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Flight o' Time
Medford and Jackson County
History from the files of The
Mail Tribune 10, 20, 30, 40
and 50 years ago.

10 YEARS AGO
July 10, 1952 (Thursday)
Hunt continues for George
Baker Dunkin, wanted for the
slaying of state police officer.

20 YEARS AGO
July 10, 1942 (Friday)
A new wartime regulation
prohibits campfires and bonfires
in the Rogue River National
forest after dark because of the
improbability of picknickers and
campers being aware of an air raid.

30 YEARS AGO
July 10, 1932 (Sunday)
Local merchants have a
contest to find the woman in
southern Oregon with the reddest
hair in conjunction with the
"Red Headed Woman," a film
being shown at a local theater.

40 YEARS AGO
July 10, 1922 (Monday)
Jackson county fair to feature
"automobile row" with the
"latest model of their
favorite machine."

50 YEARS AGO
July 10, 1912 (Wednesday)
A team of horses was killed
instantly when struck by
lightning on the Rogue River
red, north of Eagle Point.

What's Your I.Q.?
Seven or ten correct is superior;
nine or eight is excellent; five or
six is good.

1. Rhode Island is the
smallest state in area; what
is the next smallest?
2. What is the square root
of one?
3. Who wrote the verses in
which this line occurs, "You're
a better man than I am, Gunda Din"?

Answers: 1. Delaware, 2.
One, 3. Rudyard Kipling, 4.
Harold Macmillan, 5. Herd-
ing and Coocidge, 6. Andrew
Jackson, 7. Switzerland, 8.
Vitamin, 9. Peace by extermi-
nation, 10. War Department.

Our Money Tree

Elsewhere on this page today, Frank Jenkins
talks about money, and about some incidents in
which large sums are involved.
Nowhere, however (because that is a differ-
ent topic altogether), does he say what money IS.

Aside from cartwheels (the fairly rare silver
dollars) and other small change, which in total
represent only a fraction of the money in circula-
tion, most of the "hard cash" we think about isn't
money at all.

It is nothing more than a promise to pay, or,
more popularly, credit.

TAKE A look at a dollar bill. It isn't really mon-
ey, as we think of it. It is a promise to pay the
bearer, on demand, one dollar in silver.
Larger denominations have similar promises.
Five dollar bills are either Federal Reserve Notes
("Will pay the Bearer on Demand Five Dollars")
—without specifying whether in silver, gold, or
whatever); the \$5 U.S. Note, with wording simi-
lar to that of the Federal Reserve Note, and the
\$5 Silver Certificate, which promises to pay in
silver.

Higher denominations of currency have simi-
lar legends (although when research on the above
was under way in the newsroom, \$10s and \$20s
were unavailable for inspection).

WHEN YOU write a check to pay a bill at the
first of the month, no cash or currency or
"money" changes hands. What you do is to write
a promise to pay, which (if all goes well) is hon-
ored by your bank, which in turn promised to pay
you, or on your behalf, certain sums, when you
make a deposit.

Does your bank, when making this promise,
have on hand the silver and gold bullion to make
good on this promise? No, it does not.

In the intricate system of credit, what it has
are other promises to pay. And these, in turn, do
not always (or even usually) equal 100 per cent
of the promises to pay the bank has made.

Most of the "money" transactions are simply a
transfer of a promise to pay from one individual's
account to another, and the overall total of prom-
ises to pay in any given bank does not fluctuate
very greatly from week to week, except under
unusual circumstances.

BANKS WHICH are a part of the Federal Re-
serve System have accounts with the Federal Re-
serve Bank, and the interlocking system of
credit (promises to pay on demand) operates
here, too.

Very substantial increases in the total supply
of money in circulation in the country can be
caused by increases in the amount of outstanding
credit throughout the country.

HERE IS an oversimplified example:
Say your credit is good. You borrow \$5 mil-
lion from a bank — which means that they prom-
ise to pay your promises to pay up to a total of \$5
million, in return for your promise to pay them
back eventually with interest.

Say this loan overextends the bank's legal re-
serve — the amount of "money" it has on hand
to back the \$5 million loan. Then they go to the
Federal Reserve and borrow enough money
(promises to pay) to meet their reserve require-
ment.

A total of \$5 million has been "created" with-
out the printing press turning over once, or the
mint turning out an extra silver dime.

It's real money too. It will buy things. But
when the transaction is complete, perhaps after
several years, and your \$5 million loan is paid
back to the bank, and theirs to the Federal Re-
serve, the money supply shrinks by just that much.

