

REFORMS IN STATE SUPERVISION OF BANKS AS ADVOCATED BY BANKERS

By FRANK W. SIMMONDS
American Bankers Association

ALTHOUGH many states have unexcelled systems of bank supervision by public authority, in some instances political entanglements have resulted in lax methods and dangerous practices. Public opinion today demands that bank supervision be as free from partisan interference as the judiciary itself.



Frank W. Simmonds

State banking laws are increasing in number and diversity. Much thought and study has been given by the State Bank Division of the American Bankers Association to uniformly efficient supervision. It is on record as urging that the office of Bank Commissioner be freed from entangling politics and divorced from all other functions of state government; that the tenure of office be made more secure and lasting, with sufficient compensation and discretionary power to attract men of outstanding executive ability and successful banking experience, and that bank examiners be selected from those having the requisite qualifications.

A careful study and survey of state bank supervision has been made with the cooperation of State Bank Commissioners and state bankers to bring out the high lights of successful supervision, and at the same time indicate remediable weaknesses, as the basis for formulating a model code of law dealing with bank supervision, and also for developing public opinion in favor of its general adoption.

This survey shows that in forty-one states Bank Commissioners are appointed by the governors and generally hold office "during their pleasure." In two states they are chosen by popular election, in others they are chosen by a banking board, but in only a few is the advice of organized banking considered. In Mississippi the selection is made by a convention of delegates from the state chartered banks.

Long Terms Make Bureaucrats
The term of office was found to range from two years to six. The majority of recommendations favor a five-year term, reasoning that a long term of life tenure tended toward bureaucracy in office, while a short term was condemned on the grounds that the Bank Commissioner would scarcely have time to become thoroughly conversant with his field of work before the expiration of his term of service and the public would lose the fruits of his experience. A five year term is long enough to permit his rendering useful service through capitalizing his experience and then if he is found capable the chances of his reappointment would be strong.

It was found that duties other than bank supervision are frequently imposed on the banking department, ranging from insurance matters to irrigation projects and even state hail insurance. The almost unanimous expression of opinion is that the position of bank commissioner is a task of such outstanding importance as to demand that he devote all his time and attention strictly to problems of bank supervision and regulation.

Some states impose no statutory qualifications whatever for Bank Commissioner. A number merely require that he have nominal qualifications, in many cases purely negative.

A national organization, to be known as "The Local Loyalty League," is incubating in Chicago, and its slogan is: "Promote Prosperity! Trade at Home!" The object of the organization is to induce people to trade in the home town. It is a capital idea if it can be organized in every city. This is where the home newspaper renders valuable service to home merchants, for it is always preaching "Trade in the Home Town." Lots of persons seem to have an idea they can buy things cheaper and better in larger towns, but that is not correct. People who live in a city should support the home merchant and by doing so help in the upbuilding. We cannot impress this too strongly upon the people of this city and community. Let's all support and patronize the home merchant. And we think that this is good advice we are giving everybody, and instead of sending your printing outside give it to the home newspaper. For we've a kick coming when you do a thing like that, for you should support and patronize the home newspaper. Suppose some of our readers had a print shop, how would they like it if we sent printing elsewhere to be done? Why, they'd say it was a mean trick. Everybody turn over a new leaf and henceforth trade with the home merchant.—Tillamook Headlight.

Mr. Walter White of Vancouver and Mr. T. A. White of McMinnville Sundayed in Vernonia.

Mr. and Mrs. Sheldon of the Silver Fox Pharmacy are thinking of going to Canby for the Summer.

Mr. and Mrs. W. J. Coyle and Miss Opie spent last week-end in Portland.

AS A WRITER SEE HUGHES

The Hughes Retirement—The announcement of the retirement of the Secretary of State, Charles E. Hughes, on March 4 has attracted a great deal of attention. The explanation given out by Secretary Hughes was to the effect that he had given practically 20 years of his life to the public service and that he now desired to retire to the practice of law in order to replenish his private fortune.

