



EDITORIAL PAGE

LA GRANDE OBSERVER

Tuesday, October 27, 1959

"Without or with friend or foe, we print your daily world as it goes"—Byron.

RILEY ALLEN, publisher

Grady Pannell, managing editor; George Challis, advertising director; Tom Humes, circulation manager

Lumber Industry Again Squeezed

The "tight money" policy of the Federal Reserve system designed to combat inflation, has returned with a vengeance. Home loans, as a result, have seen another jump in interest rates. This is the same policy which was followed in 1956 and 1957, when it looked like inflation was a danger. Anyone then in the Pacific Northwest, too dependent upon lumber as a basic item of the economy, remembers what happened. Lumber went through an economic wringer, and still has not returned to its 1955 price level. Recent downturns have come again in the lumber market. (There is one consoling factor, this time. Prices may not drop as far, since inventories are not nearly so high as they were at the start of the price drop of two years ago.) With the government selling short-term bonds at an interest rate of five per cent the government is, at the same time, competing with the mortgage market for money. What's the net effect? Well, let's take an average new home, selling for \$13,500. Only a few short years ago, money was available at 4 1/2 per cent for purchase of this home with no discount. Over a 25 year loan, a borrower paid monthly payments of \$75.04, plus an amount sufficient to cover taxes and insurance. He repaid the \$13,500, and paid an additional \$9,012 in interest charges. Add taxes and insurance, and in most cases he paid well over twice the original \$13,500.

Now, interest rates generally are 6 1/2 per cent or more, and often carry discounts in addition. The discounts add another one per cent or so over the life of the loan. But let's say a man is buying that same \$13,500 house, borrowing the money and paying an interest rate of 7 per cent. Now his monthly payments, exclusive of taxes and insurance, are \$95.43, an increase of \$20.39 per month. Over the life of his loan, the interest costs alone have increased \$6,129. His total interest is \$15,141, more than his house cost to build. Even figures like that don't bother many home buyers. They go ahead and buy, anyway. But the higher interest rates, combined with a shortage of funds to support the mortgage market, puts a big halt in home construction. The lumber industry does not remain very profitable when home construction drops below a rate of 1,250,000 per year. And when the business is not profitable, the inevitable result is a wholesale series of layoffs and shutdowns of less efficient operators. At the same time, during the last year, other prices and wages kept advancing. There must be some other method of controlling inflation, one which will not put the lumber and farm machinery business in serious financial trouble. The present system is OK for those areas of highly diversified big industry, but pretty rough on the Pacific Northwest.

Pictures May Reveal Origin Of Moon

The world eagerly awaits some pictures the Russians report they are now processing and will soon publish. Those pictures are the first ever taken of the unknown side of the moon. The Tass news agency reports they were taken when Lunik III cruised around the moon earlier this month. Last Sunday Lunik III reportedly transmitted picture signals back to Moscow, as the satellite swung around the earth. It can be taken for granted that the picture-taking attempt was successful. Otherwise Tass would not have announced this week that the picture had been received from the satellite and were being processed. What will the picture show? The backside of the moon has long been a mystery to earthlings, but astronomers guess that the unseen half of the earth's satellite will be much like the side that has been visible for eons. Yet the Soviet picture may solve an age-old problem: What force caused the craters in the moon? The theory of volcanic origin has support, but a more widely held supposition is that the rimmed calderas on the moon's surface were created when giant met-

eorites crashed into the orb. There are several examples on the earth of the hole that can be made by a meteor; one of these is the giant crater in Arizona. Still another suggestion is that the lunar craters were created by frozen heads of comets exploding against the moon. Many astronomers are inclining to the belief that comet heads are mainly frozen hydrocarbons with an admixture of unstable chemical compounds. On impact, such comet "war heads" would behave like a high explosive. Recently, two British scientists, Drs. A. G. Gaydon and R. C. M. Learner, speculated that huge bubbles of gas bursting through the moon's surface formed the craters. These various theories do not exactly fit into conditions found on the moon by astronomers in their telescopic studies. Nor do astronomers agree on the origin of moon dust believed to mantle the lunar orb, possibly to a depth of three-fourths of a mile. Now come the Russians with a promise of pictures of the side of the moon never seen by human eyes. They may solve the mystery of the moon's pock-marks.

