

# Capital Journal

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## Who Cracked What Whip?

"The Eisenhower administration cracked a political whip on Republican senators," cried Senator Wayne Morse in trying to explain the Senate's 51-41 vote against the high dam in Hells Canyon, which he described as "a tragic blow to the welfare of the nation" which can now collect taxes from this project instead of putting up the money for it.

We are intrigued by this whip cracking on two grounds. Haven't we been told that Eisenhower is a sick man who hardly knows what is going on? Now as soon as a vital issue comes up he suddenly becomes a whip cracking Simon Legree. Surely he can't be both of these contradictory characters. If he can compel a notoriously independent bunch of senators to knuckle down there is obviously nothing the matter with his health, physical or otherwise.

It is a fact that the Republicans did stick together on this bill as they seldom do. Only three of their number voted with the Democrats and two of these were Langer and Young of North Dakota, non-partisan leaguers who are no more Republicans than Morse was a few years ago. They ran on that ticket because it was the best one to be elected on, as Neuberger said Morse did the first time Morse was elected. The other was Wiley of Wisconsin. Why he broke with the administration would make an interesting story which we hope will be told. The president failed recently to endorse him against his opponent in the Wisconsin senatorial primary. Whether this prompted his vote on Hells Canyon we do not know.

But the Democrats! Their party organization really turned on the heat, even purchased the vote of a Republican congressman from Colorado in order to get the Hells Canyon bill out of a House committee. A tremendous effort was put forth to line up a solid Democratic party vote in the Senate for the bill. But nine Democratic senators voted against or were paired against the bill. Still another announced that he would have voted against the bill had he been present as did the only absent Republican. Had all voted the vote would have been 54 to 42.

What does this suggest? Morse will probably say that Republicans respond better to whip cracking than Democrats, but we suspect lack of merit in the bill made it so much easier to unite the Republicans than the Democrats. Had the bill carried an appropriation probably more of them would have bolted the "party line" imposed by their national chairman.

## Sam Baldock's Resignation

We shall have much more to say later on the resignation of R. H. "Sam" Baldock as Oregon state highway engineer after 24 years in this office and 41 years in the department.

Baldock's career has been remarkable in that it has covered the whole period of state construction of roads—previously it was a local function—and almost a quarter of a century in a position that in many states changes occupants whenever political changes occur in the governor's office.

But tenure has been the least of Baldock's achievements. Our great highway system, which will stand favorably compared with any in the nation, has been created during his tenure in the department, and the major part of it while he was its operating head. His has been the overall planning and execution and his have been most of the tough policy decisions. Many of them unpopular with many people at the time but usually vindicated by subsequent results.

Baldock's retirement will be received with regret all over this state but it had to come some time and the program he has carried to this point will go forward under a capable successor. What he has built will endure. As was said of Sir Christopher Wren in St. Paul's cathedral, "if you seek his monument, look around you," so it can as truthfully be said of Sam Baldock, "if you seek his monument, just travel our state's fine highways."

## A Balanced Budget Achieved

The official closing of the books of the United States Treasury announced Friday for the fiscal year 1955-56, show that for the first time in five years and the fourth since 1930, the year ended with a budget balanced. The surplus on June 30 totaled \$1,754,357,066.

This balanced budget constitutes evidence that the Eisenhower administration had successfully carried out one of the most important of all the promises the President made to the American people in his election campaign of 1950—and had been striving for since he took office.

Not since the early part of the Korean War had the last previous budget balance been achieved. It was balanced three times during the Truman administration, but before that, not since 1930.

The budget inherited by the administration for 1952-53 was trimmed substantially in the five months remaining of the fiscal year but ended up \$9.5 billion in the red. Its real significance is that it was the culmination of a program that the President set in motion as soon as he took office—with a balanced budget and a return to debt reduction as twin objectives. This was part of a program for ending the steadily spiraling inflation had characterized war and post-war years.

