Obituaries

Mr. Killian Efird Tucker

Mr. Killian Efird Tucker, 94, died Friday, April 17, 2015, at Meadowview Terrace Assisted Living in Wadesboro.

Funeral services were held on Sunday, April 19, 2015, at Peachland United Methodist Church with Rev. Angel Christ officiating. Interment followed in Griffin Cemetery in Polkton.

Killian was born October 25, 1920, in Anson County, a son of the late William Brady Tucker and the late Odie Wright Tucker. He was retired from the Seaboard Coastline Railroad as a Conductor with 30 years of service. He was a veteran of the United States Army, having served during World War II. He was also a devoted member of Peachland United Methodist Church.

Surviving are his brother and sister, Ed Tucker of Polkton and Louise Anderson of Boone; and his nieces and nephews and their families.

In addition to his parents, he was preceded in death by his wife, Dorothy Newton Tucker, and brothers and sisters, Jim Tucker, Charles Tucker, Christine Lane and Faire Bell Gaddy.

In lieu of flowers, memorials may be made to Peachland United Methodist Church, P.O. Box 330, Peachland, NC 28133 or to Meadowview Terrace Assisted Living Activity Department, 123 Anson High School Rd., Wadesboro, NC 28170.

The arrangements were in care of Leavitt Funeral Home. Online condolences may be made at *www.leavittfuneralhomewadesboro.com*.

You Decide: Where's inflation?

By Dr. Mike Walden, North Carolina Cooperative Extension: It wasn't supposed to happen this way. After years of creating money out of thin air – a unique ability of the Federal Reserve ("the Fed") – we were supposed to be seeing significantly higher inflation by now. Economists, including yours truly, and non-economists both issued the warnings. Those worrying about faster rising prices didn't necessarily disagree with the Fed's policy. Printing money and injecting it into the economy is standard operating procedure during a recession, especially the kind of very, very bad recession we had beginning in late 2007. If the extra money can induce spending, restore confidence and boost jobs, then many think the cost of a little more inflation later is worth the benefits.

So, more inflation may be the price of putting a stop to a sinking economy. Yet herein lies the mystery. The Fed did print a lot of money, the economy did stop sinking and is now expanding, but we've yet to see higher inflation appear. Indeed, retail inflation – covering everything consumers buy – has ranged only between 1 percent and 2 percent annually for the last four years. Now I know some people don't trust government statistics. Yet private measures of inflation -- such as the "Billion Price Project" at Massachusetts Institute of Technology, which gathers posted prices from the internet -- show annual inflation only marginally higher at between 2 percent and 2½ percent.

How can this be? The late Nobel Prize-winning economist Milton Friedman used to describe inflation as resulting from too many dollars chasing too few goods and services. As soon as Fed policy-makers became convinced the recession was here, they opened up the money spigot. Since 2007, the Fed has effectively created several trillions of new dollars, certainly qualifying for Friedman's chase-scene. But it hasn't happened. Serious inflation is not here. Have the laws of economics fallen apart? Is the relationship between money and prices not what it used to be? Is there a reasonable explanation for this apparent contradiction?

Actually there is a simple explanation. Traditionally when the Fed created money, it would move that money into the economy by purchasing investments from banks. Banks would trade the investments for the new money, and then banks could use that money as the basis for making loans to both businesses and consumers. The loans would create new spending and new economic activity. But if the money-to-loans-to-spending process got moving too fast, we would be in a Friedman situation and prices would start to jump. This time the Fed added a new ruffle to the scenario which, so far, has kept inflation at bay. As usual, the Fed created new money and used the funds to purchase investments from banks. Then they made an offer to the banks that most couldn't refuse. If the banks deposited the new money with the Fed, the Fed would pay them interest for doing so. The interest rate wouldn't be high, but it would be risk-free.

Banks bit at the deal. Deposits by banks at the Fed rose from a couple billion dollars to almost $2 trillion! The policy allowed the Fed to stabilize the banking system during the financial crisis but without creating the basis for substantially higher inflation. Some analysts have called this policy "brilliant." However, the policy has had its downsides. Rather than using the new money to make loans, banks have parked the money with the Fed. The policy may be one reason why getting a loan is still challenging and why the housing market – while better – is wobbly in many areas.

Of course, more of the money could leave the Fed and "hit the street" if banks find better lending opportunities with higher interest rates than paid by the Fed. Still, the Fed could respond by upping their interest rate paid to banks if signs of higher inflation appeared. In fact, there are many options in the air being juggled by the Federal Reserve.

Some say the Fed has too many goals to juggle. Ever since the end of World War II, Congress has told the Fed to pursue two objectives simultaneously: keeping both the inflation rate low and the unemployment rate low. Some think, while doable in the long-run, achieving both goals may not be possible during shorter periods of time.

So is inflation whipped? Not necessarily. The Fed may decide that economic growth and opportunities are still too limited, and sacrificing a little more inflation to get more and better jobs is a trade worth making. Would they be correct? You decide!

Dr. Mike Walden is a William Neal Reynolds Distinguished Professor and North Carolina Cooperative Extension economist in the Department of Agricultural and Resource Economics of North Carolina State University's College of Agriculture and Life Sciences. He teaches and writes on personal finance, economic outlook and public policy.

USDA Free Food Distribution for Ansonians is April 27

The Burnsville Recreation & Learning Center Emergency Food Pantry has a large shipment of TEFAP Products that will be distributed on Monday, April 27 from 2 to 4:30 p.m. The food commodities are provided by the United State Department of Agriculture free of charge to eligible recipients. The US Federal Income Guidelines are one of the determining factors for each individual's eligibility. Food stamp recipients automatically qualify.

The food items are available only to Ansonians who qualify. If you are not currently registered with the BRLC Emergency Food Pantry, they ask that you please arrive early to complete the eligibility application. Please bring proof of income. BRLC does not discriminate for any reason. Food will be distributed until all is gone. BRLC no longer serves on Tuesday mornings.

BRLC is located on Highway 742 North in Burnsville, across from the Fire Department. For more information call 704-826-8182 or 704-826-8689.