THE COMPLEX chore of managing this intri-
cate pyramid of money (or promises to pay,
or credit), lies with the Federal Reserve, and with
the Treasury. There are various devices they can
use (the manipulation of interest rates, for one,
or a decision not to make available more reserve
funds, or a change in the reserve rate) which can
substantially alter the supply of money in circula-
tion.

And what is behind all this money? Is it gold
bullion, or silver dollars? No, not except for a
very tiny percentage.

It is, ultimately, the promise of the govern-
ment to make good on its promises to pay, and
underlying that is the power to tax.

THIS IS the principal reason why some econ-
omists would view with alarm any substantial
shrinkage of the national debt, for the national
debt is simply the government's promise to pay
the holders of its bonds and notes.

And these bonds and notes, in turn, largely
held by the Federal Reserve and other large
banks, serve as the basis for the loans they make
to smaller financial institutions, which in turn
loan money based on the loans they receive from,
and holdings they have in larger institutions.

Any substantial decrease in the national debt
would decrease, and by an amount larger than the
actual debt decrease, the potential supply of mon-
ey in the country.

BANKERS and economists know these facts to
be true. (At least we hope we've got them
relatively correct.) But most people-on-the-street,
when they think of money, think in terms of cur-
rency. The check book in your pocket, and
your ability to borrow from the bank, and the
bank's ability to borrow from the "Fed," and
finally the government's promise to pay off its
debts, eventually, with tax receipts, is the source
of most money today.

It's a weird and wonderful system, which, like
Topsy, "just grewed." But it works.—E.A.

"Oh, We're Not Against ALL Government Spending"



Washington Report

By William S. White
(c) United Features Syndicate

INTRAPARTY SCRAP
Washington — The most
lively infighting is breaking
out all over in the Republi-
can party two
full years
ahead of the
1964 presiden-
tial nomina-
tion g
conven-
tion. The lead-
ers publicly
cry for "uni-
ty" and "ush-
ing the heat-
ed arguments
being thrown by Republican
against Republican. But pri-
vately they rub their hands in
satisfaction that Republicans
are interested enough to be-
gin so early what is actually
already a sharp contest for
the 1964 nomination and for
control of the mind of the
party.

It is the best possible proof
that the nomination is widely
seen as realistically worth
having. And it is good news
rather than bad for the Re-
publican rank-and-file. As the
case is put succinctly and with
characteristic candor by
young "old pro" Richard Nixon:

"We welcome this because
we like to see our candidates
making the news and taking
it away from the Democrats.
The worst thing that can hap-
pen to a party is to be dull."

It IS perfectly clear that
fulfillment will not be charge-
able to the GOP from now
until election night in No-
vember of 1964. The extent
of the party's recovery from
1960 is suggested best of all
by the racket now being raised
by disputants ranging from
the ultra-conservative Sen.
Barry Goldwater through the
moderate center, occupied by
former President Eisenhower
and Nixon, leftward to the
forces of Gov. Nelson Rocke-
feller of New York.

For the first time since the
Democrats returned to power
in 1960, this is a genuine, and
not merely a sort of keeping-
in-practice, racket. The Gold-
water people are beginning to
break with almost the whole
of such Republicanism as re-
mains from the Eisenhower
years and certainly from the
new advisory committee ar-
rangements sponsored by Gen-
eral Eisenhower to operate
outside the Republican na-
tional committee.

So the outlook in the net
is that the Republicans face
for 1964 an intraparty contest
no less severe — and no less
interesting — provoking — than
when Eisenhower and the late
Sen. Robert A. Taft collided
for the nomination in 1952.
It may be an even more
spirited contest. For this time
there could well be not two
serious contenders, but as
many as five — Nixon, Rocke-
feller, Goldwater, Rep. Wil-
liam Scranton of Pennsylva-
nia and George Romney of
Michigan.

Try and Stop Me

By BENNETT CERF

THEY SAY a burly, tough hombre strode into an Arizona
bar one night and demanded, "A Diamondback With
Four Rattles." The bartender emptied four bottles of fire-
water into a huge beaker which the stranger emptied
forthwith.
Just then a violent
earthquake struck and
the whole bar was de-
molished. From the
wreckage came the voice
of the stranger: "Say, I
ain't got a kick like that
out of a drink in years.
Mix me another one,
boy!"

An American in Aber-
deen called up the police
station and reported, "In
front of the McTavish National Bank, there are two Scots-
men who are violently insane." "What makes you think that?" asked
the lieutenant. "They must be," explained the American. "One is
throwing his money away on the street and the other is pick-
ing it up and handing it back to him."

