grade bonds, this relationship, once regarded as a danger signal, may continue for some time ahead in view of the growing popularity of equities."

Bonanza Continues Flight Schedules

Las Vegas—UPI—Bonanza Air Lines flights continued on schedule today as the Monday midnight strike deadline set by pilots passed without a walkout.

Last-minute talks which started Monday and continued this morning produced enough progress to warrant the delay, spokesmen for both sides said.

Negotiations between representatives of the airline and the air line Pilots' Association were resumed at 9 a.m. today with Leverett Edwards, chairman of the National Mediation Board, presiding.

Bonanza serves 23 cities in Arizona, Utah, California and Nevada.

Union, Truckers Hold Conference

San Francisco—UPI—Leaders of the Teamsters Union and the West Coast trucking industry met today in an effort to settle a 29-day-old dispute that has tied up the trucking industry in 11 Western states.

Union and management were represented by the same bargaining teams that held four days of talks last week in Washington with Teamster President James R. Hoffa.

Hoffa was not present at today's meeting.

Employers ordered an 11-state lockout when 2350 Teamsters in Central California and Western Nevada went on strike for higher wages.

Milwaukie Girl Dies As Result of Burns

Portland—UPI—A six-year-old Milwaukie girl, Cynthia Winingham, died in a hospital Monday of burns suffered Aug. 30 when her clothes caught fire near her home after she picked up a burning stick at a trash fire.

Parents of the victim are Mr. and Mrs. Lloyd E. Winingham.

The closed area in American waters includes portions of Georgia Gulf north of Iwerson's Cannery at Point Roberts and a line running west southwesterly to Active Pass lighthouse. Adjacent Canadian waters and areas 17, 18 and 19 between Active Pass and William's Head near Victoria also were closed.

The commission said it closed the waters to allow for more escapement of fish now lying off the Fraser Delta but not ready to make the ascent up river.

The commission also announced that regular week end closures for American fishermen would go into effect at 8 a.m. Saturday for George Gulf fishing.



MIDDLE-AISLING movie star Jean Seberg, 19, and her French husband, Francois Moreuil, stirred up considerable excitement in Marshalltown, Ia., where they were married Friday. They married in Trinity Lutheran Church.

MISTAKEN FOR SQUIRREL

Memphis—UPI—Charles H. Dacus, 13, was recovering today from wounds inflicted by a teen-age hunter who mistook him for a squirrel. The sheriff's office said young Dacus was hit by 20 shotgun

pellets while climbing a tree near his home.

We Give **GREEN STAMPS**
CENTRAL REXALL DRUG
Main and Central

Texan Wins \$10,000 On Television Quiz

New York—UPI—Capt. Walter McSherry, San Antonio, Tex., won \$10,000 on NBC-TV's "Twenty-one" Monday night and became the new top money winner currently on the quiz show.

McSherry defeated John Bettenbender, New York, who had won \$10,500. Bettenbender's loss left him with only \$500.

Justin Colin, a Washington attorney, then tied McSherry at 11 points in a contest that will be continued next week.

SPECIAL!

— DRY —

PINE SLAB

Double Load \$9.50

McGinty Fuel Co.
Phone SP 3-6297

Sweden's deep-sea fishing in 1957 yielded a catch valued at \$28,200,000, an increase of 14 per cent over the previous year.

MAY SEEK AID Bonn, Germany—UPI—Greece may ask West Germany for \$100 million in aid during the current economic talks here, informed sources said today.

Negotiations for German help in building up Greece's industry started Monday and are expected to last two weeks.

