

Soviet Fair Impresses Ike; Opens For The Public Today

NEW YORK (UPI)—The Soviet Union lets the paying general public into its bright show of Russian life and know-how today.

President Eisenhower previewed the fair Monday and pronounced it remarkable. He lifted a glass with Soviet First Deputy Premier Frol R. Kozlov and said: "To your success." Kozlov in a speech said there must be peace through negotiation.

Kozlov ribbon-snipped the 40-day show into an official opening Monday night. Wednesday he is expected to turn to graver matters—such as the Berlin crisis and a summit meeting—during a White House visit.

Today, while the customers start clicking the turnstiles at the New York Coliseum at \$1 for adults and 50 cents for children, Kozlov scheduled a visit to the Ideal Toy Corp. here, producers of dolls and plastic toys, and a later drive to the shipyards at Camden, N.J.

Vice President Richard M. Nixon, who shared the speaking podium before 1,500 invited guests with Kozlov Monday night, toured the six acres of Russian exhibition and called it "very important."

Nixon will open the American National Exhibition in Moscow next month. In his address he said it was not expected that the exchange of exhibitions and the Nixon-Kozlov visit exchange would "resolve the basic differences which exist between our governments." But the Russian and American peoples instinctively like each other, he said, and the exchange should help reduce misunderstandings.

The vice president said that he was convinced that after Kozlov tours and studies the United States he will return to Russia "convinced that not only is this nation strong materially but that it is

united behind the leadership of our President in working for peace, justice, and freedom."

Kozlov Greets Ike

Kozlov, a jovial, graying man of 50 years, grasped President Eisenhower's hand late Monday when the President entered the Coliseum after a flight here from Washington. He helped escort the President through the exhibition from Sputniks to atomic reactors to autos to oil paintings.

Pausing before the model of the big new Soviet atomic-powered icebreaker Lenin—while Ike adjusted his glasses and peered into a cutaway section of its power plant—Kozlov remarked: "That's what we use atomic energy for."

"I've been preaching that for six years," Eisenhower told him. In a visit of more than an hour, the President drank orange juice, heard some Russian hi-fi music (it sounded like jazz, in French), liked one of the Russian small, 45-horsepower automobiles, termed Soviet oil paintings "striking" and "strong" in character study, and told Soviet Ambassador Mikhail A. Menshikov the whole exhibit was "remarkable—everyone will like it."

Stock Market Experts Say Some Speculators May Learn Hard Way

By ELMER C. WALZER

NEW YORK (UPI)—Speculation is growing rapidly in stocks to the point where some of the new speculators may be taught lessons the hard way, two Wall Street experts warned.

Rudolph L. Weissman, economist, and L. O. Hooper, analyst, for W. E. Hutton & Co., write on this "Stock Market Fever" in the current "Challenge" magazine, published by New York University's department of economic affairs.

"There is a real danger that the new generation of speculators who never have known adversity may become too confident," they assert.

"In some cases, prices have already exceeded corporate price-earnings ratios, and future prosperity has been discounted further ahead than is safely predictable."

"Speculators and gullible get-rich-quick buyers of common stocks may have to learn that capital gains and growth cannot be relied upon to occur with monotonous regularity week after week."

They find speculation in this generation is no different than it has been in the past. Speculators only want a "quick killing."

They care nothing for company earnings, financial condition, dividends, management prospects.

Investors Abandoning Caution
The two experts have noted a growing number of investors abandoning their usual caution; people

buying stocks who never bought before; wealthy turning from investments such as tax-exempt well-suited to their portfolio to common stocks to "get on the band wagon" and to hedge against inflation.

Odd-lot purchases have risen. Market volume has gone up with the turnover of shares listed reaching 20 per cent for a time this spring. Brokers loans are up. All these, say the experts, reflect speculation.

But this speculation is different from that of 1929 it is noted. Excesses now seem to be concentrated on less important industries contrasted with the blue chip speculation of 30 years ago. It's the electronics and space age stocks at the present time.

