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Home Financing

By FLORENCE JENKINS

Sometimes you have to spend money to make money.

Take the case of a home owner seeking Federal Housing Administration financing on the house he wants to buy as an example.

The FHA decides how much you should be able to spend each month for housing based on your take-home pay. The FHA cites this as a concrete example of how it determines the ability of a loan applicant to pay for his home.

Suppose the home owner wants financing on the purchase of a $14,000 house and needs a $13,000 mortgage. He has a take - home paycheck of $400 a month.

The FHA estimates the monthly housing expense based on the past year. Under the foregoing set of circumstances, if the monthly housing expense is over $110 the loan is rejected.

Each case is supposed to be decided upon its own merits within certain set limitations.

In the case cited, appraisers examing the case determined that the housing expense could be cut to the $110 limit if the building was fully insulated. It cost the owner another $200 to have the ceiling, walls and floors insulated, appeasing the FHA and cutting the heating bills by some $5 a month.

It was pointed out that FHA requirements do not include full insulation. The requirements says the housing expenses must be $110 a month or less on the paycheck basis of $400 a month take-home pay.

The applicant, of course, has other alternatives. He might choose a less expensive house, ask the boss for a raise or put his wife to work.

Security

By NELSON REED

Back in the days before FDR we middleclassers figgered that the only way to have security in our old age was to patronize the life insurance company or the savings bank. Poor folks took kindly to religion, firmly believing that hell would be cluttered up with the rich, and the poor would all go to heaven or at least inherit the earth.

Parents helped their kids get started in life and the kids helped their parents in their old age. The rich were supposed to complain bitterly about their poor relatives, but at least they did help them. Nobody could buy himself security by voting right.

Today the first time a few people get laid off or a drought ruins some crops, everybody begins to yammer: "What's the government going to do about it?" When will homo sapiens, with the accent on the sap, wake up and realize that if he hadn't been bled white till he became feeble and stupid, and devoid of all initiative, supporting a spendthrift government, he could take care of his own troubles.

After all "only the black slaves on the old Southern plantations had security from the cradle to the grave." This country only began to amount to something after we told Mother England to go jump, and struck out on our own. Are we going to follow her dismal example and settle for "two toupees" to cover our empty heads, while we plead with dummies we ourselves elected to take care of us?

We know darn well that as individuals not one of them can do as much for us as we can do for ourselves. Collectively they can only be more involved and befuddled. Let's take a licking like a man when it comes our way and not scream for Uncle Sam every time we get hurt a little.

Red China Move

By WILLIAM L. RYAN
AP News Analyst

Hints from Warsaw suggest Red China may make a pitch to bring the Far East crisis before a summit meeting at which Peiping would be represented.

These hints come from Communist informants at the scene of the U.S.-Red Chinese talks in the Polish capital. Communist informants have a way of scenting how the wind blows.

Such a drive would be difficult to counter. It could have the appearance of a Red Chinese concession to peace.

The Red Chinese have the initiative. Peiping has the power to turn Far East crises on and off as easily as turning a spigot. It was Peiping initiative that turned the spigot in mid-August, after months of a sullen, glowering sort of near-truce throughout the first six months of the dangerous summer Arab East crises.

Peiping has been accused of trying to shoot its own case in U.N. membership & even of trying blackmail. The U. S. ostensibly a Steering Committee [illegible]

bar the Red Chinese membership issue for this year, but India and six other Asian-African nations are clamoring for a reversal of the decision.

The Asian-African move reflects genuine fear in the East that the Formosa Strait crisis could explode into war. Pressure upon the United States to give ground increases.

The dilemma facing American policy is whether to stick stubbornly to its China policy and risk wholesale loss of friends both in Europe and Asia, or to give ground under Communist pressure and lose prestige.

The United States seems jockeying for time. Its moves appear to add up to a calculated gamble. Washington seems to be betting the Red Chinese—and even more, the Soviets—are not going to let the Formosa crisis explode into major war.

What's behind this reasoning? The cold war's history shows a definite pattern—a rhythmic rise and fall in temperatures in the Far East. The pressure never really was lifted at all in the past half-dozen years. But the lulls have been noteworthy, seeming to betoken a cautious Red preference for handling just one major crisis at a time.

Red shelling of the offshore islands has been going on sporadically all this time. But the lulls came in 1953 immediately before and after Stalin's death, at the height of the 1954 Indochina crisis, at the time the Soviets were manufacturing the Geneva spirit in 1955, and again during each of the Middle East crises of recent years.