DREW PEARSON SAYS:

U.S. Dropping Even Further Behind Soviets In Rockets

WASHINGTON — In my office is a pile of old newspapers which my secretary complains should have been thrown away long ago. Doubtless she is right. However, old newspapers contain history. Sometimes they even give the key to what's wrong with the USA. One old newspaper I glanced at this morning quoted President Eisenhower thus: "Don't pay any attention to the pessimists — those people who for reasons of their own contend that 'America is fearful—America is weak.'" Let's throw out our shoulders and stand proudly and erectly. Let's thrust out our chins and say America is strong. Alongside this old paper are some of the recent headlines: "General Madaris resigns"; "Army missile boss cites lag behind Russia"; "Dr. Von Braun says we're five years behind Russia"; "Ike summons his missile advisers"; "Ike flies to Augusta for golf." The old newspaper was published Jan. 21, 1958, about three months after Russia startled the world with its first Sputnik. And the "chins-up" quote from the President of the United States illustrates what a newspaperman is up against when he tries to report on the nation's lagging defense.

Pessimistic News Reporting. Doubtless I was one of the pessimists referred to. Because, three months before, Oct. 20, 1957, this column reported: "Sputnik is only the first step in a Soviet space program that aims to plant the red star first on the moon. (It did so on Sept. 14, 59.) Nevertheless, although the Defense Department at first denied it, the Army, the Navy, and the Air Force have flatly ordered their officers not to talk about spaceships. . . . The Defense Department has spent next to nothing on space research. In contrast, the Russians have already built several satellites. The Soviet timetable calls, first, for placing more complex instruments in a satellite, then for strapping a dog into a satellite to test the dog's physical reactions as a prelude to space travel. . . . As a psychological stunt, the Russians will try next to plant a dye-marker on the moon ahead of schedule." Thumbing through old columns in those days when some newspapers were trying to alert the American public, but the White House was claiming there was nothing to worry about, I find (Oct. 25, 1957) the story of "the six army satellites, gathering cobwebs in a Huntsville warehouse, complete with fibre-glass, radio transmitter, and gyro mechanism" which "could have been launched before the Sputnik. But for some strange reason the army was under orders not to launch them." Second-Class Power? Another column on Thanksgiving, 1957, reported: "It's not palatable to digest with our turkey dinner, but Russia today is ahead of us in all phases of modern warfare except atomic submarines. In 12 short years Russia has caught up with us in nuclear development and outstripped us in missile technology. If war came today she would probably win. Russia has put us close to being a second-class power."

Fitzgeralds Back To Island City

ISLAND CITY (Special) — Mrs. William Fitzgerald returned recently from Salem where she visited with families of Mr. and Mrs. Fred Hildebrandt and Mr. and Mrs. Pat O'Reilly. Mrs. Fitzgerald was accompanied on the trip by Mrs. Frieda Evans and Mrs. William Vandenberg. The name of Marvin Fager, new secretary of the La Grande Farm Bureau Center, was inadvertently omitted from the list of officers of the organization earlier in the week.

De Gaulle Not Enthusiastic About Summit Conference

By PHIL NEWSOM UPI Staff Writer. The man-of-the-week, President Charles de Gaulle of France. The place: Paris. The quote: "The French government considers that the opening of a summit conference could be envisaged in the course of the coming spring." It was a short communique, running not more than 300 words. But it summed up in writing, officially, the French view toward the summit session so ardently desired by British Prime Minister Harold Macmillan and somewhat less ardently desired by President Eisenhower. At Best Unenthusiased. From the beginning, de Gaulle has been at worst, opposed, at best, unenthusiastic about the proposed conference which would bring together the United States, Britain, France and the Soviet Union in the first of a series of high level conferences which would establish the foundation of world peace. De Gaulle's early lukewarm reception of the idea and finally his outright rejection of a summit session before the end of the year reflected both his own personality and other problems he faces at home, which to him are much more pressing. In fact, personal roles among Eisenhower, Macmillan, de Gaulle and Soviet Premier Nikita Khrushchev have weighed heavily in the decision whether at some time in the months ahead they would meet together at a conference table. But none more so than de Gaulle. De Gaulle, as a man of destiny who believes his own story must

