THE PRICE OF BUSINESS SPEED

Banking Institute Speaker Says That Bank Failures Followed Business Failures

CHICAGO, Ill.—Many appear to think that failures occur only to banks, but the complete story of business shows that failures of American banks have followed the failures of business enterprise., and have not been a cause of those failures, Dr. Harold Stonier, National Educational Director of the American Bankers Association, declared in a recent address here before the American Institute of Banking.

"It is true that we have had more failures in our banks than in the banks of a number of other countries," he said. "It is also true that we have had more failures in drug stores, grocery stores, railroads, and in every other type of business enterprise. At the same time, it must be said that we still have left after all our failures, more drug stores, more grocery stores, more railroads, and more banks than any other country."

People do not realize, he said, that we have in excess of 108 banks which have been in existence over a century and we have more than 2,000 banks which have been in existence over 50 years.

"In other words, we have more banks over 100 years of age than any other country—we have more banks over 50 years of age than any country in the world," he declared. "The American banking system has not fallen down—it is not in danger of decay. Such failures as it has experienced are due to the price we pay for too rapid development of business enterprises, but that is the American spirit."

U. S. GOVERNMENT GREATEST BANKER

Runs Fifty-two Financing Institutions With Investment of Two Billion Dollars—Thirty-nine Agricultural

AMERICA'S biggest banker today is the Federal Government which is now operating fifty-two financing institutions, says Professor John Hanna of Columbia University in the American Bankers Association Journal.

"Forty of these are owned entirely by the Government," he says. "In twelve more the Government has already a two-thirds interest. Thirty-seven are intended to be permanent. Twenty-five of the permanent ones and fourteen of the temporary ones are agricultural.

"The capital stock held by the United States in these banks has a par value of $1,380,000,000. The Government's total investment is nearly $2,000,000,000. Resources of these institutions exceed $3,000,000,000. In addition the Government has detailed supervision over fifty-one mortgage banks, operating under Federal charter.

"The Government also supervises 4,600 local agricultural loan associations with Federal charters. All this takes no account of the relations of the Government to the twelve Federal Reserve banks, nor of the authority recently given to the Reconstruction Finance Corporation to buy preferred stock in national and state commercial banks."

Consolidation Called For

The President has ordered the consolidation of the agricultural credit agencies into the new Farm Credit Administration, says Professor Hanna. He expresses the opinion that before the consolidation of the agricultural financing agencies too much machinery had been created to administer the financing institutions which the Government either owns or supervises.

"Existing institutions represent a considerable differentiation of function and any consolidation should be preceded by a careful survey of the actual activities of the various institutions," he continues. "The only consolidation the Administration has announced is that of the agricultural credit agencies in the Farm Credit Administration. As a permanent solution this arrangement is too closely bound up with politics."

The Value of the Colleges

THE physical properties and endowments of institutions of higher education in the United States are now valued at over $2,500,000,000. Endowments alone aggregate over $1,150,000,000. Thirty colleges and universities have endowments that average $18,000,000. Eleven out of the 30 have endowments that average $35,000,000. A very few of them have endowments of over $100,000,000 each. The annual operating income of institutions of higher learning amounts to over $500,000,000. Gifts to them in a single year have reached a total of $233,000,000.

Understanding

By RUBY DOUGLAS

GRACIA Collins had an enviable income. And, now that she was the sole surviving member of her family she felt that she had a right to live as she pleased. She had always fitted her tastes to those of the family and it was not until the last two years that she had begun to be an individual and express her own personality.

Her apartment was not large, but it was furnished exactly as she had always dreamed her own home should be.

Today, she sat in the big cloth-covered chair beside a log fire in her library. All about her were shelves of books. A little autographed volume of Christopher Morley's lay open on her lap. She had found a line that had struck home. "Poetry must be lived before it can be either written or properly understood. And that is why the enjoyment of poetry is essentially a feeling of recognition: the recognition of something you thought you had forgotten or were hardly aware that you had once noticed."

Gracia's eyes took on a glow that made her very lovely. "So that is why I have begun to appreciate poetry of late. That is why I am secretly trying to express myself in verse," she admitted. "I have lived—I understand."

