

The Jackson County Journal

\$1.50 Year in Advance in The County.

SYLVA, NORTH CAROLINA THURSDAY, MAY 4, 1933

\$2.00 Year in Advance Outside The County.

What Going Off Gold Standard Means to The Farmer

Enlarged Markets, Higher Products Prices, and Ability To Pay Old Dollar Debts

The United States of America has gone off the gold standard. That sounds shocking to people who fear all change, and it takes some mental adjusting on the part of the rest of us who have not yet become accustomed to the reality with which everything is changing today.

What does it mean, this going off gold? What is the purpose? What will the effect be? What has it to do with this talk about inflation? What is inflation, anyway? Who will it benefit and who will it hurt? Those are the questions on the tip of everybody's tongue.

In Sequence

The United States went off the gold standard on March 4, when President Roosevelt declared an embargo on shipments of gold abroad and called all gold held back into the Federal Reserve Banks. Since then we have shipped no gold abroad except on contracts already entered into. Since then nobody holding a gold certificate or other paper money calling for payment in gold has been able to get gold for it. We still have the gold, nearly half of all the gold there is in the world, more than four thousand million dollars of it in our Treasury and banks, but we have stopped using it.

The purpose of our action is, as President Roosevelt stated, to bring about higher prices. The first place it has affected prices is in our foreign trade, for the principal use of gold as money is in settling trade balances between nations. It is the one commodity which every nation in the world accepts as money.

Immediately we went off gold, commodity prices in international trade began to rise in terms of dollars. For as soon as any nation's paper money ceases to be redeemable in gold, people who have that money begin to look for something else—wheat, tobacco, cotton, lard, steel or other non-perishable forms of wealth—in which to invest it. They begin to buy these things, and their paper money buys less of them than it did before. In other words, they bid prices up.

In Farm Products

It may seem to some that we in America are not concerned with what happens in foreign trade. But it is from our sales overseas that a very large part of the money comes which pays for our farm products. More than half all cotton grown in America must be sold abroad if the growers of the South are not to suffer. In Texas alone, it has been figured out the loss to the entire state from the low price of cotton in the export trade, has been over \$400 for every family in the state.

Almost half of the money which tobacco growers get for their crop comes from foreign sales. We normally sell abroad from a quarter to a third of all the lard we produce, about one-sixth of our apple crop, more than half of our turpentine, gasoline and benzol, over a third of our copper, and from a quarter to one-half of our factory products in many important lines.

It seems highly important then, to get the highest possible prices for these goods in the world market. But when foreign nations have let their money depreciate they cannot buy as much or pay as good a price, so long as we maintain our dollar on the gold basis. On the other hand, with their cheap money, they can produce at less cost than we can and sell their goods to us for our gold dollars cheaper than we can produce them when all our costs are measured in gold.

How Producer is Helped

So in going off gold we have cheapened our dollar to meet the other cheap moneys of the world, and already commodity prices have begun to rise. In other words, we have started on a program of inflation of the currency, which is merely another way of saying increasing prices. The gold embargo is a very mild form of inflation. It is certain to be

followed by other forms, directly applicable to our internal affairs. It makes no difference, really, what the value of the dollar is in foreign money except when we deal in foreign trade, because a dollar at a low value will pay a debt incurred in dollars when they were at high value. So the farmer or producer who gets more dollars for his commodity can pay his dollar debts with them, even though they are cheaper dollars.

Inflation will help the debtor class because it will take less wheat, cotton shoes or what have you to get the necessary number of dollars with which to pay. It will hurt the large creditor class because, although they will get their interest and principal repayments in dollars as before, those dollars will not buy as much, will not represent as much real wealth.

We have as beneficiaries of inflation the farmers who will get more dollars for their crops, the wage-earners, who will benefit by increased employment, (although wages do not tend to rise as fast as the cost of living) business men whose good on hand become worth more dollars, and whose sales in dollars increase faster than costs.

Time for Change

We have been going through an increasing process of deflation for more than two years. It had reached the point where debtors as a whole found themselves totally unable to pay. To have pressed deflation further would have resulted in universal bankruptcy, in which the creditors would have fared as badly as the debtors.

Just what form domestic inflation will take remains to be seen. The President's request for power to adopt any or none of various means of inflation indicates that he will be guided by conditions as they arise. It is probable that he will issue currency against Government bonds, for one thing, that silver will be restored to its former monetary position thus increasing the volume of metal behind our money, and possibly he may decide, if it seems to be warranted, to reduce the amount of gold in the gold dollar by as much as one-half. That would not be the first time we have done just that in our national history, rather the fourth or fifth time.

