

COSTA RICAN TOWNS STRAFED BY REBEL AIRPLANES

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Planes Crash in Air



VACATIONING PREMIER—French Premier Mendes-France (left) walks through the fishing village of Positano, Italy south of Naples during brief vacation with his wife. Sources in Rome said Mendes-France thinks this is just the right moment for the West to propose Big Four talks with Russia, and they add that he will press this point in talks with Italian leaders.

15 Persons Killed; Wreckage, Bodies Widely Scattered

Planes Smash Near Cincinnati

Cincinnati — (U.P.)—A Trans-World Airlines plane and a privately owned DC3 aircraft collided in flight and crashed in flames near here today, killing 15 persons.

Two officials said that 13 persons, 10 passengers and three crew members, were aboard its twin-engine Martin 202. The plane had left the Greater Cincinnati Airport en route to Dayton, Columbus, and Cleveland.

The passenger list, released by TWA in Chicago, included only one from the West. He was listed as H. Rooney of Lewisville, Ohio.

The twin-engine DC3 was owned by Castleton Farms, famous Lexington, Ky., harness horse farm. It was en route from Battle Creek, Mich., to pick up the farm owners, M. and Ms. Frederick Van Lennep, to take the socially prominent couple to Florida. The pilot, Arthur Werkhaven, and co-pilot Eddie Anger were killed.

Planes Catch Fire
Kentucky State Police Detective Robert Gordon, one of the first officers to the scene, said, "It looks like everybody is dead."

Gordon said the planes apparently caught fire after the collision and were flaming when they hit the ground, about a mile apart. He said parts of the planes and bodies were scattered over a wide area.

There was no immediate explanation of what caused the collision. In New York, the Civil Aeronautics Administration said an unofficial report from the Greater Cincinnati Airport was that the TWA plane was in radio contact with the airport tower by radio two minutes after the takeoff.

The CAA said TWA pilot identified behind the plane, then sounded as if he were alarmed. Then his voice faded away.

The collision was about two miles south of the Greater Cincinnati Airport, which is in Kentucky about 12 miles from Cincinnati.

Howard Crigler, owner of the farm on which the planes crashed, said that the TWA plane hit the top of a hill and bounced into a wooded ravine leaving a hundred-yard trail of wreckage.

Two officials in Washington said the accident was the first crash in its domestic service since December, 1944. The company said that since the airline had flown 14,221,567,045 miles without an accident, carrying more than 18,000,000 passengers.

House Passes Bill On Legislative Pay
Salem — (U.P.)—The House today passed its first bill, House bill No. 1, which provides money to pay legislative salaries and expenses. Approval was unanimous.

At the same time Dr. F. H. Dammasch (R-Portland) introduced a bill that would provide for an advance of \$300 to members on their second year's salary. Legislators receive \$1200 per biennium.

The House received and tabled four bills passed at the 1953 session but vetoed by the governor. The bills included the timber privilege tax involving timber on mining claims; the required removal of brush and debris on beaches by the state highway commission; a requirement for a public vote on development of public housing projects by cities or counties; and the investment of funds held by inmates of public institutions.

A bill to give state police personnel the right to appeal to the state civil service board in case of dismissal was introduced in the Senate by Sen. Monroe Sweetland of Milwaukie and Norman R. Howard of Portland, both Democrats.

Weather
FORECAST: Considerable cloudiness through Thursday. Some valley fog Thursday morning. Low tonight 25; high Thursday 42.

Highest Yesterday 38
Lowest this Morning 28

Portland — (U.P.)—The Western States Republican Conference has been invited to hold its 1955 meeting in Portland.

8 Navy Fliers Shot Down Over Baltic Said in Soviet Hands

Berlin — (U.P.)—An American freed from almost 10 years enslavement in Soviet prisons said on Tuesday night fellow captives had told him eight U.S. Navy fliers survived a Soviet attack over the Baltic sea four years ago.

