

Plan to Snatch Chiang Troops From Path of Reds Examined by Ike

President Says Hopes High for 1956 Tax Cut

WASHINGTON (AP) — President Eisenhower said Thursday "a general, though modest, reduction in taxes" may be enacted next year.

The President held out this prospect in an optimistic review of progress toward a greatly expanded American economy, in his annual economic message to Congress.

He said America is now in the process of vigorous recovery from last year's "mild and brief" recession and:

"With wise management of its national household, our country can within a decade increase its production from the current annual level of about 360 billion dollars to 500 billion, or more, expressed in dollars of the same buying power."

Fortunately, with our economy continuing to expand, we can look forward to larger federal revenues from existing tax rates.

"This, together with further economies in expenditures, should make possible next year another step in the reduction of taxes."

"Congress might then consider enacting a general, though modest, reduction in taxes and, at the same time, continue the program which was begun last year of reducing barriers to the free flow of funds into risk-taking and job-creating investments."

Chosen



State Sen. Mark Hatfield who was named Salem's First Junior Citizen.

Mark Hatfield Named Junior First Citizen

By THOMAS G. WRIGHT, JR. Staff Writer, The Statesman

Salem honored one of its brightest young political lights Thursday night, choosing Mark Hatfield, already at 32 a college dean and a state senator, as its Junior First Citizen for 1954.

Some 150 persons, members of the sponsoring Salem Junior Chamber of Commerce and their guests, attended the banquet to fete Hatfield, 16th in a series of Salem's young leaders to be so named.

And Hatfield, who himself was the principal speaker only the night before for Woodburn's first citizen banquet, met the selection with apparent humility.

As a "politician" that is at a loss for words at the surprise selection, First Citizen Hatfield chose to shift the tribute to "the privilege to be born in the United States, the privilege of education, the privilege of devoted parents, and to the inspiration of Christ."

Dallas Native A young native of Dallas, Hatfield is a product of Salem public schools where he played clarinet in the high school band, and a veteran of Pacific wars where he led landing craft into the beaches of Iwo Jima and Okinawa and once served as temporary chaplain of his ship.

He is now at once a classroom professor (at Willamette University) and a practical student of political science (in the Oregon Legislature) who still finds time for a long list of civic activities, the basis for his selection by an anonymous committee for the first citizen honor. He accepted the plaque, emblematic of the honor, from Sid Boise, 1953 winner.

Others Honored The Junior Chamber took the occasion to honor two of its own members, too, citing Coy (Dee) Whitlock and Loren Bosten as "Key Men" for 1954. They received the keys from last year's honor men, George Huggins and Blaine Cline.

Hatfield also heard the platform congratulations for his selection from Charles Barclay, who conveyed the salute of the City of Salem, and from Dr. A. L. Strand, president of Oregon State College, who was the night's principal speaker.

May Request Congress to Grant Power

WASHINGTON (AP) — President Eisenhower was reported Thursday night to be considering asking Congress for special authority to use U. S. naval and air power to help evacuate Chinese Nationalist troops from some islands along the Red China coast if necessary.

These troops would then be deployed elsewhere for the defense of Formosa and the Pescadores, which the United States is committed to help Chiang Kai-Shek hold against the Chinese Reds.

Two congressional leaders, who stipulated that they not be named, said that if the President decides to ask the evacuation authority, he might make the request by Monday. There was some talk he might make it personally to a joint session of Congress, but this was uncertain.

The Chinese Reds have assaulted, and claimed the capture of the little island of Yikiangshan, and are menacing the Tachen Islands, 200 miles north of Formosa, the island bastion of Gen. Chiang Kai-Shek.

But just what islands would be evacuated presumably would be determined by military developments. Secretary of State Dulles was reported to have told congressional leaders at a briefing session Thursday that the administration would like to have the evacuation authority.

Closed Door Session Dulles and Adm. Arthur W. Radford, chairman of the joint chiefs of staff, met with congressional leaders in a closed door session at the State Department for about 90 minutes Thursday morning.

The National Security Council, composed of Eisenhower and top officials, then had a session. With regard to the use of the resources of the U. S. 7th Fleet operating in the Formosa Strait, and transport craft for withdrawal of Chinese Nationalist forces from some islands, two problems were said to have been put up to congressional leaders at the meeting with Dulles:

1. Generalissimo Chiang has asked for U. S. help in the Tachen Islands, which have been under Red bombardment and artillery fire.

2. Some of the many islands which Chiang holds along the China coast are regarded by American military men as having no real value. American authorities feel that the Nationalist defenses overall could be strengthened if there was a regrouping of Chiang's forces. Here again there is a question of the resources in naval protection and transport facilities to make such a regrouping possible.

(Additional details on page 3, sec. 4.)

