

Wall Street Attitudes Vary On Inflation, Balanced Budget

By ELMER C. WALZER
UPI Financial Editor

New York — (UPI) — A new year began Wednesday — the new fiscal year for the government.

This is supposed to be the year of the balanced budget in contrast with a fat deficit in the fiscal year which ended at midnight June 30.

A balanced budget is said to be a strong bulwark against inflation. It is a move toward a sounder dollar which eventually should make the treasury's job of refinancing its debt easier.

Can we get along with a balanced budget? Will the stock market rise if it doesn't have the incentive of inflationary forces such as deficit spending?

We have been worrying for a long time about high bond yields and low stock yields. Would we be happy if a reverse action should take place?

These are questions Wall Street is asking right now. And they come on the heels of a long period of talking about a summer rally lifting stock prices to record highs.

Inflation Bogen Tamed
Economists have said recently that the inflation bogen has been tamed, if not licked.

Martin Gainsbrugh, economist of the National Industrial Conference Board, has said

that he is not as discouraged as some of his colleagues on bringing inflation under control.

Dr. Sumner Slichter has said inflation is a problem of shrinking importance.

The Journal of Commerce

editorially finds small wonder that the optimism about the end of the inflation is running quite high at the moment, but it questions if this optimism is not premature.

The Journal finds that one thing stands out in bold relief

at this time, namely, that the public has become increasingly inflation conscious during the past year or so and is giving indications that it does not like this particular short cut to paradise.

"This is an encouraging sign," said the Journal. "It means that those of us who for years have fought a war on inflation — it could almost be called a crusade have not been entirely wasting our

breath.

"As a matter of fact, top administration leaders, led by the President himself, and the Federal Reserve Board members did a fine public relations job on pointing up the evils of inflation."

The Journal thereupon warns against the dangers of relaxing too soon in this fight. Inflation, it notes, is not something one can talk about in terms of a "dead duck." It may be only dormant and either or both its manifestations — overstrained government credit or excessive wage and price pressures — can appear again in the near future or at some later date.

Public Gets Into Act

Regardless of what is ahead on the market or business level, it appears as if we are heading into a balanced budget, that the treasury will again be able to pay the going price for its long-term bonds, that deficit spending is temporarily at least in limbo, that there will continue to be pressure against price increases, and that the public is getting into the act against inflation as a cure-all for the economy.

It's just possible that the stock market could rise on sound money as it is for it to rise on unsound money. The type of investors is such that sound money would be an incentive for them to invest in good dividend payers. The fringe speculators might elect to sell — and if so the investors would have more stock to buy.

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GRIM-FACED BUT FRIENDLY, U. S. elder statesman Bernard Baruch (L) and former British Prime Minister Sir Winston Churchill hold informal get-together in London, renewing their long standing comradeship.

Telephone Pioneers Form Local Chapter

Clarence Bjork, 611 Normal avenue, Ashland has been elected first president of the newly formed Crater Lake Council of the Telephone Pioneers of America.

The Telephone Pioneers of Ashland is a service organization of active and retired employees with 21 or more years of service in the telephone business.

The Crater Lake Council includes Medford, Ashland, Klamath Falls, Grants Pass and Rogue River area.

THRISTY

New York — (UPI) — A large steel mill could use as much as 500 million gallons of water a day in its operation — enough to supply all the normal daily requirements of a city of several million people, a 20th Century Fund survey found.

Other new officers who will serve with Bjork are Henry Halvorsen, vice president, 745 Marshall ave., Medford; and Mrs. Lola Boomer, 933 Dakota ave., secretary-treasurer.

Bjork and Halvorsen are plant department employees of Pacific Telephone while Mrs. Boomer is employed in the traffic department.

DEATH RATE DOWN

Washington — (UPI) — The national traffic fatality rate has been declining steadily for two decades from 12 deaths per 100 million vehicles in 1941 to an all-time low of 5.6 in 1958, the government reports. The Bureau of Public Roads says the greatest number of traffic deaths for one year was 39,969 in 1941. That figure has not been touched since then despite the fact that total mileage driven has doubled in the past decade.

Check Received for Basic School Fund

Jackson county received a check for \$100,334.65 this week from the basic school support fund, according to County Treasurer Karl Janouch.

The money is to be apportioned among the various school districts on the basis of average daily attendance. The largest amount, \$43,873.95 will go to the recently consolidated Medford school district, 549.

The school districts and the amounts to be allocated include Phoenix, \$3,546.27; Ashland, \$19,589.68; Central

Point, \$16,150.85; Eagle Point, \$2,338.84; Talent, \$3,643.47; Rogue River, \$3,812.20; Applegate, \$680.99; Prospect, \$413.94; Evans Valley, \$210.28; Butte Falls, \$241.31; Pinehurst, \$39.09 and non-high school districts \$5,793.78.

WOMAN DRIVER!

Washington — (UPI) — Men get into fewer automobile accidents than women, according to a newly published report by the Bureau of Public Roads. The report says the accident involvement rate for female drivers is about 18 per cent higher than for males in the daytime and 38 per cent higher at night. When professional drivers are omitted from the comparison, however, the men are only slightly ahead of the women.

Goiters were recognized as a human affliction 2,000 years ago and were generally treated by sea salt, both eaten and also applied externally.

Sprague River Man Fined by Court

John Arthur Atchley, Sprague River, Ore., was fined \$105 and received a suspended jail sentence Tuesday in district court for assault and battery.

He pleaded guilty to charges of striking Earl D. Bennett about the face and head with his fist.

Atchley had appeared in district court on June 5, had pleaded innocent to the charges and requested a jury trial which was set for June 18. However, he failed to appear for the trial and sent District Court Judge Roy Bashaw a brief note saying he was busy in Klamath county with logging operations and would be unable to attend the trial. Bashaw ordered forfeiture of his \$105 bail and issued a warrant for his arrest.

Waters of the Great Salt Lake in Utah are said to be about 23 per cent salt in content. By contrast the salt content of the Atlantic ocean is about 3.5 per cent.



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