

Higher Interest Rates Could Get Foreign Funds, Bank Says

By ELMER C. WALZER
UPI Financial Editor
New York — (UPI) — One step in maintaining the value of the dollar is to accept the discipline involved in higher interest rates, says the First National Bank of Boston in its July New England letter.

Higher interest rates, the bank adds, could well attract some foreign funds, since interest rates have been tending lower in a number of other nations. This attraction for foreign funds in turn might make less likely further gold withdrawals from the United States. "That rising rates of interest may restrict the pace of debt formation and slow our super-charged economic boom to more manageable proportions may be expected, but considerable long-run benefits in fiscal and monetary soundness would surely be achieved," the letter states.

175th Birthday
The bank's letter comes almost on the date of its 175th birthday. The bank was chartered on July 5, 1784, five years before the U.S. constitution and George Washington's presidency.

The bank was signed in by John Hancock, first governor of Massachusetts, and headed at its start by James Bowdoin, the Bay State's second chief executive and the inspiration for Bowdoin College.

A short time ago, the Bank of New York announced that it, too, was celebrating its 175th birthday. That was in June.

But First National of Boston claims the first in this case because, it states, the Bank of New York started without a charter. First National claims it is the oldest chartered bank in the United States.

History Began in 1783
History of First National of Boston began in 1783 when a group of Boston merchants circulated a proposal for a bank, stating they had been "taught by experience of many nations that well regu-

lated banks are highly useful to society." The charter was signed on Feb. 7, 1784, and the bank opened on July 5th for the thriving seaport of Boston, population 17,000. Depositors wrote their

names in a book to avoid forgery as they made their first deposits which in the first week of operation totaled \$26,429.21. The names in this book included such historically famous Boston names as Cabot,

Codman, Lowell, Bromfield, Parkman, Scollay, and Higginson. Lloyd D. Brace, president, was elected to that office in 1947 and at that time was noted as the youngest major bank president in the nation.

"If we are to grow," Brace says, "emphasis today must be placed on special services in contrast to routine operations. With 14,000 banks in this country, and with the First National of Boston tucked away in the slower growing

and industrially mature Northeast, we must learn, and refine, special skills. We are acutely conscious of the fact that almost 50 per cent of our revenue today comes from services not in existence 25 years ago."

First National, which handles 50 per cent of Boston's banking business, has assets of nearly \$2 billion and ranks 15th in size among the nation's banks. It is reputed to have been first in offering loans to business for more than one year's duration and is said to be the first bank to install check credit. Also it is among the largest backers of film production in Hollywood.

First National also is reputed to have been the first bank in the nation to enter the field of factoring and today it is one of the largest factors in the business. President Brace can't see what there is to say that can't be said in three minutes.

He is a combination of a conservative New England banker with a flair for new developments in the banking field. And his bank though loaded with the latest in banking devices, still regards dollar soundness as the number one requisite for the nation. Creeping inflation, says the bank's current letter, "is a completely unacceptable course if we are to achieve sound economic growth and meet our responsibilities in a rapidly changing world where hostile systems are moving toward intensified competition."

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GERMAN PRESIDENT—Heinrich Luebke (center) has been elected President of West Germany, in a race contested by Max Becker (left), of the Free Democrat Party, and Carlo Schmidt (right) of the Socialist Party. The three candidates are shown together at a party just before the election. Luebke belongs to Chancellor Konrad Adenauer's Christian Democratic Union, and was put up as candidate for the presidency after Adenauer changed his mind about taking the office himself.

Complaint Filed Against Water District Employee

Another complaint in a series by water user Ann Todd and others against the Eagle Point Irrigation district and its board and employees was filed in circuit court this week.

The complaint presented a new aspect in the much-publicized case when Mrs. Todd filed "ex rel" the Eagle Point Irrigation district against Mrs. Thelma Short, the district's bookkeeper.

The "ex rel" means that Mrs. Todd filed the complaint by and through the district against Mrs. Short, because, the complaint charges, the district's board refused to act and "actively conspired to conceal and suppress . . . from the plaintiff knowledge of the wrongs complained of."

The complaint seeks \$1,500 attorney's fees and \$7,237 and interest, plus "such amounts as should be found owing the district as a result of" future accounting.

Asks for Accounting
Mrs. Todd asks that the defendant be required to make an accounting for all interest on all delinquent payments of assessments for land in the district; of all assessments on lands irrigated by the district and all irrigated but not assessed, charged or collected for; for all work done for the California Oregon Power company and moneys collected for work on district facilities; and of all moneys received from Copco for work done in connection with the district.

The complaint charges that Mrs. Short "failed to charge and collect interest in delinquent payments of assessments" from a number of district property owners and water users.

Board members are Clarence J. Greb, Elbert M. Biggam and Ed Greenwood. Grants Pass attorney Lawrence A. Aschenbrenner represents Mrs. Todd in the new complaint.

MAGAZINE LOADERS
New York — (UPI) — The population shift to suburbia has made drug stores the nation's largest magazine retailers. Chain Store Age notes that 37 per cent of all single copy magazines are now bought at drug stores. Newsdealers, once dominant in the field, now account for only 7 per cent of single copy magazine sales, according to the trade publication.



Small Worlds Around Us

By Lynn M. Watkins

We All Have 'Habit Paths'
The small boy on his way to school or to the home of a friend, or the executive on his way to the office will usually follow the self-same route day after day. All have established a "habit path."