We still have nearly half of all the world's gold behind our money, whatever price we put on the dollar.

BALSAM

Mr. John B. Queen passed away at the home of his daughter, Mrs. N. R. Christy Monday morning. Mr. Queen had not been well for some time and his death was not unexpected. The following children survive: Mrs. Bessie Cuthbertson of Almond, Mrs. Dolie Christy, Mrs. Mamie Beck; Mr. E. O. Queen of Canton. All were present when the end came. Funeral service was held in the Baptist church Tuesday afternoon and interment in Crawford cemetery.

Mr. and Mrs. Cicero Crawford announce the birth of a girl; the 23rd of April.

Mr. and Mrs. A. C. Crawford announce the birth of a girl—Clarice; Friday the 28th of April.

Mr. and Mrs. Henry Christy and baby of Franklin were guests of his brother, Mr. N. R. Christy last week.

Miss Hester Queen spent last week with her sister, Mrs. Lilly Bryson returning with her after the death of her mother, Mrs. Dora Queen in Hazelwood.

Hon. W. T. Lee and Mrs. Lee were here last week from Waynesville.

Agner, Ernest and Harry Queen are visiting their grandparents Mr. and Mrs. W. M. Quitt near Whit-tier.

Several families have arrived to spend the summer in their cottages in Ballough Hills.

Mrs. Emma Gibson of Macon county, who has been visiting her niece, Miss Sara Bryson, returned to her home Sunday.

Everything Looking Up As European Envoys Sail Home



"Everything appears to be looking up" was the gist of comment, semi-officially and otherwise, as Prime Minister, Ramsay MacDonald of England, right, and Edouard Herriot, France's envoy, left, waved adieu and sailed home, following their separate informal conferences with President Roosevelt, in which it is predicted agreements were reached which will considerably advance the prospects of success of both the Disarmament Conference and International Economic Conference within near future. It is hoped that steps have been taken under which a free international gold standard may be restored.

Washington News Letter

Washington, May 4.—President Roosevelt's critics are beginning to be heard, and the chief ground of their criticism is that he is seeking and has obtained powers which heretofore have been jealously retained by Congress, making the President far more of an actual director of the nation's destinies than any President has ever been even in war time.

"Shelving the Constitution," some critics say. Mr. Roosevelt's friends admit that the Constitution is being switched but they point to history to justify the operation. "A rigid Constitution ties the hands of the present with loads imposed under past conditions, by politicians now long dead," said one of these friends. "We think the country will be better off in the hands of live statesmen than in those of dead politicians."

Before this is in print the President will have received power from Congress to change the nation's whole currency system in almost any way he pleases. He will not be instructed by Congress as to what he shall do, but permitted by Congress to do any one of several things, as his judgment may dictate.

Banks, Pensions, Farms

Under the emergency banking law the President regulates credit, currency, gold, silver and foreign exchange transactions. He fixes restrictions on the banking business of Federal Reserve members, appoints conservators for any bank when that is necessary to protect depositors, guarantees 100 percent liquidity on accounts opened after a certain date, passes on the reorganization of national banks, permits the purchase of preferred bank stock by the Reconstruction Finance Corporation, regulates bank loans made by the Corporation, and may issue a large amount of new Federal Reserve Bank notes on collateral not heretofore allowed as a currency base.

Under the economy act the President is given and has exercised the power to abolish the entire structure of veterans' benefits, and he has substituted a new pension system, in which he fixes the rates and the classifications. The same act gave him sole power to reduce all Federal salaries by as much as 15 percent, to consolidate or eliminate any governmental agency or bureau, and to impound the money saved thereby in the Treasury.

In the farm relief bill it is provided that the President may reduce acreage, specify the growing of farm products on certain terms, employ the allotment, land leasing and cotton-option plans or any of them, as he pleases, levy taxes on processing and punish those who do not conform to his orders; enter into marketing agreements; decide when the emer-

CATS 1933 FOOTBALL SCHEDULE IS JUST ABOUT COMPLETED

Callowhee, May 1.—The Western Carolina Catamounts 1933 football schedule is just about complete. Coach Poindexter announced today. The Cats face their hardest schedule in history.

The Catamounts will clash with only one Junior college next year that being their opening game with Lees-McRae Junior College.

