

No Comment

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"NO COMMENT" is a report of incidents on the national scene, and does not necessarily reflect NAM policy or position.

Washington — The economy forces in Congress still regard area redevelopment legislation—along with a variety of other huge spending proposals—as serious threats to balanced budget prospects.

Progress of the \$251 million area redevelopment bill, which would authorize federal subsidies for chronically depressed sections, was halted by refusal of the House Rules Committee to clear it for floor consideration.

Other parliamentary avenues, however, are available for getting the legislation before the House. It is possible, too, that the 6 to 6 tie vote of the Rules Committee could be shifted to a majority in favor of floor consideration.

Needless to say, there is still apprehension over the outcome among the congressional forces opposing unessential spending and seeking to preserve state and local governmental functions.

With the end of the congressional session approaching, the big spenders are working overtime in an effort to push their pet schemes toward enactment. This pressure is certain to be intensified in the weeks to come.

Opponents of the area redevelopment legislation — and other similar spending proposals — contend that such problems should be handled at the state and local levels. They maintain that it is unfair to tax residents of other areas for the benefit of small segments of the population whose problems are, temporary and can be handled by the exercise of private enterprise ingenuity.

If such federal largesse is given to a few communities, it is pointed out that this would serve as an incentive for every other community in the nation to expect financial assistance from Uncle Sam instead of grappling with the problems themselves.

The opponents assert that the habit of running to Washington for assistance in meeting almost every problem that arises must be broken—or else the government will be plunged again into inflation-creating deficit financing.

The area redevelopment bill is only one of many measures before Congress which would boost federal spending and wipe out any prospects for a surplus in the fiscal year starting July 1. In fact, a count made by Senator Morton (R-Ky.) shows that the big spenders had introduced legislation calling for additional federal outlays of \$325 billion over the next five years.

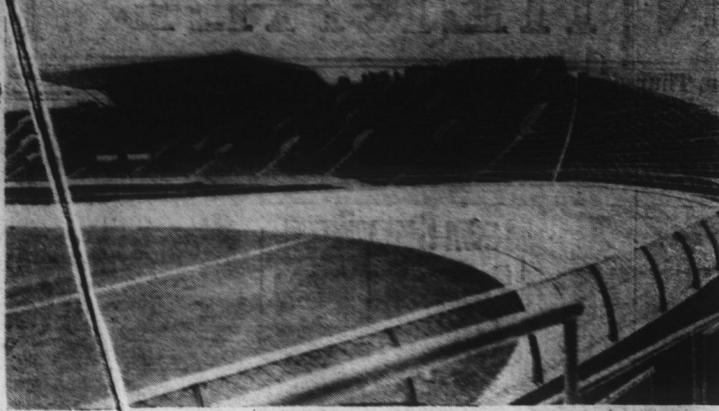
This would be in addition to the expenditures proposed in the Administration's budget, estimated at \$79.8 billion for next year against receipts of \$84 billion.

"Let the tiniest scratch or pimple appear on the national economic body and in rush the big spenders with their federal aid 'band-aids,'" Senator Morton told the American Society of Newspaper Editors.

"They have developed more remedies than there are ills," he added. "They have an elixir for every ailment. And a few bottles left over, just in case." In his opinion, however, there are more votes lost than won "along the route of (fiscal) irresponsibility."

Another spending proposal threatening serious inroads on the prospective budget surplus would provide a \$1 billion special assistance fund for subsidizing the housing industry.

The attitude of the Eisenhower Administration was reflected in a vigorous statement by Rep. Halleck of Indiana, the House Republican leader, saying the bill, by Rep. Rain (D-Ala.), was "a billion dollars worth of baloney."



READY FOR THE OLYMPICS—Spectators on the distant rim overlook the modernistic Velodrome stadium, now ready for the summer Olympic games in Rome. It has a wooden track around a grass infield designed for soccer games.

The National Outlook The Cost Of Consumer Credit

By RALPH ROBEY

No one likes to pay an exorbitant rate of interest on a loan or borrowed money, nor to see any one else forced to do so. Yet tens of thousands of persons are paying such rates constantly without even being aware of it. It is to eliminate this lack of knowledge that Senator Paul Douglas (D-Ill.) has introduced a bill requiring that all charges on installment credit and personal loans be stated as a simple interest item—6 or 8 or 10 percent, or whatever it may be.

The lack of awareness by borrowers of what they actually are paying arises in many instances from the failure of the lender to indicate the difference between a cash and a time purchase price (generally, this probably is because the purchaser does not even inquire), and in many instances because of the manner in which the charge is stated.

For example, if one borrows \$1,200 for one year at 6 percent and has to pay back \$100 a month, his real interest charge is not 6 percent but about twice that. This is because under these circumstances the borrower does not have the use of \$1,200 except for one month—the first month—and each month thereafter the amount he has left of the loan declines \$100. Yet when he has only \$100 of the loan remaining his dollar interest charge is the same as when he had \$1,200.

That is the simplest example of interest rate distortion, but even it would not be especially easy to correct, and its correction would not accomplish the objective of the Douglas bill. The Senator is after the complicated cases and believes if the real charge was known by the borrower we would have less use of such credit.

