

U. S. Debt Ceiling, Its History, Importance

Whether or not Congress has lost its traditional grip on the nation's purse strings in day-to-day affairs, as has frequently been said, it still retains an "ace in the hole" as far as prolonged Federal deficit spending is concerned.

That is in its power to set a statutory ceiling on the public debt. Since the Federal Government must borrow if it is to spend more than it takes in, as has been the case over so much of recent history, it must eventually come to Congress for permission to continue when its legal borrowing authority is exhausted.

This situation has happened numerous times since the public debt began its skyrocketing course in World War I. U. S. Treasury Department records show that the limitation on the public debt has been the subject of legislation 18 times in a generation, starting with what now appears to be the modest sum of \$7 billions and going as high as \$300 billions at one time.

Spending Key to Debt

Another comparable situation has been developing as the Government continues to run behind due to a combination of big expenditures for national defense and lower-than-anticipated revenues. The present public debt limit is \$275 billions, a level which has been in effect for the last seven years. The actual debt itself is beginning to crowd this ceiling, what with the latest \$6 billion borrowing and the prospect of more later. That is why the question of raising the debt ceiling has come up.

However, the Administration has been attacking the spending and deficit problems with determination. It has already effected substantial economies, working to bring the budget within sight of a balance before the current fiscal year is over. Thus it is tackling the debt problem at its source, which is spending.

Throughout the nation's history prior to World War I, there was no debt limitation as such. When the Government had to borrow, Congress voted specific authority setting amounts and terms of issues. But the public debt wasn't the problem then that it has become since. The Government owed only about \$1 1/2 billions just before we entered World War II, and the highest total prior to then was \$2 1/2 billions in 1866 as the result of the War Between the States.

First Limitation \$7 Billions

The initial debt limitation, totaling \$7 billions, was set in the First Liberty Bond Act of April 24, 1917, less than three weeks after war was declared. This sum was divided between the bonds and certificates, with limitations on each and this practice was continued for some two decades. The first over-all debt limitation as we have it today, without a specific ceiling on the amount of any type of issue, dates from 1939.

As the result of the deficit spending of the Thirties, combined with the outbreak of war in 1939, the public debt ceiling was at \$65 billions when the United States entered World War II in 1941. Four years later, in April of 1945, the ceiling had been raised to \$300 billions. This limitation prevailed until June, 1946, when it was cut \$25 billions to the present level.

Sure Ain't

A colored boy was strolling through a cemetery (in the daytime, of course) reading the inscriptions on the tombstones. He came to one which read: "Not dead, but sleeping." Scratching his head, he remarked, "He sure ain't foolin' nobody but hisself."

One Long Suit

She—You are positively the worst dancer I ever saw.
He—Well, it's something to know that I excel in that respect at least.

Motor Vehicles Killed Four Per Hour in 1952

The casualty list for 1952—96,000 killed and 9,600,000 injured!

That isn't the Korean war toll. It's the nation's accident totals for last year announced by the National Safety Council.

"Accident Facts," the Council's statistical yearbook, which is just off the press, shows that one person was injured accidentally every three seconds during 1952. Deaths from accidents occurred at the rate of one every five minutes.

During the year, motor vehicle accidents killed at the rate of four persons per hour and injured at a rate of 150 per hour.

State's Standard Of Living Helped By Use of Credit

98 Out of Every 100 Tar Heels Are Excellent Credit Risks

North Carolina's 1,025,100 families—with an average annual income of \$4,200—own 920,200 automobiles and trucks, more than 678,400 refrigerators, all own radios, 479,900 television sets and over 826,200 vacuum cleaners, according to a special study just completed.

North Carolina's high standard of living, like that of every other state, has been made possible to a large extent by the sound use of consumer instalment credit, the study indicated. Taking automobiles as an example, the study shows that 98 out of 100 Tar Heels are excellent credit risks, making their payments on time and completing obligations on their contracts promptly.

The study was conducted by C.I.T. Financial Corporation, the nation's largest independent financing institution. C.I.T.'s principal subsidiaries in the fields of automotive and industrial financing have several offices and representatives serving North Carolina.

"This study showing the mass ownership of expensive durable goods,"

HE BROUGHT LIGHT TO THE DARK AGES

Five hundred years ago, a young man—just 21 years old— anxiously paced his horse beneath the towering walls of an ancient city. Straining his voice to be heard above the din of battle, he urged on the swirling mass of brilliantly-armed troops to greater deeds of glory. "My fairest province to the first man who scales the walls," he cried with fervor. A day earlier he had ridden his horse into the waters of the Bosphorus to inspire his badly damaged little ships to attack again and again.

The young man was Mehmet II, sultan of the Ottoman Turks. The world remembers him as the conqueror of Constantinople (now Istanbul). His own people remember him as the man who opened the door of Turkish history to its "golden era."

In history, Mehmet stands with Alexander the Great, Napoleon and George Washington as a man who began an era. Like Alexander, who gave Greek culture to the barbarian world, and Washington, who lit the flame of national independence, and Napoleon, who carried the lesson of the French Revolution wherever he went, Mehmet introduced into the Middle Ages an idea new to the world—religious tolerance. The day Mehmet conquered Istanbul, he visited the Greek patriarch and promised him protection. From that time until the present day, Istanbul has been the seat of the

Mehmet II, who made Istanbul a Turkish city in 1453.

Greek Orthodox Church. Both Christian and Jew have always been free to worship as they please.

On this 500th anniversary (1453—1953) of that momentous day in history, the people of Istanbul are commemorating the story of Mehmet—the conqueror and the bringer of light.

said Arthur O. Dietz, president of C.I.T. Financial Corporation, "emphasizes the fact that mass financing is the fundamental support of the American system of mass production and mass distribution.