There are many other differences between this market and the one of the late 1920s.

Here is how the two financial experts describe the situation:

The attitude of the financial community is more intelligent. Brokers' loans are much smaller than they were in the fall of 1929.

"With present margin requirements of 90 per cent fixed by the Federal Reserve Board a debate similar to October-November, 1929, does not seem possible."

Short selling is regulated now and so are operations of specialists and floor traders. The Securities and Exchange Commission and New York Stock Exchange are more vigilant. Industry is much sounder finan-

cially. Accounting practices are sounder.

"Here and there exuberance is leading to some doubtful practices, but in the aggregate they are not of great significance."

Speculation Was Poison

The writers note that after the 1929-32 bust, speculation in stocks was poison to the general public which wanted no part of share ownership.

"For the past 12 years, however, the ownership of stocks has been highly profitable, and they have become the most satisfying experience an acquisitive person can have," they assert.

Weissman and Hooper believe the rate of turnover of the market will have to be much more rapid before the boom in speculation causes severe damage.

"Up to now," they conclude, "permanent stock ownership has proven to be more profitable than speculation, and unless the regulatory authorities and the financial community abandon their policies completely, any shakeout in the stock market probably will not set forces into motion that would seriously impair the proper functioning of the economy."

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REPAIRING—Oscar Renas, above, is helping to repair the Grande—Ronde Apartments. Remas is working on the third floor which will be rebuilt.

PUT YOUR NAME IN THE POT

Spirited Patriotic Display Is Due In Nation's Capitol

By FRANK ELEAZER

WASHINGTON (UPI)—The way things are going the most spirited patriotic display around here on July 4 will take place on the roof of the capitol.

Starting at 12:01 a.m., when the new 49-star flag becomes official, a crew of maybe 10 capitol police will lay aside their law books and pistols and spell each other for hours running flags up and down a battery of five flag poles.

According to capitol architect J. George Stewart, this could go on through the dawn's early light, all day, and maybe into the night, depending on certain factors like whether you, too, want to get into the act.

Based on present indications, at least 1,000 scout troops, Legion posts, Chambers of Commerce, and ordinary taxpayers are hoping to acquire the first 49-star flag to be flown over the capitol. Barring acts of God, like thunderstorms, Stewart will see to it they all get it, almost. Specifically, each applicant will receive a 49-star flag duly certified to have been flown over the capitol the first day on which this was legal. Of course the first flag to be flown over the capitol will go to the new state of Alaska.

Stewart won't like me for this, but actually it still isn't too late to put your name in the pot.

An air mail special to your Congressman, enclosing \$5.80 to cover the cost of a brand new, beautiful, 5 by 8 flag, or \$2.35 for one just as pretty but only 3 by 5, is all that's required.

Just tell him you want a flag that has flown over the capitol on the Fourth of July. He will buy the flag in the House stationery store (and those prices are about half what you would pay elsewhere) and pass it along in its red, white and blue box to the architects office.

As of Monday, that office was awash in red, white and blue boxes, awaiting the historic day.

Of course, there are always some people who have to be different. They are asking for the last 48-star flags to be flown over the heads of the Congress on July 3. But to get in on this you will have to supply your own flag. The stationery store is sold out of these old-fashioned models.

Congress got into the flag business so long ago nobody remembers when. The original idea was to award some worthy group the tattered remains of the big 8 by 12 flags that fly rain or shine and 24 hours daily from the East and

West fronts of the Capitol.

Business Step Up

But these didn't wear out fast enough to meet the demand. So along about 1937 some bright member just bought a new flag and took it to the people in charge.

"Just let it flutter a minute, and then give me a letter to certify that it did," he requested.

The word got around and Congress' flag business has been flying high ever since. Last year 2,850 emblems went out, each with an appropriate letter from Stewart, certifying to its historic flight.

Stewart, in his long, doesn't actually say how long the flag flew in its honored position. If asked, he says several minutes aloft in the breeze is what he shoots for but that when business is humming, something less may have to suffice.