QUOTES IN THE NEWS

United Press International. WASHINGTON — David J. McDonald president of the United Steelworkers Union, commenting on an agreement to set up a joint committee with Kaiser Steel Corp. to recommend a formula for sharing the gruits of progress: "This is one of the most dramatic things in the history of collective bargaining. I believe it can forever negate the necessity of a strike in the future." HAVANA—Fidel Castro, charging before a crowd estimated at nearly 250,000 persons that either the United States is an accomplice in leaflet-dropping raids on Cuba or it is defenseless: "How can you (American authorities) say to your people that they are protected against guided missiles if you cannot halt the departure and entrance of all airplanes?" SANTA MONICA, Calif. — Darrell L. Graham, 27, accused of murdering his 18-month-old stepdaughter, quoted by police as denying the charge: "I didn't kill her. She just sort of died."

Remember When

25 years ago, both Imbler and Elgin reported progress in paying municipal debts. The Imbler school budget was down \$1,622 and Elgin town officials sold all outstanding warrants called and was operating on a cash basis. A banquet and dance for the second annual UP pensioners was held here. J. F. Corbett, assistant superintendent, was in charge of arrangements, and Mr. and Mrs. Pat Powers, Medical Springs, led the grand march. Jock Coleman, singing brakeman, entertained the crowd. Mr. and Mrs. Phillip Walnum and Mr. and Mrs. Nolan Skiff hosted a bridge party, with Mrs. Claude Anson and Henry Culp winning first place prizes, and Mrs. Carl Posey and C. Anson as consolation winners.

Proposes U.S. Launch Weather Relay Satellite

WASHINGTON (UPI) — Sen. Alexander Wiley (R - Wis.) has proposed that the United States launch an "operational weather-man" satellite to relay weather data to the entire world. Wiley, a member of the Senate Space Committee, said Sunday that an international weather satellite would be "a symbol of American leadership in world cooperation" that would benefit all nations. He said he understood that such a satellite "could be produced and put in orbit in about six months. This country could give other nations the code for interpreting data sent back by the satellite, he added. Wiley said "the recent tragedy of 5,000 deaths in Japan" from storms and floods "could possibly have been averted if such a space weather station had existed." The Wisconsin senator also demanded that the U.S. space program be streamlined to eliminate overlapping and to concentrate on the development of "projects that show the greatest promise."

OBITS

ANN ARBOR, Mich. (UPI) — Victor H. Sutherland, 45, general sales manager for General Motors' Oldsmobile Division, died Monday following a brief illness. ATLANTA (UPI) — Cherry L. Emerson, former vice president and dean of engineering of Georgia Tech, died Monday. PHILADELPHIA (UPI) — Maurice Spector, 78, board chairman of the Blum store here, died Monday.

Elgin Legion Auxiliary Has Visit From District Prexy

ELGIN (Special)—The American Legion Auxiliary met recently with District President Mrs. Lucy Mosher of Baker. She was accompanied by Mrs. Cook. There were seven members from the Imbler Auxiliary present. Following the meeting, Mrs. Betty Conley and Mrs. Marguerite Croghan served refreshments. Mr. and Mrs. James Carter, Tacoma, are parents of a son born Oct. 15. He has been named Duane Curtis. He weighed 9 1/2 pounds, eight ounces. Paternal grandfather is Eddie Land of Elgin. Mr. and Mrs. John Botz, Port Orford, are parents of a daughter born Oct. 5. They have named her Julia Elizabeth. Paternal grandparents are Mr. and Mrs. Bill Botz, Elgin. Botz is a teacher in the Langlis school system. Purchase Home. Mr. and Mrs. Marion Hays purchased the Ross Perry home near the Stud mill. Mrs. Myrtle Running and son, Ivan Simonsen, and daughter, Mrs. Stan Roseboro, Walla Walla, were visiting relatives here. Mrs. Janet Vaughn, Mrs. Emma Kuehn, Mrs. Evangeline Buschke and Mrs. Elnor Anderson attended an OEA meeting and