"If markets were restricted only to customers who could pay cash for goods, the economies of mass production would largely disappear. Prices for automobiles, refrigerators, ranges and the like, would be out of reach for most American families."

Dietz also pointed out that thousands of North Carolina men and women are employed in industries dependent upon instalment buying, including the manufacturing, distribution and selling fields.

The study pointed out that in 1952, American families used about \$50,000,000,000 of consumer credit in buying the \$216,000,000,000 worth of goods and services used. Thus, consumer credit represented nearly 25 per cent of estimated consumer expenditures of all types, the financial institution said, and provided a vital underpinning to the economy.

TAR HEEL WHEAT FARMERS TO VOTE ON QUOTAS AUG. 14

North Carolina wheat growers will take part August 14 in a national referendum to determine whether quotas will be used in marketing the 1954 wheat crop.

Wheat quotas, which operate

through acreage allotments, were proclaimed by Secretary of Agriculture Ezra Taft Benson on July 1, as directed by law. Quotas will not become effective unless at least two-thirds of the growers voting in the referendum approve their use.

Out of a national acreage allotment of 62 million acres for the 1954 wheat crop, North Carolina's allotment is 319,257 acres, or about three-fourths as many acres as was grown the past year.

Can anyone name the longest day of the year this year?

Robert Ray Winslow Commended in Navy

Electronics Technician First Class Robert Ray Winslow, son of Mrs. Maebelle Winslow of Hobbville, was recently commended by Captain P. W. Garnett, commanding officer of the USS Bushnell.

The letter of commendation is as follows:

"The commanding officer of the USS Bushnell (AS-15) takes pleasure in commending Robert Ray Winslow, Electronics Technician First Class, U. S. Navy, for meritorious conduct in the line of his duties as petty officer in charge of the electronics repair shop. Your cheerful performance of difficult tasks, excellent leadership and spirit was an inspiration and example to all men in your department. Your outstanding performance of duty contributed to the high record of achievement by the repair force of this ship."

The Frau's Footwork

"Somehow I get more kick out of bridge when I play opposite my wife." "So do I," said the other man as he rubbed his shins.

KIDNEYS MUST REMOVE EXCESS WASTE

When kidney function slows down, many folks complain of nagging backache, loss of pep and energy, headaches and dizziness. Don't suffer longer with these discomforts if reduced kidney function is getting you down—due to such common causes as stress and strain, over-exertion or exposure to cold. Minor bladder irritations due to cold, dampness or wrong diet may cause getting up nights or frequent passages.

Don't neglect your kidneys if these conditions bother you. Try Doan's Pills—a mild diuretic. Used successfully by millions for over 50 years. While often otherwise caused, it's amazing how many times Doan's give happy relief from these discomforts—help the 15 miles of kidney tubes and filters flush out waste. Get Doan's Pills today!

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This demonstration showed me the way to a better deal!

I'd been planning to buy a higher-priced car until I found out all Chevrolet offered—and how much I could save!



You get more power on less gas

That's because Chevrolet's two great valve-in-head engines are high-compression engines. In Powerglide* models, you get the most powerful engine in Chevrolet's field—the new 115-h.p. "Blue-Flame." Gear-shift models offer the advanced 108-h.p. "Thrifty-King" engine.

And it's the lowest-priced line

A demonstration will show you that Chevrolet offers just about everything you could want. Yet it's the lowest-priced line in the low-price field.

*Combination of Powerglide automatic transmission and 115-h.p. "Blue-Flame" engine optional on "Two-Ten" and Bel Air models at extra cost.

You get greater getaway with the new Powerglide*

A lot finer performance on a lot less gas. That's what you get with the new Powerglide automatic transmission. There's no more advanced automatic transmission at any price.

piece windshield. The panoramic rear window and big side windows provide a clear view in all directions.

Biggest brakes for smoother, easier stops

An easy nudge on the pedal brings smooth, positive response—right now! Chevrolet's improved brakes are the largest in the low-price field.

It's heavier for better roadability

You're in for a pleasant surprise at the smooth, steady, big-car ride of this new Chevrolet. One reason is that, model for model, Chevrolet will weigh up to 200 pounds more than the other low-priced cars.

You're "sitting pretty" behind the wheel

Take this Bel Air model. First thing you'll notice is the quality of the interior. Rich-looking appointments. Roomy seats with foam rubber cushions. Turn the key to start the engine and you're ready to go.

You can see all around

You look out and down through a wide, curved, one-

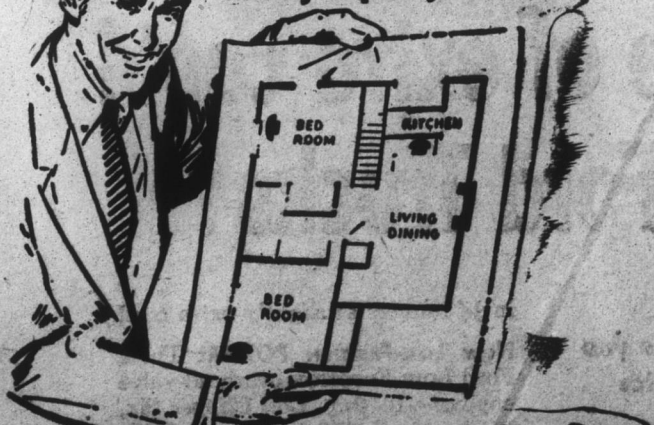


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How to plan for your telephone when you plan your home



When building or re-modelling always plan to "telephone condition" your home. For instance, telephone conduits... they are inexpensive to install during construction—will conceal telephone wires within walls that carry them to handy extra outlets. Your architect and building contractor will help you in your telephone conditioning.

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No one doubts the dependability of our organization. Our complete facilities and experience enable us to fittingly conduct any ceremony.