Perhaps the thoughts that tumbled one after another through her mind as she sat in the solitude of her own environment were not too tangible, even to Gracia herself, but when she finally moved to mend the fire her spirit was possessed of a strange homesickness.

"It's ridiculous," she said, quickly switching on a light. "I'm not homesick, I'm not lonely. I have all that I want—all that I have ever wanted—right here." She let her eyes wander about the room as if to convince herself that she was not mistaken. "I need a cup of tea. It is the dampness and the gloom that has put me into this mood. There, Christopher Morley, go back to your nook."

"Music—that's what I want this afternoon—not literature. I'll have music with my tea." She adjusted the dial of her inconspicuous radio set in a secluded corner.

"Liebestraum," she murmured. "Oh, why is everything possessed to make me suffer this afternoon? That is the one bit of music that hurts, oh, how it hurts me." And yet she did not stir. She sat with her head in her arm on the big chair. Her tea grew cold. The last haunting strains of Fritz Liszt's beautiful dream of love died away.

The voice of the announcer brought her back. She looked at the cup of cold tea and at the dying fire. A petulant, whining gust of wind sought admittance at the window. Gracia shivered.

She arose and walked toward the telephone. For a long moment she sat with her hand on the receiver as if summoning courage to lift it.

At last she called a number she seemed to know well. Her hand was cold; her lips trembled close to the glass mouthpiece. No answer. She waited to be told that the party did not reply and then she hung up the receiver.

A sound startled her. The knocker was being gentle tapped.

She opened the door. A man with a folder of manuscripts stood there—Don Hubbard.

"I had just called you on the telephone," she said, trying to act cheerful. "The smoke from the fire has made my eyes too tired to read and I was—lonely."

The man put his cap—he wore a cap and tweeds as if he had come from the country—on a chair.

"I have been writing down at my sister's bungalow and, somehow, it seemed as if you were the only one who could help me," he began.

Gracia had made the fire bright and was offering him the big seat opposite her own.

"Poetry! But—Don—you never used to write poetry," she exclaimed after she had looked at the page he handed to her.

For an important fraction of a minute they looked at each other while understanding dawned in the eyes of both.

"Sometimes I'll tell you what I have been doing this afternoon, Don", she said, later, "and that may explain many things."

The rain seemed not to chill Gracia now. The fire burned brightly. She was happy. They talked on about Don's efforts and Gracia almost admitted to him that the two years of perfect freedom were not too perfect, after all.

"You do miss your family and—the old home?" he asked when, in his heart, he knew very well what it was that they were both missing.

Gracia nodded. "I seem to need something more in my life," she whispered.

"I know," he said. "I have always known that some day you would understand. I have had faith, Gracia."

But one thing she would not do was to give up the lovely apartment. It was big enough for him she insisted, and he had suffered too much to protest longer. After all, what did mere things matter so long as he might marry the girl his dreams had given him.

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A BANK REFLECTS THE LIFE ABOUT IT

Loans and Investments on Which Condition of a Bank Depends Determined by the Kind of Business Surrounding It

POLITICAL and popular misapprehensions toward banking are due to little else than failure to realize that it is what the people themselves do that the condition of banking reflects, and that banking cannot of itself reflect events and conditions other than those that actually originate from surrounding circumstances, Francis H. Sisson, President of the American Bankers Association, says in an article in Forum Magazine.

The character of an institution's notes and investments indicates whether it is in the farm regions, a manufacturing center, a mercantile neighborhood or a great financial district, he says, and furthermore, besides identifying the institution as to its locality, a study of its notes will equally clearly indicate the economic conditions surrounding it.

A Picture of the Farm Districts

"If a farm district bank's note history shows that its loans rise and fall with the normal cycle of production and marketing of the products of the region, it may be taken as an index of economic good health for the locality," he says. "But if, over a period, the loan volume shows a dwindling trend it may mean a region that is losing ground,—becoming exhausted or being robbed of business by another community. Or if a large proportion of the loans are not paid at maturity but are chronically renewed, or if stocks or bonds or real estate have to be taken as additional security, these too have economic significances, reflecting perhaps crop failures, over-production or inefficient, high cost farming methods in a highly competitive national or world market, such as wheat. Inevitably all these facts are reflected in the condition of the local banks.

