

Come home, uncle. We need you.

The Middle East is arming to the teeth on all sides again, and generous Uncle Sam is playing a major role in the escalation—despite the Camp David peace accord.

Witness \$13.7 billion in weaponry sent to Israel alone in the last decade. Jordan has scored big on Uncle Sam's generosity, too, from 18 F-104 fighters in 1970 to F-5E Tiger-2s in 1980 with many tanks and missiles in between. Weaponry also has been "transferred" to Syria, including helicopters and transport planes 1976-80. Now Saudia Arabia has won Congressional approval with a war-minded president's arm-twisting for sale of advanced AWAC weaponry.

Now good neighbor Sam is unloading tanks, supplies and men in Egypt for a three-week military exercise with Somalia, Sudan, Oman and Egypt.

It looks as though Uncle Sam and his record \$181 billion defense budget has become generous to all the wrong people lately. While he fiddles with war and balance of power in the troubled Middle East, the homefront burns.

Witness Reagan slashes in social services to trim the budget

at home, despite a deep recession that leaves many jobless and unable to pay taxes. Oregon with double-digit unemployment feels the economic pinch acutely with the third highest unemployment rate in the nation. Homes are unattainable for many. Loans are nearly unobtainable. The building slowdown has turned the faucet on our fluid free economy down to a trickle.

The Reagan answer calls for higher taxes and cuts to social programs. Schools can do with less. Welfare families can get a job. The U.S. Treasury squeaks by unhurt by borrowing money through sale of securities to the public, and the new competition in the money market squeezes out smaller borrowers with simple human wants like home loans and car loans.

The Moral Majority may claim to speak for all America today, but we believe most Americans would rather see generous Uncle Sam spending more money at home. Poor Americans need financial support today, not some war-mongers in another distant battlefield.

Come home, Sam.

Reagan spark lit too soon

NEW YORK—As if he didn't have enough to worry about economically, it now appears that President Reagan's problem with the ailing stock market may be just the reverse of the one he has targeted.

Far from being too mistrustful of Reagan's economic policies, it seems, the so-called smart money got far too enthusiastic far too soon. They have used up too much of the cash that would otherwise be available to buy stocks at today's dramatically lower prices.

And what that means, for nonpartisan market participants, is the fuel needed to sustain a spectacular, prolonged snapback is still missing. And is likely to remain so until at least the second quarter of next year.

This is the conclusion of one frequently useful indicator that precisely called the turn on 1981's major downturn at midyear.

The indicator, which was cited in this column three months ago, is the quarterly institutional cash survey by Merrill Lynch's vice president, Hans J. Schueren. I reported at the time that Schueren had come up with some "troubling findings," leading him to conclude astutely that "the market may be near a cyclical peak and may be increasingly vulnerable to negative surprises and to a meaningful correction."

He could hardly have been more on the beam. Between June 15 and September 25, most major market averages declined by approximately 20 percent.

But here comes the bad news. Despite that broadly based decline, institutional cash reserves did not increase dramatically in the third quarter. In other words, institutions didn't do enough selling to build up the funds that would be needed to sus-



