

Rebels Shell Peronistas in Buenos Aires

Navy Ships Bar Escape of Dictator Peron Aboard Paraguayan Gunboat

BUENOS AIRES (AP)—Government troops early Wednesday bombed the headquarters of the pro-Peron Nationalist Alliance in downtown Buenos Aires, setting the building afire.

The military junta which took over the government after President Juan Peron resigned charged 400 or 500 Peronista stalwarts were inside the building with heavy arms and refused to evacuate it.

The Nationalist Alliance is a strong-arm organization intensely loyal to Peron.

Navy ships off Buenos Aires, meanwhile, barred the escape of the ex-dictator aboard a Paraguayan gunboat to which he fled Tuesday morning. The gunboat remained in Buenos Aires harbor, under orders from its government not to move unless it got a safe conduct from the rebels.

The alliance had provided the shock troops to fight many of Peron's street battles in times of crisis. Its diehard members refused to quit when the Peron government fell.

At 2:25 a.m. (12:25 a.m. EST), the Argentine state radio announced that calm had been restored. It added that the firing had been limited to the immediate vicinity of the alliance building.

IT SEEMS TO ME
By Charles A. Sempier

Back in 1865 E. L. Godkin founded a weekly publication in New York City which he called The Nation. He continued as its editor until 1899. In the interval he sold the publication to the New York Post which was controlled by Henry Villard and later by his son, Oswald Garrison Villard. The latter disposed of the Post in 1918 but retained The Nation and continued as its editor until 1935. Freda Kirchwey succeeded him as editor in 1932 and took over as publisher in 1937. In the issue of The Nation for Sept. 17 she announced her resignation as editor and publisher of this periodical which has been distinguished for its liberalism. In her statement she expresses the confidence that the paper will be "as firm in its liberal position and as rigorous in its journalistic standards as ever before, but sturdier and with more vitality."

It can stand liberal doses of (financial) vitamins. Miss Kirchwey explained it this way:

"The problem of financing The Nation, as many readers know, has become more difficult with every year since the war. Costs have risen—in some cases doubled or tripled—and the operating deficit has risen with them."

A group known as the Nation Associates was mobilized to help the paper meet its expenses, but the burden, as Miss Kirchwey admits, has absorbed "an enormous amount of effort and thought." In connection with the paper's recent 50th

(Continued on Editorial Page 4)

Board Balks at Plan to Lower John Day Dam

WASHINGTON (AP)—The Board of Engineers for Rivers and Harbors balked Tuesday at a proposal to allow construction of the John Day Dam at a height lower than originally planned.

The board suggested a comprehensive flood control review of the entire Columbia Basin.

"We can't eliminate a positive flood control storage unless we find positive places it can be replaced with equal efficiency. We may wind up with a lot of power projects in the Pacific Northwest with no more flood control than we had in 1948 when the Columbia Basin suffered a bad flood," said Brig. Gen. William E. Potter, Missouri River division engineer.

The Portland district and North Pacific division engineers, however, recommended a lower dam, storing a half-million acre feet, to prevent flooding of Umatilla, Ore., and other port and riverfront sites upstream from the proposed 400 million dollar dam.

Brig. Gen. Louis H. Foote, Portland division engineer, said he was "confident that alternate storage is available," but conceded he was unable to pinpoint the specific amount and location.

"It is inconceivable that a change in one individual project will require a complete review of the comprehensive plan," Foote said.

The board received letters from the Oregon state engineer favoring the lower dam, from the Oregon Fish Commission opposing the proposed site, and from the Washington Fishery Department opposing the dam, but favoring the lower dam if any dam is to be built.

Buxom Blonde Tracked in Kidnap Case

SAN FRANCISCO (AP)—More than 600 policemen searched house-by-house in a 30-block area Tuesday around Mt. Zion Hospital for a three-day-old baby kidnapped Monday from the nursery by a buxom blonde, believed motivated by a "mothering urge."

The 6-pound 6 1/2-ounce son of Dr. Sanford Marcus was stolen at 3:30 p.m. Monday and every passing hour added to fears for the life of the breast-fed baby. Radio broadcast and newspapers published a special formula that would keep the child alive.

There was additional concern because the baby had been circumcized only a few hours before he was snatched from his glass-enclosed crib.

Police sought as the abductor a 24-year-old woman with a foreign accent. One witness said she emerged from the hospital carrying the baby "sort of like a football." Another told of seeing her drive away in a car.

The child's 29-year-old mother, Mrs. Hanna Marcus, was in a state of collapse. She had to be administered sedatives.

"Both her parents and her younger brother died in Hitler's gas chambers," her 34-year-old husband said.