City Banks, Too

"If the loans of a bank in a manufacturing or merchandising field show a smoothly running coordination with production and distribution they, too, mirror a healthy economic situation. Or there may be here also signs that reflect growing unfavorable conditions, such as excessive loan renewals, over-enthusiasm and therefore over-expansion of credit extended to makers or dealers in particular products, and similar circumstances. Similar conditions apply to banks engaged in financing the securities markets.

"The foregoing is merely suggestive of the infinite aspects of the life outwardly surrounding the banks which form and control their internal conditions. Although these facts seem obvious enough, the discussions and criticisms that have raged about the banks often appear to set them apart as somehow separate from the lives of our people, casting forth a malignant influence upon agriculture, industry and trade from forces generated wholly within themselves.

Fate of Banks and People Interwoven

"The truth of the matter is that the fate of the banks is inseparably interwoven with the fate of the rest of the people and of the nation. What happened to the country happened to the banks and what happened to the banks is in no way different or detached from what happened to the people. They are all part of the same pattern, of the same continuous stream of events. No one element in that stream of events can be called the cause of depression.

"If the banks caused trouble to some of our people it was because they were irresistibly forced to pass on troubles that came to them from other people. These troubles impaired the values of their securities and customers' notes—and rendered some unable, in turn, to pay back to other customers their deposits that had been properly used to create these loans and investments."

The Bank as a Rebuilder

IN place of a 3 per cent loss on an investment of $40,000, a large New York savings bank is now getting 6 per cent profit on an investment of $80,000, because it had the good business judgment to spend $40,000 in modernizing a group of 40-year-old tenement houses on the lower East Side which it was forced to take over on mortgage foreclosure, says an article in the American Bankers Association Journal. A year or two ago the owner, who had always kept up his mortgage payments, began to neglect the property, it became run down and the tenants began to leave.

The bank remodeled the buildings completely, putting in an oil-burning heating plant, incinerators and other modern changes, with the result the buildings are now entirely rented, and there is $14,000 a year coming in instead of several thousand going out. At that rate the improvements will pay for themselves in three years.

This same bank has done 15 other renovation jobs similar to this, and all have proved profitable. The bank has its own architects and is employing seven painters.

PAY DAY

By AMY CAMPBELL

AS HE neared home with his pay envelope in his pocket, Dick Howard had a sense of depression that he hated to go inside and face the exhilerated mood of his wife. She was always elated on pay days, ready for some new adventure in spending.

To have been married a year and a half, with a baby one month old, and not to have been able to save more than a paltry sum from his fairly good wages, seemed overwhelming tragedy. Most of what they saved had gone to pay the hospital bill. The doctor was yet to be heard from

Dick couldn't see how he was so stupid as to turn over nearly every cent to Mae from the beginning He had given her the credit of being able to manage well. He was still terribly in love with her and as for the baby—well, nothing was too good for the little fellow.

That was the worst of this never getting anywhere. There was the baby's future to consider. He ought to have the best. Especially in education. Dick felt ugly with himself for being so soft in acceding to Mae's demands for money. He had never once protested and Mae had taken it all for granted that she could have almost anything she wanted.

He had got so sick of hearing her mention over all the things she would do the minute money was in her hands. He had never once heard her say the word—save. If she had it would have been different. Then they could talk things over.

He hated to spoil the kid's fun. She was lovely in her excitement of getting things together in the house. She must be enmeshed with different deferred payments for various things. He couldn't see how she could be so weak as to fall for that dollar-down stuff. But he hadn't the heart so far to damp en his enthusiasm.

Not that he didn't want to spend He told himself he got as much kick as the next one out of throwing money for a little fun or spec. But Mae was surely hyped on this installment buying. He wondered where it would bring them if she didn't ease up.

Suddenly he thought of the absurdity of his acceptance of her extravagance. He saw them in debt which they could never meet. If he had any stuff in him at all he'd tell her. He'd tell her tonight when he handed over the pay. He'd be kind about it but wise and firm. He'd treat her like a fine little kid that just needed advice.