This is his explanation but it does not explain. Wall Street is a bitter enemy of the Russian government, and Charles E. Hughes is very much in sympathy with the Wall Street view. "Wall Street" is afraid that if we recognize the Russian government, we will sooner or later have the Bolsheviks over here.

President Coolidge is said to take the position that if the Russian government suits Russia, it should suit everybody else and it is nobody else's business in the wide, wide world but Russia. If the government of the U. S. suits us, it has got to suit everybody else, and President Coolidge believes in helping Russia, and while he does not believe in communistic principles, he believes that the world will be much safer when the great Russian nation is firmly planted on Republican principles, which she will finally come to, if given our moral support.

Russia overthrew their tyrannical rulers a few years ago, same as we did in 1776 and is now struggling to establish good public schools and a republican form of government. Mr. Hughes has always looked at the Russian question from the "Wall Street" point of view. President Coolidge looks at it from the Humanitarian stand point. That is why Mr. Hughes is getting out of the Cabinet. President Coolidge realizes if we continue as a "nominal enemy" of Russia, which is the result of ignoring her, that some day, Russia may join Japan and Germany in an attack on the United States, as a result of our "Hog in the Manger" policy. President Coolidge believes in the doctrine of "Peace on Earth good will towards men" as taught by the meek and lowly Nazarine.

Great Britain, France and Italy have recognized Russia and there is no reason why this country should not do so also.—Correspondent.

SENATE COMMITTEE FAVORS

START ON LONGVIEW BRIDGE

WASHINGTON, Feb. 7.—(Washington Bureau of the Journal)—The senate commerce committee has favorably reported the bill to grant permission to W. D. Comer and Wesley Vandercreek to construct a bridge over the Columbia between Longview, Wash., and Rainier, Ore.

Upon suggestion of Secretary Gore of the department of agriculture, the bill has been amended to authorize the two states, or either, or counties adjoining, to acquire the bridge for operation as free bridge at not more than cost of construction, or to operate it as a toll bridge not more than five years after purchase.

The secretaries of war and agriculture approve the measure in this amended form.

GERMAN PROPAGANDA

Germany is reported to be at work again spreading propaganda in this country, spending millions and millions of dollars endeavoring to create trouble between the United States and France. Many of the large papers throughout the country are carrying big headlines insisting that France be compelled to settle her debts to us. The purpose of Germany it to cause, if possible, a quarrel between France and this country.

The money that we loaned France was not loaned for the purpose of aiding France in any way except to help us win the war against Germany. That money was loaned to save the lives of our American soldiers. If we had known at the time when this money was loaned to France, and not only France, but other European countries, that it would never be returned to us, we would have loaned the money just the same, because the money was loaned for the purpose of enabling us to win the war as quickly as possible and to save the lives of our American boys.

It is also much more important to us that France be kept in a prosperous and healthy condition, financially so as to enable her to buy millions and millions of dollars worth of American goods and promote the prosperity of our farmers, manufacturers, and other industries. It is not wise to cripple or kill the goose that lays the golden eggs. But France should pay her debt, and France will pay it as soon as possible.

IT ISN'T OVER

It is pretty safe to figure that we're going to have several weeks of bad weather yet. Chilly temperatures, and cold rains—maybe a little snow—is still around the corner and daring us to change to a lighter weight clothing. THE DANGEROUS SEASON IN THIS SECTION COMES DURING THE NEXT TWO MONTHS

Shoes Of Today's Style WE CAN FIT YOU

with Medium Weight or Heavy Shoes that will give you the protection you must have. We can likewise take care of your needs in every Clothing Demand—At prices that will pay you to wear until Spring and lay away until next winter.