The guns were virtually silent for the three months of the last big Middle East crisis, and roared again as some sort of restless calm was restored to the Arab East. Each renewal of the war threat was another abrasion for the world's nerves. Each caused rising annoyance among America's allies with a policy many in those countries considered insupportable.

This time the Red Chinese attacks have been more severe than ever. Possibly that is because Peiping sees the opportunity as greater than ever.

The United States has held out a prospect of some sort of solution through peaceful negotiation. This would require concessions on both sides. Any concession the United States might make would be a political victory for Red China. Washington hardly can compromise without going back on its pledges to Chiang Kai-shek's Nationalists.

The Red Chinese hand is on the spigot again, ready to turn it off if the reward is sufficient. That sort of bait could be calculated to quicken a stampede for recognition of Red China as an insurance against war. Peiping's representation at the summit might lend such a movement powerful momentum.

Iceland

By EDDY GILMORE
Associated Press Staff Writer

REYKJAVIK, Iceland (AP) — Lost in the maw of history is the startling fact that an Irishman discovered Iceland.

The present natives don't even remember his name. But when the first Vikings hit these misty shores, they found a Paddy in port.

He was a hermit, and how he reached this off-beat, volcanic, lava-laden land of gorgeous sunsets, strong winds and fishy waters, nobody seems to know.

The theory is irresistible, however, that the original Irishman must be responsible for the always delightful, sometimes crazy, generally surrealistic behavior of a large number of the island's 165,000 inhabitants.

Iceland is a High North country, but it's hospitality is Deep South.

When people invite you to their homes at 2 o'clock in the morning they expect you to come and enjoy yourself.

And when you apologize to your friend's wife for invading her house with the dawn, she looks puzzled and replies:

"I dont think you understand. This is Iceland. You're welcome at any hour."

Then she floats into her modern kitchen — dishwashers, washing machines, electric driers and toasters are as common as cod in Iceland—and whips up a dream of a dish. Its' not fashioned from whale blubber, either.

Icelandic parties are puzzlers. One of the reasons is the extremely unique system of peoples' names.

Less than 100 families have family monikers. The rest of the people are known by their fathers' first names.

It can be startling to have your host say, "I'm Magnus Jonsson. This is my wife, Helga Olafsdottir."

"How do you do, Mrs. Jonsson?"

"Fine, but I'm not Mrs. Jonsson. I'm Helga Olafsdottir."

"But Mr. Jonsson is your husband?"

"He's my husband, but he's really not Mr. Jonsson. He's Magnus, the son of Jon, or Magnus Jonsson."

"But why aren't you Helga Jonsson?"

"Because my father was Olaf. I'm Helga, the daughter of Olaf, or Helga Olafsdottir."

"And your son? What's his name?"

"He's Benedikt Magnusson."

"Not Benedikt Jonsson?"

"Of course not. His father, my husband, is Jon's son, or Jonsson. He—our boy—he's Magnus' son, which makes him Benedikt Magnusson."

"And your daughter?"

"She's Inga Magnusdottir. It's all so simple."

Gold Supply

By SAM DAWSON
AP Business Analyst

NEW YORK (AP)—The sharp drop in the U. S. gold supply may be ending. It is slowing down after setting a record for any one year.

But today the conditions that led other nations to build up their gold reserves at our expense seem to be going into reverse.

Part of the outflow of gold has been due to a sharp drop in U. S. exports than in its imports, enabling foreign lands to build up their reserves as Americans paid for what they bought abroad.

Also helping build up foreign reserves of gold and dollars is the large investment of American corporations abroad, amounting to about 4 billion dollars last year and bringing the total of 37 billion dollars.

Part of the drop in the U. S. treasury's gold hoard has been due to other nations selling their holdings of U. S. securities and putting the money into gold.

The net result is that so far this year the U. S. gold supply has shrunk by about 1¾ billion dollars. This is slightly more than the outflow of gold for the entire year of 1950, the previous record, when the Korean War caused the U. S. to buy heavily from other ands.

The gold supply here now is just under 21 billion dollars—and more than ample as legal backing for the volume of currency outstanding.

In the first half of the year our exports dipped 20 per cent below the like 1957 period. But the Commerce Department reports that the April-May-June quarter saw improvement over the first three months of this year. Exports seem to have held leveled off during the summer and many hope that other lands will be buying more from us in the months just ahead.