BOILER MAKERS? TOPEKA (AP) — Police didn't have far to go to arrest 43-year-old Stanley Conrad on a charge of being drunk Wednesday night. They found him in the boiler room of the police station.

Prospective Diaper Changers Take 'Dry Run'



First graduates of a Red Cross course in "Mother and Baby Care" are shown completing their "final exams" this week at the Salem Red Cross chapter house. The exams—in the form of a diaper derby—were won by William Fletcher (center) who applied the three-

2 OSC Skiers Safe Following Night on Peak

CORVALLIS (AP) — Two Oregon State College skiers reach safety unhurt Thursday after getting lost and spending the night on Mary's Peak some 20 miles west of here.

Tyrrell G. Lowry, 22, Portland, senior, and Richard D. Gilbert, 20, Portland junior, said they missed a turn without realizing it while coming down the peak Wednesday afternoon.

Aware that they were lost they told rescuers, they went down past the snow line to open timber, built a fire and spent the night. When dawn came they retraced their steps to the top of the peak. There, at midmorning, they met a search party which included a dozen of their fraternity brothers from Sigma Alpha Epsilon.

Lowry was in good enough shape to ski down to where sheriff's deputies waited near the place he and Gilbert had parked their car. But Gilbert, who was pretty tired, was helped down. After drinking coffee supplied by the deputies, they drove back to the campus.

Lowry and Gilbert admitted they were worried when they became aware, at about 4:30 p.m. Wednesday, that they were lost. However, Gilbert is captain of the OSC ski team and Lowry also is a good skier so they worked out the plan to spend the night below the snow line.

Reich Delays Vote on Treaty BONN, Germany (AP) — Chancellor Konrad Adenauer's hopes for quick West German ratification of rearmament were dashed Thursday by postponement of parliament's final vote at least until March.

In a surprising decision, the steering committee of the Bundestag (lower house) scheduled the second reading of the Paris accord treaties for Feb. 24. The original target date was Feb. 9.

A date for the third and decisive reading was not fixed, but leaders said it will now be impossible for parliament to complete action on the treaties before mid-March.

Bill Suggests Governor Pick Attorney General

Sen. Warren Gill, Lebanon Republican and chairman of the Oregon Senate judiciary committee, announced Thursday he would sponsor a bill to have the attorney general appointed by the governor.

The office now is filled by the people, who elected Democratic Atty. Gen. Robert Y. Thornton two years ago. The bill would become effective in two years, when Thornton's term ends. The State Constitution prohibits abolishing an office during the term.

Thornton and the Republican state officials have had many disagreements, but Sen. Gill said there is no politics in his move. His bill does not change the Department of Justice setup. But a pending House bill proposes to allow state departments to hire their own attorneys, instead of having them assigned by the attorney general.

The first 11 days of the 1955 legislative session have seen a parade of suggestions to shake up the state's administrative machinery.

Four introduced Four of them were actually introduced Thursday in the Senate. Sen. Paul Geddes (R), Roseburg, put in the governor's bills to make a separate motor vehicle department have a single tax commissioner and give him the inheritance and gift tax functions of the treasurer's office.

Also appearing Thursday was Democratic Sen. Monroe Sweetland's bill for making the public utilities commissioner an elective post.

Speaker Edward A. Geary told his house committee chairmen Thursday he was concerned over the lag in the number of bills introduced so far. He urged them to speed up reporting bills back to the floor.

Through Thursday — 11th day since the Legislature convened — the house received 90 bills, compared with 120 at the same time of the 1953 session. The Senate had 93 bills introduced, compared with 62 two years ago.

Polk, Yamhill Students Win Spelling Titles

Perrydale—Lonnie Kilmer, who went all the way to the grand finals of The Statesman-KSLM Spelling Contest last year, is spelling champion of Perrydale School for 1955 and will compete in a semi-finals late next month.

Lonnie, son of Mr. and Mrs. Ezra E. Kilmer of Route 1, Sheridan, is a 7th-grader in Ballston School a year ago. His class was transferred to Perrydale last fall when Ballston became overworked. He is 13 years old, in the 8th grade and his hobby is building models.

His teacher is Mrs. Frank Watson. Perrydale principal is Lewis L. Dexter.

Winning second place in spelling at Perrydale is Donald DeJong, also 13 and in the 8th grade, son of Mr. and Mrs. Dick DeJong, Route 1, Sheridan. Don and Lonnie and Donald will receive certificates of merit.

Lonnie, who is the first school champion to be certified from Polk County this year, is a Statesman carrier boy.

Hopewell—First Yamhill County student to be certified for the 1955 Statesman-KSLM Spelling Contest is 12-year-old Barbara Sahnnow, spelling champion of Hopewell School.

Barbara, a 4-H club leader, top student and much interested in reading and cooking, is the daughter of Mr. and Mrs. V. C. Sahnnow, Route 1, Salem. She is in the 7th grade and her principal and teacher is Nellie E. Hammer.