Atom-Powered Plane To Cost Ten Billion

WASHINGTON (UPI)—The Defense Department's research chief has told Congress the eventual cost of developing an atomic-powered plane would soar to at least 10 billion dollars—and possibly much more.

This huge estimate came to light in hitherto secret testimony on Air Force construction appropriations, made public today by a House appropriations subcommittee.

In the government bookkeeping year which begins today, the administration plans to spend about 150 million dollars on nuclear-powered aircraft. This would bring total spending on the project to about one billion dollars over a period of several years.

Dr. Herbert F. York, director of defense research and engineering, implied to the subcommittee, however, that the outlay so far has been just a drop in the bucket compared to what the total would be.

"If anything is to be done in the way of application of nuclear energy to flight, it will not be done for less than 10 billion dollars or some multiple thereof," York said. "That is going to be very expensive, if done."

His estimate reflected a major reason for the administration's refusal thus far to put the program on a "crash" basis, as demanded by some congressional critics who predict Russia will put a nuclear-powered plane into the air before this country does.

York appeared June 8 during closed hearings on the administration request for appropriations totaling \$1,563,000,000 for construction by the armed services.

Ike Signs Measure Raising Ceiling On National Debt

WASHINGTON (UPI)—President Eisenhower late Tuesday signed into law a bill raising the legal ceiling on the national debt to a record peacetime level of 295 billion dollars.

He also beat a midnight deadline by signing a bill to continue high Korean War tax rates on corporations and such consumer items as liquor, cigarettes, beer and new cars.

The President had requested both measures, and signed them without comment. Earlier in the day he had signed a bill authorizing the Veterans Administration to raise the maximum interest rate on GI housing mortgages from 4 1/2 per cent to a record high of 5 1/2 per cent.

Without the debt ceiling bill, the debt limit would have dropped to

283 billion dollars at midnight Tuesday night—or about two billion dollars below the amount actually owed by the government.

The treasury has predicted that in the government bookkeeping year which begins today the debt will reach a high of \$293,500,000,000 next Dec. 15. It sought a limit above that, however, to provide some elbow-room in debt management.

The President's signature on the tax bill prevented an automatic drop in tax rates at midnight Tuesday night which would have cost the already hard-pressed treasury about three billion dollars in revenue.

The current high rates were put into effect during the Korean War to help finance the fighting. They have been extended since on a year-to-year basis.

The legislation retains the 52 per cent corporation tax rates, which otherwise would have fallen to 47 per cent at midnight. In addition, the tax bill provides for a tax of eight cents a pack on cigarettes instead of seven; \$10.50 per proof gallon on distilled spirits instead of \$9; \$9 a barrel on beer instead of \$8; 10 per cent on new passenger cars instead of 7; 8 per cent on auto parts and accessories instead of 5.

It also forestalls reductions in excise taxes on wines.

Hermit Examined By Psychiatrists

LOS ANGELES (UPI)—Dennis Farrell, the hermit of Griffith Park, was under observation today in the psychiatric ward of General Hospital.

The 32-year-old World War II veteran voluntarily left the bush-studded hills of the 4,200-acre city-owned park Tuesday for the first time since turning his back on civilization six years ago.

Bearded and in tattered clothing, Farrell would say only that he wanted to talk to a policeman who had questioned him briefly on a prowler complaint last April but then released him to return to his lonely life.

The North Platte, Neb., man said he lived off wild fruit and picnic leavings in the park during his long stay there. He was committed Tuesday for 72 hours to determine his mental competency.

Mrs. Hatfield Enters Hospital In Salem

SALEM (UPI)—Mrs. Mark Hatfield, wife of Oregon's young governor, entered Salem General Hospital at 4:35 a.m. Tuesday for delivery of her first child.

However, the baby had not yet arrived.

Mrs. Hatfield, known to her friends as Antoinette, or "Tony" was attended by Dr. Charles Mills at the hospital.

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