"The doctors fear that this may be too much for her."

Accident Kills Mill Worker At Aumsville

AUMSVILLE—A sawmill worker was killed Tuesday when he was pulled into a planer.

George William Bracher Jr., 24, Scio was the victim of the accident at Willamette Builders Supply Co. where he had worked for five years.

Bracher apparently reached into the equipment, caught "his hand or his sleeve" in the outfeed rolls of the planer and was jerked into the machine, according to Giles Fowler, superintendent of the division where Bracher worked.

Death was attributed to a broken neck and other injuries. Bracher was pronounced dead on arrival at Santiam Memorial Hospital.

The mill, which employs over 300 men, shut down following the 6 a.m. accident. Fowler said the plywood division was to resume work at midnight Tuesday, the door plant Wednesday morning and the sawmill division at midnight Wednesday.

Bracher, a former resident of this area, is survived by his wife, Ramona, and a son, Michael, both of Scio; parents, Mr. and Mrs. George Bracher Sr., Lyons; a brother, James Bracher, Lyons, and three sisters, Jane Sledge, Lyons; Della Brown, Lebanon, and Patricia Hollingsworth.

Services will be held at 2 p.m. Saturday at Stlayton under direction of the Weddie Mortuary.

The Weather

Place	Max.	Min.	Precip.
Salem	63	43	.00
Portland	63	46	.00
Baker	66	43	.00
Medford	70	51	.00
Roseburg	68	53	.00
San Francisco	63	49	.00
Los Angeles	75	59	.00
New York	64	67	.04

Willamette River -2.2 feet.

FORECAST (from U. S. weather bureau, McNary Field, Salem): Partly cloudy today, mostly fair tonight and Thursday; continued cool, with highest today near 70, lowest tonight near 50.

Temperature at 12:31 a.m. today was 54.

HALEN PRECIPITATION
Since Start of Weather Year Sept. 1
This Year Last Year Sept. 1
1.38 1.58



The Oregon Statesman

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College Projects Okehed

Building Costs At \$6,634,000; More Expected

PORTLAND (AP)—The State Board of Higher Education approved \$6,634,000 in new construction for state colleges Tuesday, but Chancellor John R. Richards warned that more money may be needed quickly.

He said enrollment in at least three of the state schools may go above the predicted 8 per cent increase, and that would throw budgeted finances out of line.

The schools that may need the additional money because of sharp enrollment jumps are Oregon State, Portland State and Southern Oregon College of Education, he said. The enrollment figures will be known in about a week.

Expenses Okehed

The board approved plans authorized by the finance committee Monday, including these expenditures:

Men's dormitory at Oregon State, \$1,345,000; men's dormitory at University of Oregon, \$1,170,000; administration building wing at Oregon, \$770,000; addition and remodeling of architecture building at Oregon, \$530,000; remodeling of president's house at Oregon College of Education, \$8,500.

For Portland State

The board also authorized planning for a million dollar student center at Portland State, the money to come from a bond sale to be repaid by student fees.

The board accepted \$421,438 in gifts and grants, nearly half of this coming from the federal Public Health Service for research at the medical and dental schools.

The board approved sale of 2,100,000 board feet of timber on the Adair Tract, operated by Oregon State. Bids are to be received by Sept. 23, with the stipulated minimum price \$47,200.

Harvey Got Metals Plant by Threatening \$70 Million Suit

'Babe' Back in Familiar Surroundings



A blind dog named "Babe" was returned to her mistress Tuesday evening because of a story in Tuesday's Statesman. "Babe" is shown above with her owner, Mrs. Violet O'Brien, 1940 S. High St., after being returned by William Aigeltinger, 2473 Hazel Ave., who found the blind pet trapped in a window well near Mrs. O'Brien's home Friday night. (Statesman Photo.)

Statesman Story Reunites Woman With Blind Dog

"Babe," a blind dog, and her mistress, Mrs. Violet O'Brien of 1940 S. High St., were happily reunited Tuesday as a result of a story in The Oregon Statesman Tuesday morning.

Babe disappeared last Friday and Mrs. O'Brien wrote The Statesman asking aid in finding her. But Babe had not been stolen, as Mrs. O'Brien feared. She was lost. She was found whimpering in a window well at the Phillip Ringle home at 2115 S. Church St. not far from Mrs. O'Brien's home, last Friday night by William Aigeltinger, 2473 Hazel Ave., while he was visiting there.

Aigeltinger took the dog home to care for it and told a neighbor, Mrs. C. L. MacDonald, of his find. When The Statesman story appeared, she telephoned and Aigeltinger promptly took the dog home.