"The new baby," observed Grandma proudly, "has his granny's
eyes and his granny's nose." "Then she's a child," said his fatuous
grandfather. "He's not a child, but if his fatuous grandfather doesn't stop leaning over that crib, it will have his teeth!"

"I suppose she does bring out the beast in him," conceded a
chorus girl, discussing her roommate's latest romance. "But it's
okay; she's not afraid of mice."

Clash of Rivals for Power in Algeria Threatens Stability of North Africa

By PHIL NEWSOM
UPI Foreign News Analyst
In the dusty Casbah and
in the tree-lined streets of
European Algiers, celebrating
Moslem Arabs
still were
beating out on
their automo-
bile horns the
rhythmic
beat, "Algeria
is free," when
the first signs
of dissension
appeared. The
common goal
which for more
than seven
years of war
had held the
Arab leadership
together had
been achieved. Now the in-
ternal stresses were coming
to the surface.



On the one side was tough,
sullen Mohammed Ben Bella,
who has been at war for 22
of his 43 years and in nearly
six years of imprisonment by
the French had become a sym-
bol of martyrdom in Algeria's
fight for independence.
On the other was slight,
bespectacled, 42-year-old Ben
Youssef Ben Khedda, premier
of the provisional government
designated to run newly in-
dependent Algeria until elec-
tions can be held.
While other Algerian lead-
ers sought to minimize the
differences between the two,
these differences actually
were basic to the future of
Algeria.

Ben Khedda held that inde-
pendence permitted "coopera-
tion not only between France
and Algeria, but also between
France, North Africa, the
Arab world, and Africa."

The embittered, radical Ben
Bella would sever all ties
with France.
"Economic colonialism must
go with political colonialism,"
he said.
To the former rebel forces
he said:
"The revolution must go
on. . . . Be ready to take over
your country with your rifles
in your left hand and your
picks and shovels in your
right hand."

THIS, in fact, is very much
what it looks like, and the
more so since General Eisen-
hower's criticism and since
Nixon has totally sided with
the former President.

In spite of such influential
support for what Goldwater
calls "splinter groups" and
General Eisenhower calls in-
dispensable additions to Re-
publican strength, however, it
would be highly premature to
suppose that the Republican
rightists had lost the game
already.

Eager amateur groups of
this kind, even given the for-
midable backing of such lead-
ers as Eisenhower and Nixon,
tend to be stronger before a
convention showdown than
they do when the convention
meets. Whatever their impact
in 1962 or even in 1963, it will
remain to be seen how much
weight they will carry when
the smoke begins to curl in
the smoke-filled rooms in
1964.

INTRAPARTY struggling at
this point at the moment,
therefore, is both inconclusive
and meaningful. It is meaning-
ful because it plainly estab-
lishes that the GOP elephant,
far from being dead, is no
longer even sick and tired,
but rather stirring powerfully
and crossly.

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Sen. Robert A. Taft collided
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nia and George Romney of
Michigan.

Communications

Letters to the Editor must
bear the name and address of
the writer, although under cer-
tain circumstances the use of a
pen name is initial for publica-
tion is permissible. The Mail
Tribune reserves the right to
edit all letters with an eye to
clearing up confusion and con-
densing. Letters submitted for pub-
lication must not exceed 400 words.

Chained Dogs

To the Editor: It is totally
incomprehensible that a
young man owning a dog should
want to condemn it to a life of
misery and loneliness. To stay
well and happy a dog must
have exercise and companionship.

When a potential dog owner
applies to the Animal Wel-
fare League in Chicago (one
of the two largest shelters in
the city) he is asked where the
dog will be kept. If told the
basement or garage he is told
it is not good enough. Though
possibly dry and clean these
places spell isolation and bitter
loneliness.

The Medford city code
chapter 5, paragraph 400,
states that no person shall
fail to provide an animal or
bird in his custody with food,
drink and proper shelter —
the penalty being 60 days in jail
plus \$100 fine. The word
"proper" as applied to shelter
implies warmth, dryness and
adequate size, and has been
so defined by numerous
judges before whom these
cases have been tried.

If all animal lovers will ex-
amine conditions under which
dogs are chained and finding
any of these provisions un-
met, promptly report the mat-
ter to our capable dog warden,
he will know what to do.
It is a simple matter to in-
stall an overhead wire (or
even a ground peg) and attach
a long wire from it to the
dog's collar, or better yet
erect an inexpensive fence.