by Louis Rukeyser

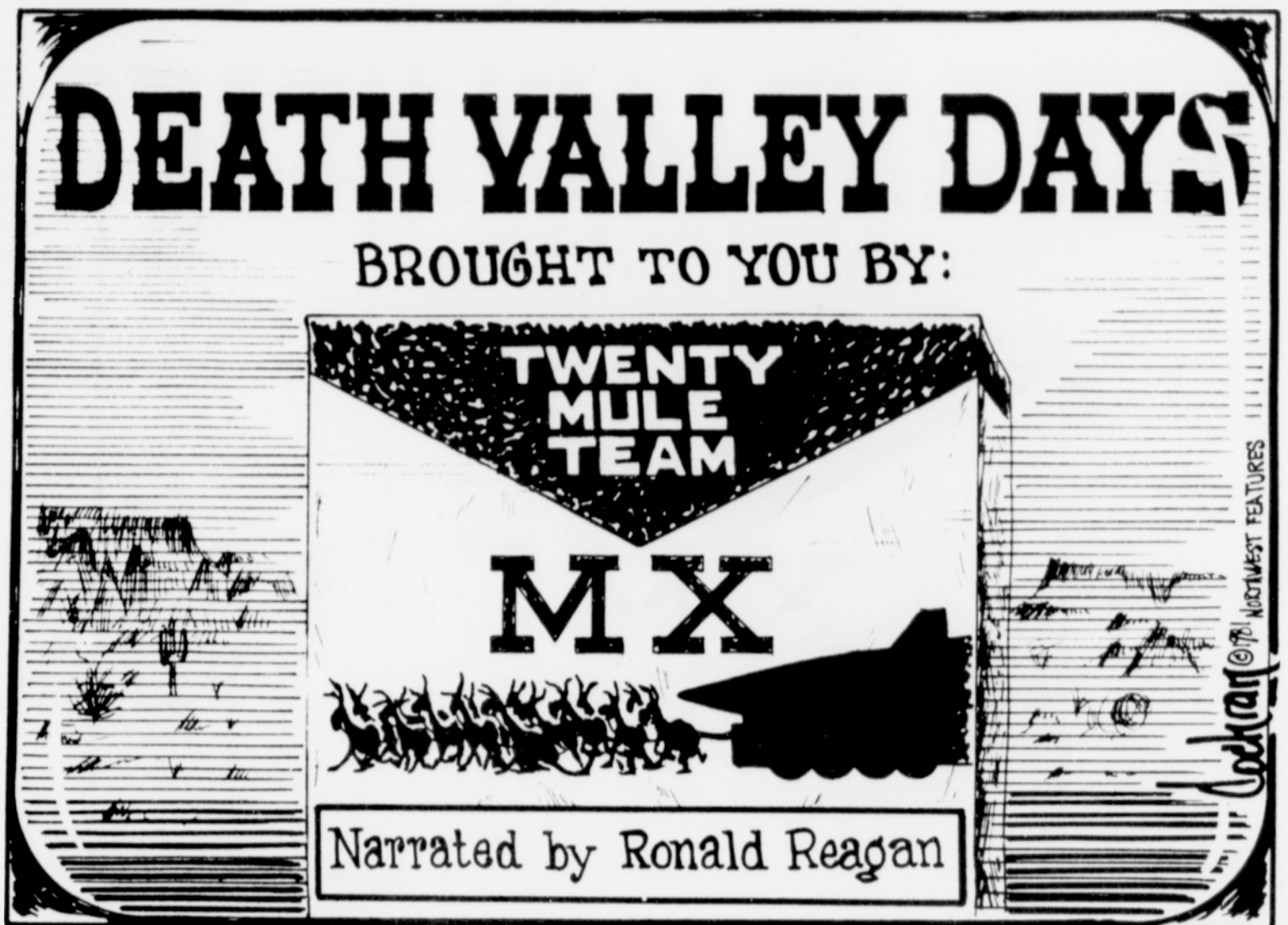
tain an upsurge to new market highs. So far from being unduly skeptical, as some Reaganites have suggested, the institutions may not have grown gloomy enough.

Schueren's survey of 129 institutions found that they're still short on cash. It doesn't take a market genius to see that when they don't have much money, they can't do much buying.

Most of the institutions recognize they won't be doing much net buying in the immediate future. In June a record low number reported they planned to increase the portion of their assets invested in stocks. That figure has now improved to 39.5 percent. But it is still well below the 57.7 and 59.7 percent readings in the first two quarters of 1980, before a big market rise. And 19.4 percent now say they plan to be net sellers of stocks.

In short, while the figures are somewhat improved from those three months earlier, which correctly presaged a major decline, they are not yet at levels that would indicate an authentic turnaround.

Markets, of course, move on contrary logic. And if Schueren's right, that means the despair will have to become more widespread—producing more sales and more cash—before Wall Street can provide the rainbow for which Washington yearns.