Hunting Party Camping Out Near Pondosa

COVE (Special)—Luster Miller and sons, Dale and Dallas, Elmer Lee Locken, Cove; La Verne Locken, Paul Rauwolf, Charles Wilson and son Buddy, Ray Miller, Laurel Miller and Nick Miller of La Grande; have been camping above Pondosa, deer hunting. Most have been successful in getting their game. Steven Smith and Lewis Reese will leave Nov. 9 for the Navy. Mr. and Mrs. Ronald Puckett had as guests Sunday, Mrs. Ervin Woodell and two children, Tommy and Boots, and Mr. and Mrs. Tom Whitted, from Cle Elum, Wash. Mrs. Woodell and Mrs. Puckett are sisters-in-law. The WSCS Harvest Dinner drew a large crowd, with persons attending from La Grande and Union. The WSCS met in the home of Mrs. Cassie Orton, Wednesday. Mrs. Keith Mills of the La Grande church, spoke on the Bible lesson taken from Paul. A potluck dinner was held at the Methodist Church, Sunday following the church service. This was in observance of World Peace Sunday. The WSCS will meet Friday in the home of Mrs. Story Morris. There will be a potluck dinner and work on aprons. A number of the women of the Methodist church are planning to attend the Bazaar at Union. Dine At Cabin. Mr. and Mrs. Gilbert Miller took Mr. and Mrs. Lynn Chadwick up to their cabin on Indian Creek Sunday, where they had dinner. Mrs. Arlen Goodson has been substituting in the North Powder School for the past week. Mr. and Mrs. Albert Rimby have moved from Cove to a trailer court in La Grande. The Dorcas Society of the Baptist church met in Allen hall Thursday for a potluck dinner and an all day meeting. Mrs. Blanche Richards had a telephone call from her daughter, Mrs. Dale Warnstaff, from Dover, N.H., on her birthday last Friday.

NEWS CHUCKLES

UNITED PRESS INTERNATIONAL. PAINFUL ADMISSION. LOS ANGELES (UPI) — The U.S. Weather Bureau's office here took note of Monday's unexpected rain by reporting "drizzles continued and in fact increased in some local areas to traces of rain although there still is no real good reason for it." REPORT ALL WET. CARSON CITY, Nev. (UPI) — Carson City authorities rushed into action when they received a report that two carloads of teenagers were involved in a running "gun battle" on city streets. The guns were water pistols. HANDWRITING EXPERT. LONDON (UPI) — The Daily Telegraph today published a letter from a mother who described her 3-year-old daughter's first comment on adult sky-writing. "He's writing again," said the girl. "Who?" asked the mother. "God," replied the child. PAY IS GOOD. SAN FRANCISCO (UPI) — San Francisco today sought a gunman who doesn't like his job. He robbed a supermarket of \$1,000 and then muttered to the manager and two employees as he walked away: "This is a helluva way to make a living." NOR BARON ELLIOTT. WALTHAMSTOW, England (UPI) — Coroner H. H. Kenhole Monday asked a lawyer at a hearing, "I see here you are Lord Stormont. That is a title, not a Christian name, isn't it?" "Yes sir," Stormont replied. "It is a title. Not like Duke Ellington."

THINGS TO REMEMBER. Potato Chips for Sarah's luncheon. Serve them with drinks and on the luncheon plates, too. Everybody likes potato chips. And October is potato chip month!

Published as a public service in cooperation with The Advertising Council.