ALL POPULAR MODELS — New or Used

- Adding Machines
Friden, Victor, Strandstrand, Remington, Odhner
- Typewriters
Portable or Standard
- Calculators
Most Popular Makes & Models

RATES
to Students
and Teachers

FOR RENT OR SALE

See Clifford C. Voight for "A Better Deal"

Medford Office Equipment

FRIDEN AGENCY

41 South Grape

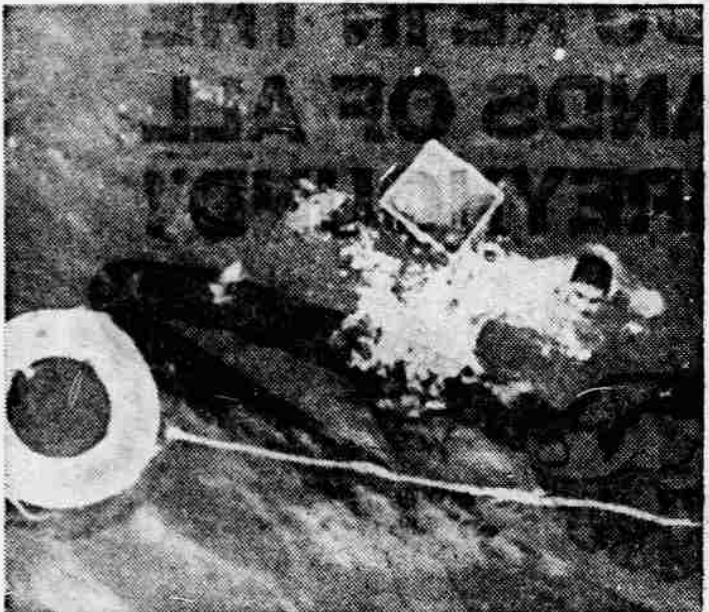
Phone SP 2-4100



VISITING JAPANESE sailors view the surrender plaque on the deck of the USS Missouri on the first leg of their visit to the U. S. Japanese are due to visit San Francisco.



ATTENDING CEREMONIES in Predappio, Italy, commemorating Benito Mussolini's death, dictator's widow has hand kissed by member of Italian Neo-Fascist party.



18 HOURS IN WATER—Donald Spencer, of Ventura, Calif., struggles toward life saver which has just been thrown to him from the Japanese freighter Nichiwa Maru. Spencer and two companions had been fishing at sea off the Southern California coast when their boat overturned. Spencer had been in the water for 18 hours before the Nichiwa Maru came by and rescued him. His companions are missing and feared dead.

Salmon Waters Ordered Closed

Bellingham—UPI—The International Pacific Salmon commission Monday closed portions of American and Canadian waters to commercial salmon fishing.

The closed area in American waters includes portions of Georgia Gulf north of Iwerson's Cannery at Point Roberts and a line running west southwesterly to Active Pass lighthouse. Adjacent Canadian waters and areas 17, 18 and 19 between Active Pass and William's Head near Victoria also were closed.

The commission said it closed the waters to allow for more escapement of fish now lying off the Fraser Delta but not ready to make the ascent up river.

The commission also announced that regular week end closures for American fishermen would go into effect at 8 a.m. Saturday for George Gulf fishing.

Two bombs exploded last week in another army store in Famagusta. There were no injuries in either incident.

Another bomb blasted a generator at the Royal Air Force base at Akrotiri. Terrorists last week failed in an attempt to blow up a meteor jet plane at the same base.

Two bombs exploded last week in another army store in Famagusta. There were no injuries in either incident.

Another bomb blasted a generator at the Royal Air Force base at Akrotiri. Terrorists last week failed in an attempt to blow up a meteor jet plane at the same base.



THEY'RE ON NOW!

Continues Through
September 15th

MAIL TRIBUNE'S

BARGAIN DAYS

An Opportunity to Save
\$3 ON YOUR SUBSCRIPTION

• Delivered by *CARRIER*

For the Next 12 Months—

At a Cost of Less Than 5c Per Issue at the Bargain Rate.
Regular Rate \$1.50 Per Month.

• Delivered by *MAIL*

Outside of Carrier Delivery Zone in Jackson, Josephine and Siskiyou Counties Only.

For the Next 12 Months—

At a Cost of Less Than 4c Per Issue at the Bargain Rate.
Mail Subscriptions in All Other Zones at the Regular Rate \$1.50 Per Month.

Here's
YOUR
Chance
to
SAVE!

\$3

DURING THE YEAR

•
ACT
NOW!

