

THIS WEEK'S GUEST WRITER

March 8, 1951

John Sheedy came to Alpine in 1942. He was president of the Alpine Civic Association, organized the Fire Department, personally securing the fire engine under the auspices of the Civic Association. Mr. Sheedy conceived the idea of the large sign with the map of Alpine, which is in front of the Woman's Club. During the last war when gasoline was being rationed and it was difficult for the Catholics to attend their Church either in El Cajon or Descanso, he was the guiding light for the establishment of the mission at the Sheedy Ranch, where every Sunday morning mass is conducted.

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In order that my view point be well-established it is only fair to say that I am a conservative to the top and bottom of my spinal cord. I was raised in the conservative east when a dollar looked as big as a horse-blanket. I borrowed money and worked my way through school on my own power, plus some small borrowings on my own credit at 6%. Later, on one occasion Calvin Coolidge said, "They hired the money, didn't they." I fully understood exactly what he meant.

Let us transfer ourselves to Japan in 1925. Their yen's par value is a little over forty-nine United States cents. By 1933 the yen had gone to twenty cents. Today the yen is three hundred sixty to the dollar.

Now if you had been in Japan and been smart you would have borrowed 4,347.81 yen in 1938 and sent home proceeds of ONE thousand dollars. Paying interest these twelve years would have about doubled the debt to around eighty-seven hundred yen. I could pay the whole debt today for twenty-five dollars with the resulting benefit of nine hundred seventy-five dollars to me.

Now let us look at the opposite side by reversing the process. Suppose you bought a Japanese bond in 1938 and paid 4,347.81 yen for it. Today the Japanese government would pay me off with 8,700 yen, interest included, which would be worth about 25 silver dollars.

Now do you see what I mean?

You say, naturally, it can't happen here. Well, it is happening but not quite as rapidly as yet. We are about where Japan was in 1940.

Gertrude Stein once said, "A rose is a rose is a rose." And I guess it is anyplace in the world—but for heaven's sake tell me what a dollar's worth—yes—your dollar and my dollar!

I am not a big shot financier, but I did learn the fundamentals of common honesty, and to me, the debasement of our currency, or inflation if you like, is an outrageous theft. Discouraging to thrift and enriching only those already in debt and not even them indefinitely. To a long term investment such as an annuity or those living on a fixed income this policy is deadly. It will send prices sky-rocketing; knock the value out of life insurance, pensions and savings, and purchasing power out of Mama's budget.

In Germany in 1922 I used to exchange American currency into German marks one hundred at a time. For instance, at 10:00 a.m. I would receive 5,000 marks for my dollar. At noon-time, 7,500 marks and at 5:00 p.m. it would be 10,000 marks. Boy! I know, I was there!

Again you may say it can't happen here—well, let me tell you, brother, it is happening here right now. You have just one defense and only one; your vote.

And you had better watch that, too. Or those in control today may even try to put your vote into the "old shell game."

John Sheedy