The balanced budget of 1951 was brought about by an unexpected rise in revenues, "windfall" of the Korean War boom. The present balance was achieved the hard way with a wise fiscal policy by cutting expenditures. Those of '56 was held to \$66.3 billion as against \$74.2 billion in '53. Receipts in '56 were a record of \$88.1 billion, which reflects the nation's economic prosperity—G.P.

## Correction of Errors

The Capital Journal has received a letter from Eugene C. Venn, District Attorney of Lane County, Eugene, charging that the following false statements were made about him in a Capital Journal editorial published July 18:

"1. That I was the District Attorney of Klamath County."  
"2. That I was in constant turmoil with Circuit Judge David R. Vandenberg."

"3. That the State Bar association made an investigation of me."  
"4. That I was forced to resign as a result thereof."  
"5. That I moved to Eugene where I was elected District Attorney."

"6. That I made the statement that the grand jury was 'bungled and confused' in their probe of jury tampering."

The Capital Journal has learned that the first four statements complained of by Mr. Venn were not factually supported, except that the editorial did not say Mr. Venn or any other person was investigated by the State Bar Assn. or that he or anyone else was forced to resign. Unfortunate errors were committed in the original publication which are deeply regretted by the publisher of this newspaper.

Were you one of those who this morning shivered and complained, "Gosh, isn't it cold here?" Or were you thankful that Willamette valley heat waves are as brief as they are infrequent. In most of the United States the one that attracted so much attention while it lasted here this week would have been little noted and not remembered at all, for it would have been a normal summer condition.

## NATIONAL WHIRLIGIG

# No, Lady, Ike Isn't Being Forced Against Will to Run

By RAY TUCKER

Every Saturday, Ray, Tucker answers readers' questions of general interest on national and international politics and personalities. Questions may be sent to him at 7008 Hillcrest Place, Chevy Chase, Md.

WASHINGTON, July 21—"What is there in the changes that President Eisenhower is being forced to run for a second term by ruthless and selfish Republican bosses?" inquires Mrs. F. L. of Shreveport, La.

Answer: The question answers itself. Anybody who knows Ike even slightly, must realize that he is not the kind of a man to be pushed around, and forced to do something against his wish or will. If he were that weak an individual, I doubt if Franklin D. Roosevelt would have chosen him as commander of Allied forces in Europe, or that Churchill would have agreed to the selection.

Hopes for Semblance of Peace Eisenhower enjoys the broad problems of politics and government, although he likes to delegate details and limited responsibilities to his subordinates, as any wise man in his position would do.

He has a natural feeling for fame, and for the name he hands to posterity and to history. Despite contrary reports, he does not believe that he would enjoy full, placid and uneventful retirement to a farm for several years.

Ike has two abiding ambitions, according to his intimates. Before he quits the White House he hopes to achieve a semblance of world peace, which means a working agreement with the Russian and satellite Communists.

Far more optimistic than Secretary Dulles, he begins to think that there is a definite and brighter prospect. He suggests that there may be some startling and encouraging moves in this direction after the election. For political reasons, he cannot upset the status quo now.

Aims to Humanize, Liberalize Party His second aim is to humanize and liberalize the Republican party. Having overcome the Roosevelt-

Truman spell cast upon the voters for 20 years by their popular appeals, he thinks that the GOP can retain power at Washington for many years, if it will move slightly left of center on social and economic questions.

He has not been able to accomplish this mission in his first four years. But his recent political actions indicate his determination in this respect. He has sponsored the candidacies of such relatively forward-looking men as Cooper and Thurston in Kentucky for the Senate, Langle in Washington, and he may try to get Dewey to run in New York.

In short, he is bossing the GOP instead of being the unhappy victim of their schemes and intrigues.

Unsettled Armed Forces Problem "What lies behind Admiral Radford's reported plan to reduce our armed forces, and to cut our contingents in Europe?" asks M.C., a retired officer of St. Louis, Mo.

Answer: These two problems are under discussion at the White House and Pentagon, but they are still unresolved. It is known, however, that despite martial denials by Admiral Radford and Secretary Wilson, such a broad program is in the works. I have forecast them in several recent columns.