Part of this hope is based on the belief that the recovery in U.S. business will lead to imports of foreign materials, giving other nations more of the wherewithal to buy U.S. finished goods.

Imports in the second quarter rose over the first three months of this year, the Commerce Department notes. For the first half as a whole they were only slightly below the first six months of 1957.

The sharp drop in returns on dollar securities during the easy money period led many foreigners to sell their holdings and put their funds into gold. Now yields are rising and U.S. securities look better.

The buildup in foreign gold and dollar reserves has pleased Washington on the whole. Stable currencies abroad are good for world trade and help political stability.

Out Of Date

By GAY PAULEY
UPI Women's Editor

NEW YORK (UPI)—Let a drastic style change come along and window dummies as well as our wardrobes are dated.

This year's high-waisted, empire silhouette has produced a brand new girl underneath those clothes on display. The bosom is a little higher than last year; the waist not quite as nipped in. The shoulders are natural. The hair-dos are modifications of those worn in the era of the Empress Josephine. And the bony, gaunt face of the last few seasons has given way to a softer, rounder look.

"It's a good thing skirts got shorter instead of longer," said Mary Brosnan, whose company makes the high-style mannequins staring from windows of some of the nation's best stores.

Miss Brosnan, in the design business since 1941, explained that either her own production lines or the stores could just add waistline "extenders" or inserts. These make the figure of the mannequin longer, and skirts on her look almost to the knee.

"A lot of mannequins were put right out of work in 1947 when the new look hauled hemlines down," she said. "We can make 'em taller, but we can't chop them down."

Keeping dummies in style calls for trips to Europe to see what fashion leaders there are doing, and a constant check with American designers and retailers, she said.

"We know what'll be new as soon as the manufacturer does," said Ralph Adler, vice-president of the D. G. Williams Co. His firm, which his wife, Dorothy, headed until her death Aug. 31, has an interest in Miss Brosnan's and acts as her sales agent and distributor.

Today's model in the window may be a $150 or $200 copy of one who's making $50 an hour alive. Sculptors of the dummies frequently work from photographs of a fashion model's face.

She's a far call from her sister of half a century ago. Adler's company, started by his father-in-law in 1894, began with a figure much like the home seamstress' dummy.

Quotes

United Press International

WASHINGTON — Sherman Adams on resigning as assistant to the President:

"This action of mine is final and unqualified. It is not open to reconsideration."

WASHINGTON—President Eisenhower in accepting Adams' resignation:

"After our six years of intimate association you have, as you have had throughout, my complete trust, confidence and respect."

ALBION, Ind. — Farmer Ethan Stangland on government seizure of his tractor in settlement of a $660 penalty he has refused to pay for raising 16 acres more wheat than his government - set quota:

"I'm sure not going to let that seizure stand and not do anything about it."

NEW YORK — Elivs Presley, before boarding troop ship for Europe and a new Army assignment:

"The first place I want to go is to Paris and look up Brigitte Bardot."

Pogo

They'll Do It Every Time

By Jimmy Hatlo

Over The Garden Gate

ALTURAS GARDEN CLUB
By Mrs. Paul Decker

ALTURAS — Mrs. Pete Weber and Mrs. Lloyd Austin were the hostesses, and the Jess Valley home of the former was the setting for a potluck luncheon and garden club meeting on September 11. Twelve members and three guests enjoyed the luncheon served on the patio.

The business session was conducted by the president, Mrs. William Rush, roll call was answered by impressions of the Modoc County Fair and all agreed it was the best yet. The club won the blue ribbon on its floriculture booth for the second time in three years.

Four members attended the district meeting in Bonanza on September 20.

Since the community swimming pool project is in need of help, the club voted to donate a percentage of money taken in from its Christmas sale.

The program for the day was presented by Mrs. Paul Decker, who showed specimens of dahlias grown by Mrs. Helen Laird and Mrs. Mabel Cary. She told of the culture of dahlias and recommended a book for those who may be interested in growing them, namely, "Dahlias for Every Garden," by Marian C. Walker.

Mrs. Decker also gave a short talk on four bulbs for winter growing in pots for the window sill.

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Airline Officials Hear Requests

BAKER (AP) — West Coast Airlines officials listened here Monday to requests by representatives of La Grande, Baker, Pendleton and Ontario to reschedule its service to the four eastern Oregon cities.

The airline plans to end the service. But the cities' spokesmen said the service could be made profitable by rescheduling it.

West Coast has contended that air travel in the area is inadequate for continuation of the service.