Now, installment credit is ex-

pensive, and even under the best of circumstances has to cost substantially more than other forms of credit. In the case of a single payment loan, for example, the borrower may drop by the office of the lender or mail him a check in payment of the loan. If the lender is a commercial bank, the loan ordinarily is paid by the borrower having his account debited by the amount of the loan at its maturity.

In the case of installment credit—whether it is on an automobile, a home appliance, furniture or anything else—the problem of collection is vastly different. The borrower here too may drop by or mail the installment, or it may be the practice of the lender to send a collector to pick up the payment. Regardless of the method followed, both record keeping and collection is more expensive than in the case of a one payment loan.

Almost all consumer credit involves some investigation of the borrower, and all of it should be based upon such an examination. Since consumer loans normally are for relatively small amounts, the cost of such a search is proportionately much higher than it is for business loans.

The percentage of loss on consumer credit is amazingly low, but there are losses, and if it is necessary to repossess the article financed, or to use legal means for the collection of the balance, expenses become high.

Because of these and other items there is no possibility of bringing the cost of consumer credit down to the level of normal business loans. At the same time there is no question that it would be highly desirable for the total cost of buying on time to be known by the

Convention

Chowan County Democrats will hold their county convention Saturday, May 14, at 3 o'clock in the Court House.

The purpose of this meeting is for organizing according to the plan of organization of the Democratic party and to elect delegates to the State Convention. The State Convention will be held in the auditorium at Raleigh Thursday, May 19, beginning at 12 o'clock noon.

Various precinct meetings were held last Saturday, at which time delegates to the County Convention were appointed. All of those delegates are expected to be on hand for the county convention.

Covered Dish Supper At Masonic Temple

A covered dish supper will be held tonight (Thursday) at 7 o'clock in the dining room of the Masonic Temple. Attending the dinner will be members of the Eastern Star and their wives or husbands and Masons and their wives.

All members of both organizations and their wives or husbands are cordially invited to attend. The affair was planned as a get-together to create fellowship and friendship.

That is the primary reason for the Douglas proposal getting such widespread support as an objective.

The difficulty arises when one tries to determine who should enforce such a statute, and how. Most of our states already have laws on the rate of interest which may be charged. These obviously are not all that they should be, but the public would be better served if these state laws were corrected, and enforced, that it would be by the creation of another large bureaucracy in Washington.

WITH THE FARM WOMEN

By MAIDRED MORRIS

April Was Health And Safety Month

April was health and safety month in Davidson County. The health, safety, citizenship and food conservation leaders in the Home Demonstration clubs presented a special program at local club meetings.

Mrs. Martha B. Thompson, home economics agent, reports the health leader stressed the importance of an annual check-up since it was cancer month. The safety leader spoke on traffic safety problems while the citizenship leader discussed civil defense. New garden varieties for 1960 were presented by the food conservation leaders.

Educational Tour

With the first signs of spring, Home Demonstration women began planning their spring tours. Recently, 36 club women in Warren County made a six-day educational tour of North Carolina, South Carolina, Georgia and Florida.

The chartered bus carried the group to visit gardens and historical sites. Mrs. Emily Ballinger, home economics agent, says the group observed living conditions and farming practices

in other sections of the country. Good Neighborly Community

Fire broke out on a night in November, 1959, and completely destroyed the home of Mr. and Mrs. Howard Scott in Surry County. This month the family is completing a new brick home to replace the burned one.

"The Shoals Home Demonstration Club, of which Mrs. Scott is president, has made a great contribution to the family. The club is furnishing one bedroom in the new home," says Mrs. Evelyn Nifong, home economics agent. Mrs. L. A. Matthews and Mrs. O. W. Hauser, Jr., of Pineville, Rt. 2, have steered the club project.

Home Demonstration Chorus

The Home Demonstration County chorus members in Pasquotank County attended practice regularly getting ready for their county spring federation program. The musical program of folk music had as its theme, "Come Let Us Be Joyful."

Miss Edna Bishop, home economics agent, says Mrs. W. E. Lewis, Elizabeth City, Rt. 3, was program chairman and Mrs. Russell Cobb, Elizabeth City, Rt. 1, directed the chorus. With Mrs.

W. R. Gregory, Elizabeth City, Rt. 3, as the pianist, the musical program proved delightful.

Salvages Old Furniture

Do you spend your spare time salvaging old furniture? It may pay off if you do. Up in Cherokee County, Mrs. Robert Hughes of Bellview Home Demonstration Club, has recently refinished an old desk which her husband had discarded. Miss Thelma Wheeler, home economics agent, reports Mrs. Hughes did an excellent job in removing many coats of paint.

Although many hours were spent on the old desk, Mrs. Hughes will have the satisfaction of knowing that her work saved them many dollars which a new desk would have cost.

Packaging Poultry

"I've dressed chickens all my life, but this is the first time I've seen it done this way." That was the comment of many Home Demonstration Club women in Harnett County as they watched W. G. Andrews, poultry specialist, conduct a demonstra-

tion on packaging and processing poultry for the market.

Mrs. Fonzoe Gore, assistant home economics agent, reports the meeting was for potential curb market sellers in the Lillington area. Andrews emphasized the right water temperature and told them how to make every stroke count when removing feathers and pinfeathers.

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