The Innocent Bystander:

Pretty blue-green planet naughty

Scene: The Heavenly Real Estate Office. The Landlord is busily rummaging through a cabinet labeled: "Moonbeams, Birdsong, Variegated Comet Tails . . . Misc." as his business agent, Mr. Gabriel, enters, Golden Trumpet in hand.

The Landlord: Now where did I put that jar of Eventide? Lavender and gold, as I recall. Can't make a new galaxy without Eventide.

Gabriel: Excuse me, sir. I have the latest property damage report from that little blue-green planet you love so well.

The Landlord: Earth? (sighing) I suppose my tenants down there have forgotten all about me again?

Gabriel: To the contrary, sir. Their devotion to you knows no bounds.

The Landlord (pleased): My, that's nice to hear, Gabriel.

Gabriel: And because of their devotion to you, sir, the Catholics and Protestants are slaughtering each other in Ireland; the Christians and Moslems are blowing one another up in Lebanon; and the holist leader of Iran is putting bullet holes in anyone who offends his Sunni disposition.

The Landlord (shaking his head): Still? Ever since I leased the place to them, they've been killing each other in my name. I just don't understand.

Gabriel: Oh, it's simple enough,



by ART HOPPE

sir. Each of these fanatics has created you in his own image. He therefore believes that anyone who varies from him in appearance or thought varies from you and is thus a heretic fit only for righteous dismemberment.

The Landlord (thoughtfully): Butterflies.

Gabriel: Are you all right, sir. The Landlord: Do you realize, Gabriel, that I created more than 20,000 species of butterflies—each different from all the rest in shape, shade, hue and pattern?

Gabriel: Amazing, sir. The Landlord: And snowflakes. Since the dawn of time, I have manufactured countless myriads of snowflakes, no two alike. A neat trick if I do say so myself.

Gabriel: Wondrous, sir. The Landlord: Yes, wondrous. What if I had cast all creatures that swim or crawl or walk or fly in a single mold, painted the same dull shade of gray?

Gabriel: A dreary world, sir, and no tribute to your powers.

The Landlord: Exactly, Gabriel. Joyous variety is my hallmark, my essence. It is a hint of my infinity, my omnipotence. Joyous variety is the proof that my works are mine. So those who would condemn variety . . .

Gabriel: Are the worst of blasphemers, sir (eagerly raising his Golden Trumpet). Shall I sound the Eviction Notice now?

The Landlord: No, Gabriel. I

fear the fault is mine.

Gabriel: Yours, sir? How can you say such a thing?

The Landlord (smiling ruefully): In creating every conceivable variety, Gabriel, I had no choice but to create a variety that can't bear variety.

Gabriel: But, even so, sir, these fanatics . . .

The Landlord (sternly): By me, Gabriel! Would you condemn one of my variations?



Letters to the editor

Where's Bissell?

Every road map of Oregon lists a town called Bissell located southeast of Sandy near the west slope of Wildcat Mountain. But it appears to be as elusive as the Lost Continent of Atlantis. Only one person I encountered in Sandy had knowledge of such a town and the information was vague. Even city hall was puzzled.

I gather that the hamlet no longer exists, aside from a few residences still there and perpetuation on Oregon road maps.

If anyone can shed any light upon Bissell, I would be pleased to be informed.

Dick Cunningham
Portland

Likes stand

In 1969 I cancelled my subscription to the large daily Portland Oregonian because of constant bias and half-truth. Until today, I have never resubscribed to any newspaper.

I must laud you with praise for your courageous stand on retaining reporter Michael Jones in the face of threats from a small but

vicious minority on Mount Hood.

The real truth if told often uncovers the underhanded dealing of a group of people who worship the dollar.

Keep on printing the real truth and retain a very courageous young reporter.

Robert Pearson
Welches

Reporter backed

This is an over-due thank you for the many fine Michael Jones articles about the environmental threats to life on Mount Hood.

The coverage and good reporting are much appreciated by those of us who are "residents in shock" by the sudden assault on our style and quality of life.