Unfortunately, in this fine
world of ours, if a pup barks
because he is hungry, cold,
thirsty or just plain lonely, he
is always the culprit, and
when I think of what he has
to endure — the heat of the
summer sun and the penet-
rating cold of winter, chained
and helpless, I find myself
hoping that a similar fate
could befall its owner.
(Name on file)
Medford

Would Be Boast
To the Editor: A hospital at
White City for veterans living
in Oregon and California
would be a tremendous boost
for all Rogue River Valley
communities.
It behooves such groups as
veterans organizations and
auxiliaries, chambers of com-
merce, Elks, Moose, Lions and
Eagles, to bestir themselves
and get behind the move to
obtain this hospital which is
so sorely needed.
A conducted tour of build-
ings now standing and suit-
able for hospital use can be
arranged for interested parties.
David Frisch
P.O. Box 292
White City, Ore.

In the background stood
Egypt's President Gamal Abdel
Nasser who had helped
the rebels obtain their Soviet
and Red Chinese weapons and
who had not abandoned his
ambitions to lead the Arab
world.
To him in Cairo Ben Bella
pledged that Algeria would
become a Socialist state dedi-
cated to the same revolution-
ary reforms as advocated by
Nasser.
On Ben Khedda's side was
possession of Algiers, the cap-

In the Day's News

By FRANK JENKINS

Let's talk about money to-
day. It's an interesting sub-
ject. It always has been an
interesting subject. John Bar-
lett, in his indispensable Fam-
iliar Quotations, devotes
half a page in the index to
the subject of money, with
citations of what people have
said about it down through
the ages.

One of the fundamental
ones is from Arthur Hugh
Clough, who causes one of
the characters in his Dipsy-
chus to say: "How pleasant
it is to have money." Many
controversial statements have
been made about money, but
nearly everybody will agree
with that one.

As THIS is written, there
are some weird tales about
money in the news: The case
of the San Francisco barber,
for example, who collapsed
and died of a heart attack the
other day while watching a
movie in a nearby theater.

Apparently he had no rela-
tives, and when the authori-
ties started prodding around
in his dusty, cluttered little
shop they found \$71,000 in
cash tucked away in cubby-
holes here and there. He
wasn't afraid of banks, as a
bankbook was found showing
deposits of \$40,000. Apparent-
ly, he just like to hide money
away.

THEN there is the Los An-
geles woman who tried to
donate cash to a "Black Mus-
lim" cult — to be used, she
said, "to kill the white peo-
ple." The donation was re-
fused and she wandered into
a nearby house, claiming that
somebody was trying to kill
her.

Police were called, and
when they searched her they
found in her purse \$11,427 in
large and small bills. Strang-
er still, they found sewed into
the hem of her dress 649
shares of blue chip stocks
valued at current market
prices at \$30,040.

She wore three wedding
rings, two engagement rings
and two diamond-studded
watches.

IF ONE were minded to make
a cynical crack, this might
be appropriate:

Helix Man Quits Legislature Post

Salem—UPI—The resignation
of Raphael Raymond Sr.,
Helix, as state representative
from Umatilla county has
been filed here, according to
Secretary of State Howell
Applying Jr.

The seat held by Raymond,
a Republican, became vacant
July 1 when he accepted an
appointment by Gov. Mark
Hatfield to the Oregon Wheat
Commission, Applying said.

Raymond, a farmer, had
served in the legislature since
1959. Under reappointment,
has Umatilla county seat be-
come part of a new house
district composed of five
eastern Oregon counties.

Raymond did not seek re-
election this year.

Applying said that under
the law, Raymond's seat will
remain vacant until a suc-
cessor is elected in November
unless a special session of the
legislature is called between
now and then, which is un-
likely. If a special session
were to be called, a Republi-
can committee in Raymond's
area would name a temporary
successor.

South Vietnamese Battalion Defeated

Saigon, Viet Nam—UPI—The
South Viet Nam government
reported Monday that a Viet-
namese army regular battal-
ion has been defeated with
heavy losses in a major battle
against Communist guerrillas
in the central highlands.

The mauling of the battal-
ion by Communist Viet Cong
guerrillas was described as
one of the severest defeats
suffered by government troops
in recent months.

The communique said the
battle occurred July 3 follow-
ing a night attack by Com-
munist forces on two posts south
of Quang Ngai. It reported
that 24 government soldiers
were killed, including two
officers. Nine other govern-
ment troops were reported
wounded, and 10 soldiers were
listed as missing.

Unofficial sources, howev-
er, said the casualty figures
ran higher.

Investment in Price Supported Commodities Dips

Washington—UPI—The gov-
ernment's investment in price-
supported commodities totaled
\$6,959,190,237 as of May 31,
according to the Agriculture
department.