John H. Noble, 31, of Detroit, informed officials that he heard the fliers, crewmen aboard a Navy Privateer downed by Soviet aircraft April 8, 1950, were in Russian hands. Two others died, Noble said he was told.

Noble said the reports claimed the surviving fliers were either in the Vorkuta slave labor complex in the Arctic, where he heard the information, or would be taken there.

Russians Circulated Death Report
He said the Soviets attempted to suppress this news because the Russians themselves had circulated reports that all 10 airmen had been killed in the incident which brought strongest protests from the U.S. State department.

Noble emphasized that he did not see any of the fliers. He said only he had "heard" that airmen shot down over the Baltic and some Americans captured in Korea were in the frigid Vorkuta complex.

If the reports Noble heard were true, the fliers probably were convicted on "spy" charges as in the case of 11 U.S. airmen who were shot

down in uniform during the Korean war and jailed by Communist China on espionage allegations.

The Soviet note on the Baltic plane incident, like Red Chinese Premier Chou En-lai's blast at the United Nations, claimed that the fliers had violated Communist territory.

It said the Privateer, erroneously identified by the Soviets as a B-29, violated Communist territory south of Lepaya, Latvia, and failed to obey the order of Soviet fighter planes to land.

Violation of Territory Denied
The United States charge that the plane had not violated Soviet territory and was unarmed when attacked.

The crew of the Privateer, all of whom received posthumous awards was composed of Lt. John Henry Fette, Connellville, Pa., and included Lt. Howard William Seeschaef, Fairlington, Va.; Lt. Robert Duward Reynolds, Dansville, N.Y.; Ens. Tommy Lee Burgess, Osawatimie, Kan.; Edward Joseph Purcell, Southwestville, N.J.; Jack William Thomas, Stillwater, N.J.; Joe Henry Danens Jr., Cutbank, Mont.; Frank Lloyd Eckman, Newport, Ky.; Joseph Norris Rinner Jr., Philadelphia and Joseph J. Bourassa, Lincoln, Mich.

Peace and Prosperity for World Is Aim Of Itinerant 'Santa'; Plan 'Can't Fail'

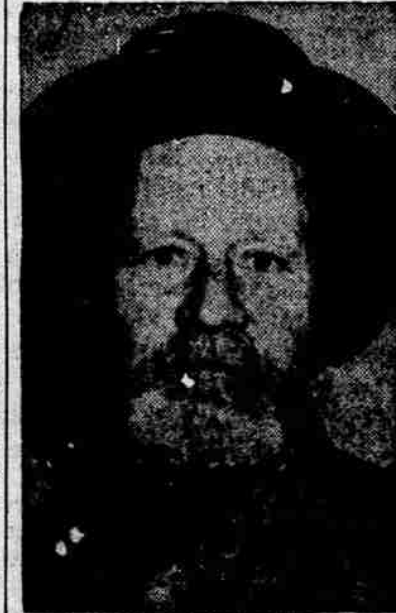
Christmas season would be the whole year around if a plan proposed by Albert S. Falk should be adopted by nations throughout the world.

Falk, 63, a plain-clothes Santa Claus, was in Medford today in the interests of spreading his plan to end poverty and bring world peace.

The blonde bearded self-styled prophet's idea is simply this: Apply a two per cent federal tax to all transactions, plus a small income tax. That way enough money would be raised to pay back to all adults 21-years and older a sum of about \$100 per month. This would be in addition to salaries and other income. This would eliminate poverty by giving collective security, Falk maintains. Each family would receive a minimum of \$1,200 to \$1,500 in guaranteed income yearly.

Falk would have each country take care of its own people, thus eliminating the continual drain on the United States for upkeep of starving people abroad. But putting money in the pockets of people, they would then be able to buy the many things they may now be aiming to sell elsewhere, he claims.

Currently on a jaunt from Minnesota to Sacramento, Calif., Falk, a painter and paperhanger, started his travels lobbying for peace in the early 1930s. His



ALBERT S. FALK
Seeks Peace and Plenty

Europe next year if he has funds enough. Otherwise he will go to Central America.