The schedule:
Sept. 22-23 Lees-McRae at Callowhee.
Sept. 30 Carson-Newman, Tenn., at Jefferson City, Tenn.
Oct. 6 New Berry College of S. C. at New Berry, S. C. (pending).
Oct. 14 Appalachian State at Callowhee.
Oct. 20 Lenoir-Rhyne Bears at Hickory (night game).
Oct. 28 Tenn. Teachers at Johnson City, Tenn.
Nov. 4 Open.
Nov. 11 Maryville Tenn. at Callowhee. (Home-coming day.)
Nov. 18 Piedmont Ga. at Callowhee or Sylva.
Nov. 30 Paris Island Marines at Paris Island, S. C. (Thanksgiving Game.)
This will be the first time for the Cats and the following Colleges to meet in football: Lees-McRae; New Berry; Appalachian State; Lenoir-Rhyne Bears; Maryville and Paris Island Marines.

Western Carolina will lose only 5 Cats by graduation this spring. Those are Mark Watson, Guy Sutton, Paul Buchanan, Chas. Morgan and Captain Harry Sams. Morgan was student line coach at Callowhee last year and Sams was backfield coach. Sams was the Catamount Captain this year. Captain for next season has not been chosen. A Captain will be appointed at the beginning of each game and at the close of next season a Captain will be chosen for the year.

Western Carolina Net-Men Team Enter Tennis Tournament, Salisbury

Callowhee, May 1.—The Western Carolina Net-Men will leave Thursday, May 4th for Salisbury where they will play in the North State Athletic Association tennis tournament. The tournament will start Friday at 2 o'clock p. m. and last through Saturday.

This is the first year for Western Carolina to participate in inter-collegiate tennis. Six men will represent Callowhee in the tournament.

The net-men have been working hard in preparation for the event.

The ones who are to make the trip are:
Singles: Paul Buchanan, Walter Thomas and Roald Hedden and doubles: Clyde Bowman and Paul Lyday. Lyday is President of the tennis club here.

Democrats Win In City Election

The Democratic ticket won in the municipal election held here Tuesday by majorities ranging from 51 to 79, the following vote being polled:

Democrat	
For Mayor:	
C. C. Buchanan	287
For Aldermen:	
Dr. Grover Wilkes	306
W. E. Grindstaff	305
J. C. Allison	305
E. L. Wilson	297
Charlie Price	293
Republican	
For Mayor:	
Dr. C. Z. Candler	236
For Aldermen:	
J. S. Higdon	213
Thos. Barrett	222
H. E. Battle	229
S. M. Rasmussen	232
G. K. Bess	236

The entire ticket was re-elected the mayor and every member of the board of aldermen having served during the preceding term of office.

CATS OF W. C. T. C. TO LEAVE TUESDAY ... PLAY TWO GAMES

Callowhee, May 1.—The Catamounts of Western Carolina College will leave the campus Tuesday morning, May 2nd for Boone where they will play Appalachian State a two game series in baseball. The first game will be Wednesday, May 3 and the second will be Thursday, May 4th. Friday, May 5th the Cats will play Lenoir-Rhyne college at Hickory. The Catamounts will arrive on the campus Saturday May 6th.

The two games with Appalachian State this week will make the 4th game played between the two colleges this season. The Cats split a double header with the Mountaineers here last week, Friday, April 29. The Mountaineers were scheduled to play the Cats on Friday and Saturday but due to car trouble the Boone men were unable to reach Callowhee in time for a game Friday, so the coaches decided to make it a double header Saturday.

The Catamounts won their first game 5 to 0. Simpson, Cat hurler, pitched the Cats to a no hit victory. The Cat hurler seemed to be going as strong at the end of the ninth as he was at the first. He proved to be too much for the Mountaineers, Simpson was baseball coach and star hurler at Weaver college last year.

In the second game the Mountaineers rallied in the seventh to win 5 to 3. Queen, Catamount south paw hurler, pitched fine ball allowing the Mountaineers 7 hits while the Cats collected 8 hits off Wortman, Boone moundman. Queen struck out 6 Boone men and Wortman struck out 4 Cats.

The game with Lenoir-Rhyne Friday, May 5th will be the first time for the Mountain Bears and Cats to meet in baseball. They met in Basketball last season for the first athletic event between the two colleges. They will clash in football next fall at Hickory.

Coach Poindexter has not made known yet who will make the trip this week. He will carry eighteen men.

"Doesn't Touch A Drop"



Estelle Taylor, former wife of Jack Dempsey, threatened to subpoena "half Hollywood" to prove she never touches intoxicating liquor, in her suit for \$150,000 damages in an auto accident. That issue was dropped.

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