This was more than \$224
million below the investment
a month earlier.

The investment was made
up of \$4,615,016,249 in com-
modities owned outright by
the Commodity Credit Corp.
and \$2,344,173,988 in out-
standing loans on farm prod-
ucts still held by producers.

The investment as of May
31 compared with an invest-
ment of \$7,283,846,009 on the
same date a year ago.

Loss Estimated
The department said the es-
timate of the loss which will
be realized upon ultimate dis-
position of price-support in-
ventories amounted to \$1,305,-
333,000. This was comprised
of an estimated loss of \$122,-
106,000 on commodities under
loan and an estimated loss of
\$1,183,227,000 on inventories.

What was the top item in
the investment. The govern-
ment owned outright 1.16 bil-
lion bushels valued at about
\$2.3 billion and held loans on
66 million bushels valued at
about \$118 million.

Corn in inventory totaled
746 million bushels worth
\$844 million. Loans on 918
million bushels were valued
at \$1.03 billion.

Independent Study
Secretary of Agriculture Or-
ville L. Freeman has set up an
annual independent study to
assure that Agriculture De-
partment policies and pro-
grams work most effectively
for the preservation and im-
provement of the family farm.

The study will be made by
a subcommittee of the Public
Advisory Committee on rural
areas development.

Freeman directed Clarence
McCormick, Vincennes, Ind.,
chairman of the advisory com-
mittee, to make "an indepen-
dent study of the impacts and
effects of the department's
policies and programs on
the preservation and im-
provement of the family
farm pattern of American ag-
riculture."

Strictly Personal

By Sydney J. Harris
(c) Field Enterprises Inc.

DREAM WORLD

One of the reasons that psy-
chology makes so little head-
way among the mass of peo-
ple is that its
deepest truths
seem to vio-
late what we
cherish as a
"common
sense."

It gives us
offense to be
told that cer-
tain of our ac-
tions and be-
haviors are the exact opposite
of what we think they are:
what a gambler, for instance,
could be convinced that he is
really trying to lose, not win?

Yet everything we know,
on the deeper psychological
level, about the addiction to
gambling points to a strong
desire to lose. The patho-
logical gambler dies broke be-
cause he cannot rest until he
has lost everything.

In much the same way,
the Don Juan would be af-
fronted to be told that his
"attraction" to women is
really a dislike of them; that
his compulsive sexual
activity comes from fear
and resentment of the
woman, and not from affec-
tion; or, most shattering of
all, that his promiscuous-
ness may be a way of de-
fending himself against his
homosexual yearnings.

Perhaps we can begin to
understand this topsy-turvy
world of the unconscious
by a simple and common
illustration: the various
fears and phobias that af-
flict people — the most com-
mon of all being a fear of
heights.

Actually, the person who
nervously draws away from
a high window or the edge
of a cliff is protecting him-
self from the wish to jump.
What he fears is not the
height itself but his own
destructive impulse — and
he draws away to remove
the temptation.

Almost all phobias of this
kind are wishes in reverse:
we fear what we are at-
tracted to. The phobia is
the exact reverse of the
underlying desire. Unless
we understand and accept
this, we cannot compre-
hend how a person, at a
certain time in his life, will
commit some act (suicide,
arson, embezzlement) that
seems so much against the
grain of his character.

The typical embezzler, for
instance, is a classic type;
quiet, industrious, methodical,
no known bad habits, a long
reputation for trustworthi-
ness. Suddenly the dam
bursts, and everyone is quite
amazed.

The "worrier" is another
prime example: say, the
mother who is always fret-
ting about her children's safe-
ty, who hovers over them,
who is forever tormented by
thoughts of accidents and
catastrophes. She would be
appalled and indignant to
learn that this phobia of hers
really represents a deep-seated
wish. The way she guards
against her unconscious feel-
ings of rage and hostility to-
ward her "loved ones" is by
over-protecting them.

There are all unpalatable
truths about ourselves; they
go against the current of the
"common sense." But until
we recognize their validity,
we are living in a dream
world, strangers to ourselves
and to others.

Poll Voters Defeat All Daylight Time

Listeners of radio station
KBOY voted three to one
against having uniform day-
light savings time in an in-
formal 15-minute telephone
poll taken by the station Fri-
day. General manager Win
Marks stated that of the 147
calls received, 119 were op-
posed to the proposed meas-
ure and 37 were in favor of it.

The question was worded in
an explanatory manner, stat-
ing that a yes vote was in
favor of uniform daylight
time throughout the state,
while a no vote was in favor
of the present confused time
system.