Mr. and Mrs. Alun G. Jones
Brightwood

Thank you

We would like to give a special thanks to Sandy VFW Post No. 4273 for the service they did at Charles Hickey's funeral.

The Hickey family

Maxine, Steve, David, Teresa

Priority is family

In a recent Roseburg budget election, the results were exactly backward. The public works and parks budgets didn't pass, but the police and fire budgets did.

To an outsider it might appear that people here live in fear, with the poor helping to protect the rich.

However, the unemployment actually may be getting a head start on happiness. If things get worse and the schools close, families could stay home and discover themselves. They could learn how to relate together by putting in a garden, making clothes and developing positive attitudes.

Unfortunately, it's not legal for parents to school their own children, and the government probably would intervene. But it would be noteworthy, if one community in America could stand up and testify that families are meant to grow together and not apart. Divided they'll part.

Wayne L. Johnson
Roseburg

It dawned on me the other morning as the sun rose over Mount Hood.

I've lived in my Sandy apartment longer now than any place I've lived, except home. It caused me to stop and take stock in where I've been and where I'm going.

And I made a decision. It's a lot easier to start with where one has been.

The First House: We moved from the first house my parents owned when I was two years old.

Since then, I've heard people scoff when I say I remember living there, but if you fell down the stairs as many times as I did on Central Street, it would leave an impression on you, too.

Home: It's home. What can you say about the place where you grew up? Except that you pulled a fast one and, instead of growing up, you just got older, so part of you could always stay the kid you were when you were growing up at home.

The Dorm Years: The dorm years were like dorm years everywhere. We had George the Jet who got mad at his television and tossed it off the roof, only to regret it the next morning when "Bullwinkle" came on.

We had Stan the Man and his sidekick, Harry, who managed to



by DAN DILLON

set off half a stick of dynamite on the roof.

Ninety percent of the people ended up thinking they must have been the only person who slept through it, so they made up their own version of what happened because it was the talk of the campus, in whispered tones, of course.

Which goes to show that college prepares students for life. The people who whisper are seldom the ones who actually know what's going on. But they'll all tell you they do, in whispered tones, of course.

Dickinson, N.D.: The boarding house for railroaders where I spent the summer of 1975 working as a brakeman. The rent was cheap because, "one railroad man's good as another," the feisty, little landlady used to tell me almost daily, before she kicked into gear and told me again how her grandson was never going to amount to anything because his hair was too long and he played the trumpet.

Linnton: The swinging bachelor pad on the side of the hill for three college seniors. The street we lived on was a flight of stairs which put a damper on my trendier roommate's enthusiasm for skateboarding, but he managed to forget the trendless spell with his discovery of frisbee golf.

There was the January night Harry, who no longer hung out on dorm roofs, found life more perilous close to the ground when he fell through our bathroom window.

And there was the morning I hitchhiked to school while my car was in the shop. The fellow who gave me a lift was a pleasant enough sort until he crashed his BMW into a clunker on the St. John's Bridge.

St. John's apartment: We moved across the Willamette. It

wasn't car problems or my new-found fear of hitchhiking across the bridge. It's just that we were nice enough to make little improvements around the house, like fixing the bathroom window when the rain stopped in April. So, the landlord decided the rent in such a swanky place should be higher.

We'd also stopped inviting him to our parties because our young co-ed friends complained more about "that old guy in the turtleneck" than they did about my special refried bean and cottage cheese dip.

J.C. and I were left to fend for ourselves without a life of frozen-food dinner parties and listening to recordings of Marcel Marceau. By now, marriage was a trend among recent college graduates.

The apartment was nearly no more memorable than its beige walls, except for the fun we had hiding from a girl I was dating.

She insisted on dropping by Saturday evenings and hinting that I take her out, while J.C. and I were up to our knees in peanut shells and empties, watching Portland Wrestling on TV. We played the game with her until we ran out of hiding places.

So, one Sunday morning we moved.

Sandy writer traces his "roots"