TAK ENO CHANCES ON AN EARLY SPRING—DRESS NOW TO MEET THE COLD WEATHER SURE TO COME IN FEBRUARY AND MARCH

PETERSEN'S POPULAR PRICES

In New Location A. W. PETERSEN Opposite the Majestic

READY FOR FULL DAY'S WORK

Down on the farm, 'bout half past four,
I slip in my pants and slip out the door.
Out in the yard I run like the dickens,
To milk the cow and feed the chickens,
Clean out the barn, curry Nance and Jiggs,
Separate the cream and slop the pigs,
Work two hours, and eat like a Turk,
And, by heck, I'm ready for a full day's work.
Then I grease the wagon and put on the rack,
Throw a jug of water in an old grain sack,
Hit up the horses, hustle down the lane.
Must get the hay in, for it looks like rain.
Look over yonder, sure as I am born,
Cattle's on the rampage and cows in the corn.
Start across the medder, run a mile or two,
Heaving like I'm windbroke, get wet clean through.
Get back to the horses, then for recompense,
Nance got straddle the barbed wire fence.
Joints all a-aching and muscles in a jerk;
I'm as fit as a fiddle for a full day's work.
Work all summer till winter is nigh,
Then figure up the books and heave a sigh.
Worked all year, didn't make a thing,
Got less cash now, that I had last no hell spring.
Now, some people say that there aint no hell,
But they never farmed, so they can't tell.
When spring rolls 'round I take another chance,
While the fringe grows longer on my old pants,
Give my spenders a hitch, my belt another jerk.
And by heck, I'm ready for a full year's work.
—Milk Producers' Review.

COMMUNICATION

DEAR MR. EDITOR:—

In the Vernonia paper of last week, I see you suggested naming the schools of Vernonia, the Vernonia High—the Washington and the new grammar school, the Lincoln, and I was certainly surprised at finding no one in the city interested enough, not even the principle teachers or pupils, to care what their schools were named. I have no objections to the name of Lincoln, but it always strikes me as such a selfish idea of the northern and western people that they can never be broadminded enough to give any of the great southern men's names to anything. We can go back to Thomas Jefferson, Robert Lee and on down the line to our late ex-President Woodrow Wilson, and any of them were as great and honorable as Washington and Lincoln. Right here when the city is nearly

all southern people, who are taxpayers and supporters of the town's welfare to at least give the one school the name of one of our noble southern men? Why not call the new school the Robert E. Lee. It might be well for the school children of Vernonia to vote its name, and then have a day set for its dedication and a program of the name given it by the children and teachers, and invite the public. If the new school is given one of the three names mentioned above, I will see that the school is presented with a picture framed, of the one that is chosen.

Wake up you southern people of Vernonia and take a hand in your southern history and the things that are of so much interest to your children, when they grow to manhood or womanhood.

Wishing for the best for every thing for Vernonia. ?

A TAX PAYER.

STATE LAUNDRY CO.

ALL KINDS OF LAUNDRY WORK

Washable rugs Blankets
Lace curtains Feather pillows
Wagon Comes to Vernonia Daily
Sox Darned Free
"QUALITY AND SERVICE"
Vernonia Agents Are:
VERNONIA CLEANERS
COLUMBIA BARBER SHOP

Charity or Business-- Which?

Health and Accident Insurance avoids the uncertainty of leaving things to the neighbors; it is a business plan, not charity; it is a duty and a privilege. Don't leave your loved ones dependent upon the neighbors or the public—the neighbors may have troubles of their own. Cut out the risk and worry by a policy in the Mutual Benefit Health and Accident Ass'n. of Omaha. Covers Disability of one day or more, either accident or sickness. Covers every accident and all disease.

Represented by Vernonia Realty Co.

LOOKING INTO IT

Looking into your motor with the eye of experience as we do, oftentimes reveals little troubles, which if corrected now will save you many dollars and hours of delay later. Our charges for this important service is not great.

Oh, Yes—Come in and look at the new 1925

STAR

NOTHING BETTER

VERNONIA BRAZING & MACHINE WORKS