Comedian Collapses On Television Show

HOLLYWOOD (AP)—Comedian Pinky Lee collapsed Tuesday while doing a commercial on his NBC television show, clutching his throat and murmuring "somebody help me!"

Dr. Theodore Mainzer said he believed the collapse was due to exhaustion and nervousness.

City Planners Slap Curb Sidewalk Plan

A resolution strongly opposing curb sidewalks, except in emergencies, was passed by the Salem planning commission in a meeting Tuesday night at city hall.

The commission, in effect, urges the city council to establish a policy of placing sidewalks back from the curb several feet. Exceptions to this rule would be only where the type of terrain would favor curb sidewalks.

Tuesday night's resolution was prompted by a petition from a group of home owners in the big East Englewood area generally from 22nd Street to city limits between Market and D streets.

These residents strongly favored curb sidewalks now and in the future. They said such walks look better with ranch style houses, permit more front lawns. They added that parking motorists have to walk through wet grass to get to the other type of sidewalk.

The planning commission, however, opposes curb walks because they make it difficult to widen streets in the future, trees and shrubs planted next to curb walks shut off motorists' views at street intersections and playing children run off the walks directly into the street.

The resolution will go to the city council at its next meeting for consideration. The city now has a standard policy of placing sidewalks back from the curb and one foot outside property line. But, the planning commission says, too many residents are seeking curb walks where there is no need for them.

(Additional details on Page 2, Sec. 1)

Red China Bid Loses in U.N.

UNITED NATIONS, N.Y. (AP)—The 10th U.N. Assembly Tuesday backed an American motion and voted 43-12 to shelve the question of this session. It was the sixth straight year the Russians have failed to get Peiping into the U.N.

Soviet Foreign Minister V.M. Molotov, present for his first assembly since 1946, demanded a seat for the Reds 12 minutes after the session began. He took his defeat calmly.

Henry Cabot Lodge Jr., U.S. delegate, was prepared for Molotov's resolution.

Lodge almost held the same vote as he obtained on the same resolution last year. Indonesia switched from an abstention to a vote against postponement.

Israel switched from a vote for postponement to an abstention.

Negotiations With Government Made By Dewey's Firm

The Dalles Plant Permit Given Due to Two-Year-Old Commitment

WASHINGTON (AP)—Federal officials revealed Tuesday that they approved a loan guarantee and power contract for an Oregon aluminum plant under threat of a multi-million-dollar suit against the government.

They said Harvey Machine Co. of California, which recently obtained the pledge of a federal loan guarantee to build a long-delayed plant at The Dalles, Ore., had first threatened to sue the government for \$70 million.

(The Harvey Machine Co. is the operator of the Alumina Pilot Plant on Cherry Avenue in Salem, Ore.)

The Harvey company's suit for alleged repudiation of contract was prepared by the New York law firm headed by former Gov. Thomas E. Dewey.

'Had Good Case'

The claim was waived after conferences this summer between James E. Nickerson of the Dewey firm and officials of four government agencies. Administration lawyers decided Harvey had a case good enough to cost the government "many millions" if taken to court.

Mobilization Director Arthur S. Flemming told of the deal in explaining why Harvey obtained the federal guarantee, announced a week ago, for its private borrowing to finance the 75-million-dollar plant.

Contrary to Policy

Except for crucial military items like titanium, such pledges have been contrary to government policy since the Eisenhower administration took office.

"We are simply making good on commitments more than two years old," Flemming said. "If the proposal came in today we wouldn't touch it."

Flemming and other officials emphasized, however, that the contract terms are advantageous to the government, and that the Harvey firm has demonstrated high technical ability.

Tax Benefits

In the settlement the company obtained, in addition, federal tax benefits to help its financing, as agreed in December, 1952; plus a 1953 — that the government will buy up to 270,000 tons of its early aluminum output and if necessary make advance payments on this output to help the firm finance construction.

(Additional details on page 7, sec. 2.)

Big Air Force Project Blasted As 'Bonanza'

WASHINGTON (AP)—The Air Force announced Tuesday night the comptroller general has agreed to reconsider an order halting negotiations for a \$2,400,000,000 ten-year communications contract described in Capitol Hill as a "bonanza" to private companies.

Asst. Secretary Lyle Garlock said the Air Force is "going ahead" with the contract to have Western Electric, a subsidiary of the American Telephone and Telegraph Co., engineer and build the "SAGE system" of aerial detection.

This system would link the far flung air raid warning network with a semi-automatic chain designed to relieve possibly thousands of humans from monitoring radar screens around the clock.

Earlier, Rep. McCormack (D-Mass.) had charged the Air Force made a "secret effort to bypass Congress" and to create a situation "to say the least, that is shocking." He called for a congressional investigation.