All will follow it unless they make a conscious effort to change. All have a natural compulsion to follow the same course; an inborn pattern of acting always in the same way, acquired by frequent repetition. It is easier for us to walk in the groove, than to blaze out a new trail.

Animals establish "game-trails" which are actually "habit-paths" often worn deep and smooth by countless feet, may even be followed by many generations of animals. The game-path in the forest or jungle is no different from the cow-path, or that made by sheep or ducks on their way to a lake or a roosting place. All are following in the footsteps left by similar species of animals, some of which

have long since been entrees on a dinner menu.

Invisible Paths
Birds follow invisible paths through the air, going and coming to a feeding station or to a nest, always by the same route. The bird is as securely chained to a restricted territory as if it were confined by bars or wire mesh.

All are restricted by a habit pattern to the extent of being actually dependent on it for their continued existence. Should its territory be destroyed the creature becomes helpless and may even perish rather than move to a locality already occupied by another of the same species.

Freight Car Shortage Hearing Scheduled

Washington — (UPI) — The Transportation and Aeronautics subcommittee of the House Committee on Interstate and Foreign Commerce will hold a hearing here July 8-9 on legislation designed to alleviate shortages of railroad freight cars.

McMinnville, Ore. — (UPI) — Word has been received here of the death in Montreal, Canada, of Dr. Edward A. Taylor, 57, chairman of the Linfield college sociology department since 1950.

will do, it will always be the same one. The female bird will have a special place to land, in order to survey the surroundings before she flits to her nest. Like ourselves, they are creatures of habit. Analyze your own "habit-path," whether you normally walk or drive. You may find that you, too, are chained to a certain route. You may claim it is the shortest, the easiest or the quickest and you may convince yourself that you are using your head because you select and use a certain route, but the truth of the matter is that you are merely following a "habit-path" as if you were geared to the route. (Released by The Register and Tribune Syndicate, 1959)

County Court to Check Land Gifts

Jackson county will not be as receptive to gifts of land as in the past, according to County Commissioner Ralph James this week.

Subdividers have often donated land to the county to be used for a county road through their particular subdivisions. Often these land donations have not allowed for roads which would meet the standards set forth in the recently enacted subdivision ordinance. And through these donations the subdividers have circumvented the subdivision ordinance and defeated its purpose, James stated.

However, now the county clerk's office will be working closely with the planning commission to see that all such land donations for roads are approved by the planning commission and that the county court is notified of all proposed donations.

If such a donation is not approved by the planning commission as meeting subdivision ordinance requirements it will be deemed back to the donor by quit claim deed.

"With this procedure the county court hopes to establish better control over road width and subdivision practices," James concluded.

Israel Premier In Seclusion

Jerusalem, Israel — (UPI) — Premier David Ben-Gurion Thursday was reported in seclusion in his Tel Aviv home seeking some means of removing the rebellious Ahdut Avoda and Mapam parties from his coalition government.

The two left-wing labor parties voted against Ben-Gurion Wednesday although the Knesset (Parliament) approved by a vote of 57 to 45 the Israeli decision to sell certain arms to West Germany.

Ben-Gurion had threatened to resign if he did so and his failure to send his resignation to President Itzhak Ben-Zvi caused some surprise. But informed sources said he would delay the action while he sought means of ousting the dissidents.

TECHNICAL WORKERS
Washington — (UPI) — The Department of Labor reports there are nearly two million Americans working as scientists, engineers and technicians. In industry alone, the number of employees in these categories increased some 28 per cent between 1954 and 1957.

Dave Beck Enters Plea of Innocent

New York — (UPI) — Former Teamsters Union President Dave Beck pleaded innocent Thursday in federal court where he is accused of receiving \$200,000 from two truck company executives in violation of the Taft-Hartley Law.

Beck was released in \$2,500 bail. A trial date will be set Aug. 12.

Roy Freuhauf, president of the Freuhauf Trailer Co. also was released in \$2,500 bail, and Burge M. Seymour, president of Associated Transport, Inc., was released in his own custody.

Both Freuhauf and Seymour pleaded innocent of the charges through their attorneys.

Employees Vote Union As Bargaining Agent

Employees at the Gulf Red Cedar division of Great Western Producers, Inc., have voted, 15 to 10, in favor of naming the Lumber and Sawmill Workers Union as their bargaining agent, a union representative reported.

Warren Davis, of Local 2715, Brotherhood of Carpenters, LSUW, AFL-CIO, said the election, conducted by the national labor relations board, included 25 of the 31 employees at the plant, which is located on old Highway 99 north of Central Point.

The employees had no prior union affiliation, he said. Reno, Nev. — (UPI) — Richard (Dick) O'Brien, 53, Wallawa county, Ore., sheriff died at Washoe Medical Center Thursday where he was being treated for a heart ailment.

SLOW GOING
New York — (UPI) — Manned outer space flights may be common by the end of this century, but if the Federal government decided to pay off its astronomical \$285 billion public debt at the rate of \$8.7 billion a year, it would take until 2100 to do it, figures of the Tax Foundation show.

JUROR WON'T SERVE
Chippewa Falls, Wis. — (UPI) — A jury notice sent to John Fiskler was returned to the commissioners with a note from his mother, John, she said, is only six weeks old.

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