In the first place, many military experts, although Radford himself is skeptical, believe that nuclear weapons of the tactical type will permit and necessitate reduction of ground forces. With battleships mothballed, naval requirements will consist of aircraft carriers and submarines. The greatest emphasis will be placed on the air force and its atomic freight.

Reason For "Leaks"

There are psychological reasons behind "leaks" of this data now. It is designed to prepare public opinion for atomic wars, although it is hoped that they can be localized. It is meant to warn our European allies that we cannot protect them forever, unless they do their part. It is also intended to let the Russians know that we mean business, if they start another Korean or Indo-China affair.

## Many Not Involved in Steel Strike Being Hurt

By DAVID LAWRENCE

WASHINGTON — A form of economic anarchy is revealed in the disastrous strike now being waged in the steel industry.

Innocent bystanders in industries and businesses not at all parties to the strike negotiations are being injured. Tremendous losses are being inflicted on other companies and their employees. Railroads, trucking companies, construction firms and their employees have lost many millions of dollars a day because the steel companies and the labor unions prefer to battle it out with a strike instead of settling their differences either by mediation or arbitration in a negotiation.

The steel company managers cannot understand why they offer them generous terms should have been rejected. Certainly the offer of a total of 45-cents-per-hour increase in compensation over the proposed contract period—representing actual increases in cost to the companies and various benefits copied from the important contracts just negotiated in other industries—indicates a desire at least to meet the growing demands of the steel union.

The steel managers sought a long-time contract with the union so as to insure stability in the industry and make possible forward planning. On the labor union side, however, internal politics and the pressure of rival leaders evidently made it difficult for the proposals to be accepted without a strike. The story goes that David McDonald, steel union president, was urged to stand out for a better and better settlement on the ground that he would outshine Walter Reuther and John L. Lewis as a master negotiator.

The damage done by the inability of the two sides to make an agreement is not confined to the present strike. It means that again and again, as the time for negotiations approaches, steel users will pile up inventories in advance so as to protect themselves against the stoppages in production. In fact, before the present strike occurred, such an artificial stimulus was given to steel purchases and, as a consequence, the industry runs into periods of abnormal peak and then recession as inventories are subsequently liquidated.

To negotiate a contract in a major industry today involves more difficulties than ever before. Clauses in contracts in other industries where conditions are different are insisted upon. Thus an industry which rarely works double time or triple time on week ends can afford to pay the heavy penalty, but an industry that must work frequently on week ends finds itself unable to take the higher costs without passing many users to pay an increased price.

Instead of negotiating a contract based on conditions in one industry, the tendency is to demand uniformity irrespective of the differences in requirements. Like- wise, inside an industry, the larger enterprises with more equipment and better facilities which can pay higher wages set the pace which the smaller businesses have to meet. It is little wonder that business volume gravitates to the larger units while the smaller ones are slowly but surely forced out of the competition. Then congress wakes up and asks what's happening to "small business."

But the worst feature of the economic anarchy is the use of economic power that is made by those who can wield it. The answer doesn't lie in government regulation or in government cartels or monopolies because none of these protects the efficiency which the rate of American production in the past has achieved. It lies rather in a better education to the whole people of the facts involved in each controversy so that the public interest can be safeguarded through the processes of public opinion.

The workers themselves do not know today all the background of the struggle and how they are being compelled to accept the positions of an unnecessary strike. A report by the major steel companies just issued shows that the workers lost \$622,000,000 and the companies lost 46.5 million tons of production in the three major strikes in the industry—29 days in 1946 and 49 days in 1949 and 54 days in 1952. It looks as if the present strike will increase the losses in wages by \$50,000,000 and that two million tons of production will be lost each week of the strike.

But in the last big strike, for every man idled in steel, three to four other employees were thrown out of work. The direct loss to the economy in the 1952 strike is estimated at more than \$4,000,000,000. The latest strike will approximate that sum if it continues another month, when conditions will really become acute. It must be settled by that time, but it will be asked why it was necessary to penalize so many people to get a contract.