Barbara will compete in a semi-finals contest late in February.

Chiang Force Crushed by Red Invaders

TAIPEH, Formosa (AP) — Nationalist guerrilla resistance on Yikiangshan Island crumbled Thursday night under a crushing weight of Chinese Red invaders and air and sea blows, official Nationalist reports said Friday.

The reports said the last shots, from remnants of the band of 720 men who fought on for 53 hours after Red China claimed capture of the island, were fired at 9 p. m. The fall of Yikiangshan, 20 miles off the China mainland, brought the Chinese Reds within gun range of the strategic Tachen Islands 200 miles north of Formosa.

What became of the guerrillas, if any were left alive, was not known. A Nationalist defense ministry spokesman said the Reds used 5,500 troops in the assault Tuesday on the island.

(Additional stories on page 3, sec. 2.)

Stayton Man Doorkeeper in U. S. Senate

STAYTON — Oregon will soon have another man in the United States Senate.

Appointment of Nolan Rasnick, Stayton, as a Senate doorkeeper was reported Thursday.

Mostly Cloudy Skies Forecast

The weather in Salem will change from partly cloudy to mostly cloudy today, the McNary Field weatherman predicted early Friday, and yesterday's scattered showers will be repeated throughout the day.

The forecast calls for an afternoon high temperature of 48 degrees, with a low of 32 expected tonight. The temperature Thursday ranged from a low of 36 to a high of 45.

Short Illness Kills Corvallis Man, 101

CORVALLIS (AP) — Arthur Marks, 101, died in a hospital here Wednesday night after an illness of only one day.

Marks was born in Canada and came to Oregon about 1875, homesteading near Yachats.

THE WEATHER

Boston Cons Still Hold Hostages, Scorn Pleas

(Pictures on Page 5, Sec. 4.) BOSTON (AP) — Four embittered, long-term convicts flatly rejected Thursday a two-hour joint plea of a chaplain and the physician of Massachusetts' ancient state prison that they release five hostage guards and surrender.

The refusal led the Rev. Edward F. Hartigan and Dr. Samuel A. Merlin to term the situation "still critical." The guards were seized before daybreak Tuesday.

Today's Statesman

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In the Interest of Spelling!

More than 3000 7th- and 8th-grade students of Marion, Polk, Linn and Yamhill Counties are competing in the 5th annual Statesman-KSLM Spelling Contest. Following are among words being studied:

IT SEEMS TO ME

By Charles A. Squire

CHICAGO, Jan. 18—The budgetary estimate of a deficit of nearly \$2.5 billion dollars for the year ending June 30, 1956 is disappointing to Republicans and doubtless to a majority of the Democrats.

At least the administration can prove it is pointing in the right direction. The budget presented Monday calls for a reduction of one billion in government spending next year over this one.

Where does the money go? Readers of the New York Times at least can know. For the Times prints the budget message in full (though not the itemized schedules which make a book like a big city telephone directory for size) together with many supplemental.

Revolt Attempt Meets Defeat In Guatemala

GUATEMALA (AP) — Anti-Communist President Carlos Castillo Armas announced Thursday night the defeat of a rebel force that attempted to seize Aurora Air Force base outside the capital and declared a state of siege throughout the country.

Several men were killed and wounded in a brief battle at the airport, the government said. Press censorship also was announced.

The President said the state of siege, a modified form of martial law, was declared in order to snuff out completely the seditious elements which staged the attack.

The government said it was in control of the situation throughout the republic. Castillo Armas said 10 persons were killed, an undetermined number wounded, and 100 jailed in connection with the revolt which he attributed to Communists.

He said Francisco Cosenza was one of the leaders of the attempt. Cosenza, a former ambassador to Italy, recently returned here. He was arrested upon his return but was released.

(Additional details on page 5, sec. 4.)

A-Sub Dives For First Time GROTON, Conn. (AP) — The submarine Nautilus made her first dive in heavy seas at 1:39 p. m. Thursday, the navy announced.

She remained submerged one hour. The announcement said the world's first atomic-powered submarine was taken down under the direction of Lt. William H. Layman of San Diego, Calif., the ship's diving officer.

Flagpole Sitter to Need Baby Sitter

TACOMA (AP) — Mrs. Robert Kathleen Donham figured she was sitting on top of the world last August. But now she's wondering if it's worth it — ice cream and pickles, or no!

Last August Kitty, 18, and Bob, 20, were married. They were in love. They had nothing else. Just love. They watched newspaper ads. Bob got a job in a filling station — out of town. Kitty saw an ad asking for a flag pole sitter.

ANIMAL CRACKERS BY WARREN GOODRICH MEAT'S

"People always say things are going to the dogs. When are they going to arrive?"