Without mentioning McCormack, House Democratic leader, the Air Force cited letters and testimony given in both houses of Congress to show it had been "very careful" to explain the "SAGE" plan to Senate and House committees.

Private Financing

Garlock said neither the Air Force nor any other government agency is now putting any money into the project, which is being financed at this stage solely by the telephone companies.

The testimony before Congress cited by the Air Force stressed that no federal funds would be required for at least two years and that there was an "urgent requirement" to complete the "SAGE" system for national defense.

Lacks Authority

The Air Force acknowledged the turnover by Comptroller General Joseph Campbell, the government's chief auditor, because it lacked specific authority from Congress, but said the comptroller general has since "agreed to a reconsideration of the matter."

McCormack called it a "bonanza contract" and demanded a congressional investigation of its origins.

Family Left Homeless by Mehama Fire

MEHAMA—A house and furnishings were completely destroyed Tuesday evening in a Mehama area fire which also caused damage to adjacent timber and slight injuries to a fireman.

The Benny Pfund family reportedly was left homeless by the blaze which broke out about 6 p.m. in their rented frame house about a mile and a half west of Mehama. The family, away at the time of the fire, had been renting from owner Chester Blumb, Mehama.

Firemen from Lyons, Mill City and Stayton, called to the scene by a neighbor, extinguished fire in adjacent timber that for a time threatened to expand into a minor forest blaze. Fire Chief Ralph Hurst of Lyons suffered forehead lacerations when a window in the house exploded from heat. He was taken to Santiam Memorial Hospital.

Firemen were hampered in fighting the house fire by a shortage of water. Cause of the blaze was not known and it also was not immediately learned whether the damage was covered by insurance.

Pfund was working at Rhododendron at the time of the fire. The family includes one son.

Students Launch Scholarship Fund Memorial to Girl

A total of \$112 has been contributed by the senior class at North Salem High School as a scholarship in honor of Mildred Messmer, 17-year-old Salem student, who was killed in an automobile accident in Salem last week.

The fund will go to a worthy member of Miss Messmer's class next spring to assist them toward a college education. Collections were made by senior members at the school this week.

Miss Messmer, active member of the class of 1956, was to have been a song queen at North Salem this year. (Additional school news on page 4, sec. 1.)

Weathermen Say Rainless Day Set

Rainless but coolish weather is on tap for the Salem area for the next two days, according to forecasters at McNary Field.

The mercury is expected to hit no higher than 70 today and tonight's low will be around 36. Tuesday's maximum was only 66. Outlook for beaches today is morning cloudiness and clearing this afternoon, with Northwest winds ranging from 5 to 15 miles per hour.

Alsop Says Security Council Report Foresees Soviet Lead in Air-Atomic Race; Denial Issued

By JOSEPH ALSOP

WASHINGTON (AP)—According to an official report that has been presented to the National Security Council, the Soviet Union is now overtaking the United States in the air-atomic weapons race.

As of now, by this report's estimate, the frequently mentioned "American lead" may be expected to become a Soviet lead in the period 1960-1965.

The basis of this estimate is the expectation that in 1960-1965, the Soviets will enjoy a decided superiority in inter-continental rockets able to carry A- or H-bomb warheads, at speeds of many thousands of miles an hour, from Russian launching sites to American targets.

The Washington report by Joseph Alsop on the status of the Soviet-U.S. arms race brought a denial Tuesday from a presidential aid, the Associated Press reported.

(Murray Snyder, a assistant White House secretary, was quoted as saying, "The substance of the story is inaccurate."

Snyder declared an evaluation of the report has not been completed.)

The report that the National Security Council now has before it also includes recommendations for reversing this unfavorable trend in the balance of power. But these recommendations will be difficult, if not impossible, to implement without upsetting the administration's present budgetary plans.

Such, it can now be revealed, are the essential results of the most important and intensive high-level study of the relative curves of Soviet and American armed strength that has yet been attempted. The study was made by the Killian Committee, so called from its chairman, the president of the Massachusetts Institute of Technology, Dr. James R. Killian Jr.

The committee was given complete access to all the huge mass of information available to the American government.

In the end, rather more than two months ago, the committee laid before the President a unanimous report, with no significant dissents. It was transmitted by President Eisenhower to the National Security Council. The N.S.C. then passed on the report to a narrowly restricted circle of policy-makers in the state department, the armed services and the Central Intelligence Agency. The policy-maker's comments and recommendations must now be returned to the N.S.C., where the issues raised will presumably be debated and decided when the President returns to Washington.

Three main factors are known to have led the Killian committee to its somewhat bleak conclusion.

The first factor, which is almost old hat by now, was the

Today's Statesman

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