## Molehill That Made Good



## Is This Trip Necessary? Asks Marlow of Ike's to Panama

By JAMES MARLOW

WASHINGTON — President Eisenhower, still slowly recovering from his operation, flies Friday night to Panama for a postponed meeting which seems unproductive. It may produce only speeches.

It's to be a good will get-together with most of the heads of the 20 Latin-American countries, at least six of which are dictators. One president can't attend because of a broken leg. Trouble at home may keep others away.

Little Panama will have its hands full protecting the visitors, since many of the Latin-American presidents have enemies in exile. And some of the presidents have a long backlog of ill will toward one another.

This meeting originally set for June 22 to commemorate the first meeting toward Pan-American Union 120 years ago — had to be postponed because of Eisenhower's June operation.

There was some dissent in Latin America about rescheduling the meeting, which was suggested by Panama's President Ricardo M. Arias with State Department approval. Some people in this government can't see much reason for the meeting.

It would be different if Eisenhower were going to offer some bold program for cooperation with Latin America, provide some new, unifying leadership, or offer a new sense of direction for the 170 million Latin Americans.

He is expected to do none of these things. What he is expected to do is speak in generalities, shake hands, and have a lot of conversation.

It has been estimated the population of Latin America will double in the next 30 years. These American neighbors therefore have a multitude of expanding problems, in addition to trying to catch up with the 20th century.

They look to this country for help and leadership. This country has given help. But whether it's been enough, or the right kind, depends on which side of the border you're standing.

And not everyone agrees, even in this country, that the United States has been providing much leadership.

Three years ago Eisenhower sent his brother Dr. Milton S. Eisenhower on a good will tour of 10 Latin-American countries. On his return Milton Eisenhower made nine major, and a number of minor, recommendations for economic cooperation.

Since then some action has been taken on most of those recommendations but not very extensively.

Between World War II and now this country has given Latin America about 2 per cent of the grants (money gifts) and 2 per cent of the loans it provided for the rest of the world.

The Latin Americans reportedly are more interested in loans than gifts. The State Department says they've asked for that the money is ready and waiting but that the applications haven't been made.

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## FIRESIDE PULPIT

# Most Pleasant Experiences Often Come Without Planning

By REV. GEORGE H. SWIFT

Planning ahead is, of course, absolutely essential for efficiency in the world of progress in which we live, but some of the most delightful experiences we enjoy are those which have not been planned at all, but which, through unforeseen circumstances or through necessity at the moment, are thrust upon us.

When we stopped at Lake Louise in the Canadian Rockies the last week we had no reservations and space in the Chateau, Lodge, bungalows and cabins was all taken for that night. Banff, 20 miles away, reported no space available there. We were told that possibly the Lodge, eight miles out along the highway through the Kicking Horse Pass, would help us, but we found that place also

## Salem 39 Yrs. Ago

By BEN MAXWELL

July 21, 1917 The Capital Journal had published a list of 1957 names of men liable for the army draft in Marion county.

Word from Los Angeles had been received in Salem regarding the death of Louis Tillman Perizzo, 19 year old son of Mr. and Mrs. L. Perizzo, a promising high school senior prominent in the school orchestra and in class declamation.

Benjamin Brick, Salem merchant, had developed a free employment bureau and displayed a blackboard in front of his store listing employees needed on farms and in local factories.

Terwilliger Funeral home had advertised itself as the home of the lungmotor.

Imperial Furniture had advertised among new Victor patriotic records: "It's Time for Every Boy to be a Soldier" and "We'll Never Let the Old Flag Fade."

United States National Bank Pig club meeting in the Commercial club auditorium had heard an address by Governor Withcombe.

WE NEVER CATCH UP Sherman County Journal Here half the year is gone and we're still paying for the last one.

## Nastiest Crack

Eugene Register-Guard

A stationery store on Willamette St. has a sign on an old peeling safe in the front window: "This safe, vintage of 1874, 'cracked' at the Lane County Courthouse." A passing wag quipped: "That's not the only thing cracked over there."

QUOTING HIMSELF

George Bernard Shaw I often quote myself; it adds spice to my conversation.

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