He felt kind of sick about attempting it as he opened the door and called his usual "Hi, you two'

"Oh, Dick, I've hardly been able to wait to tell you what we've got Baby and I. You know you said you wanted him to have a good education. Well, he's going to begin right here at home first with his own lovely library. Look—"

She led the way to the living room and displayed the beginning of a group of knowledge volumes for a child from babyhood to—it looked to Dick, like old age. She leaped upon pages with her fingers and pointed excitedly to certain items which attracted her eye.

A slow fury came over Dick. He looked at the baby asleep in the new buggy, and at Mae with her eyes gloating over this new purchase that was to enchain them with new obligations. He tightened his fists to keep them from gripping her shoulders. He felt he could shake and shake her into sensibility with a more keen delight than he had ever known in either kissing or loving her.

But when she went over to the baby, cooing above him, calling back that she had had the money for the down payment so she thought it was a splendid thing to get the books, he took a quick step toward them.

"And so you had to get into more debt, didn't you?" he glowered above her as she bent to pick up his son.

"And now," she continued, without looking at Dick, without seemingly to have heard him, "its time, Sonny, to tell your Daddy our surprise for him—how busy you and I have been trying to spend the precious money he works so hard for. Even with all the things we've saved a lot more than the doctor's bill which came today. We can pay it and clean up most of our debts and start a bank account to. Sonny and some time maybe we'll put our rent into buying a house for us all, won't we?"

She looked at Dick, a veritable glow about her.

"Why, you're all tired out and white. Bet you're hungry. But aren't you proud of us, uh?"

He held her as if forever, the baby between them.

"Proud? I'll show you. I've got something to work for. Something too good for a plug like me—"

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Last Slave Cargo

The last cargo of slaves was brought to America in 1859 by the slaveship Clothilde.

Clearing Away the Rust

Sunday clears away the rust of the whole week.—Addison

ONTARIO GROCETERIA

Ontario's Complete Food Store

Phone 366 Free City Delivery Phone 366

FANCY **Pork Loin** ROAST LB. .... 13¢

LEAN, FRESH **Bacon** ½ or whole slab LB. .... 15¢

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CARROTS BEETS TURNIPS 3 Bunches 5c

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MILK FED **Veal** Choice Roasts LB. .... 8¢

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A MAN and his SHIRT

WHAT does a man want of his shirt? He wants it to last! He doesn't want the collar to look frayed, when the rest of the shirt is good. He doesn't want the worn cuffs to stick out of his sleeves.

Yes, and he wants to be comfortable. He wants a laundry that doesn't make his shirt feel like a wooden board, nor like a limp rag. He doesn't want to be stabbed by starch needles, that press against his manly chest. In other words,, he wants you, his wife, to send his shirts to launderers who know their business.

BRINGING SUNSHINE INTO MEN'S LIVES

Even in ancient times, when Romans wore togas instead of shirts, the art of laundering was held in high esteem. Throughout history, in France, Spain, Italy, and other countries, launderers toiled faithfully, bringing cheer and sunshine into men's lives, lightening the burden of shirt-wearing through skillful laundering, and making shirts so attractive that men are proud to wear them.

SHIRTS LAUNDERED CAREFULLY

At our plant we launder shirts in a way that will gladden any man's heart. We use only the gentlest, purest soap. The soiled cuffs and collars are carefully cleansed. After the shirt has been gently washed and carefully ironed, bosoms are moulded for easy fitting, sleeves are stripped over metal frames to keep open the arm spaces. Neckbands are ironed on the inside to insure maximum comfort. Crisp freshness is indefinitely preserved.

STARCHING

We put enough starch into each shirt to make it smooth and attractive. If no starch is wanted, please tell us about it. We finish shirts skillfully to suit every man's taste.

UNLIMITED SATISFACTION

Every day, we launder dozens of shirts in our plant. And every day men praise our laundering. Your neighbors cannot be wrong. Why not give the men of your family a treat? Our truck passes your door daily. We know you will be pleased with our work. We know the men will like the way we do the shirts. Will you give us the opportunity of showing what we can do?

AND REMEMBER—when shirts are sent in with the family wash, each five pounds entitles you to one shirt at half price. Example—in a 20 lb. bundle 4 shirts will be finished for 40c.

Ontario Laundry

EVERYBODY - WASHES - WITH - RAIN - WATER - JONES

ONTARIO OREGON