He insists his plan is not just another "crackpot" idea. "It can't fail," he says.

Falk has worn a beard for about four years, about the

length of time he has campaigned for his plan on an international basis. The idea for wearing the beard is to attract attention. He says it does, and that children call him "Santa Claus."

Falk, who calls Wheaton, Minn., home, campaigned for president in 1952. He plans to be a Republican candidate in 1956. He admits that being president and commander-in-chief of the Armed Forces may not be consistent with his peace aims, but says he would leave the Army and Navy up to the Military, and would work for world disarmament.

Old Bank Building Remodeling Slated

Remodeling of the former site of the Medford branch of the First National Bank of Portland will begin in about 10 days, according to Ben Dierks, Grants Pass lumberman who purchased the building.

The bank moved from the old quarters to its new building last week end.

Dierks said today the ground floor will be remodeled to accommodate two stores, and a mezzanine floor will be added. Negotiations with two organizations for lease of the space are now under way, Dierks added.

The lumberman also announced the recent sale of the lumber mill and timber holdings of the Ben Dierks Lumber Co., Inc., of Murphy, to Joe M. Crane and his associates. The operation is a modern band mill, built in 1951. A new firm, Conifer Wood Products, has been formed to take over the operation.

Dierks retains the name of the company, and has moved its office from Murphy to the First National bank building in Grants Pass.

Lower Insurance Rates Approved

Portland — (U.P.)—Oregon motorists may save an estimated \$155,000 on reduction in fire, theft and collision automobile insurance, approved Tuesday by Robert B. Taylor, state insurance commissioner.

The National Automobile Underwriters Association made the reductions on behalf of its member companies. About 175 member companies do business in Oregon, Taylor said.

The new rates are retroactive of all policies issued on or after Dec. 1. \$100 and \$50 deductible collision insurance will go down about six per cent in Portland and about 5 1/2 per cent in the rest of the state, the insurance commissioner said.

Rates on fire, theft and comprehensive insurance have been cut about 15 per cent. The cost-wise slash leaves out some 75 independent companies doing business in Oregon, but they are expected to adjust their rates to meet the competition.

Salem — (U.P.)—The Oregon State Land Board has announced the appointment of Alva C. Goodrich of Bend as attorney for the board.

Pressure Credited For Soviet Action

Washington — (U.P.)—U. S. officials said today unceasing American pressure apparently forced Russia to its sudden decision to free the last three Americans known in Soviet hands.

They said Russia probably would have left the trio in Soviet labor camps much longer if Ambassador Charles E. Bohlen had not hammered at the Kremlin door repeatedly during the last year.

The Soviets agreed yesterday to turn over to American authorities in Berlin Army Pvt. William A. Verdine, 28, of Starks, Ia., who is believed to have been held by the Russians almost six years.

Eisenhower Silent On Blockade of China
Washington — (U.P.)—President Eisenhower, at his news conference today, was not asked for, and did not volunteer, comment on new recommendations by Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff, for a blockade of China if the Reds fail to free the jailed Americans. Mr. Eisenhower has said before this would be an act of war.

Nor did the President comment on the just concluded mission to Red China by Day Hammarskjold, U. N. secretary-general, who met with Chinese Communist leader Chou En-lai in an effort to win freedom for the prisoners. The White House has remained silent on the Hammarskjold mission.

Edith Green Assigned To Education, Labor
Washington — (U.P.)—Mrs. Edith Green, Oregon's new Democratic congresswoman from Portland, has been assigned to the Education and Labor committee of the House of Representatives.

Mrs. Green's appointment was confirmed by the House today. The committee was the congresswoman's first choice.

Mrs. Green said she had been asked to serve on the District of Columbia Committee, but had declined in order to devote more time to the major committee assignment.

Important Rail, Communications Town Recaptured

Road Gangs Reported Subjected To Attack

San Jose, Costa Rica — (U.P.)—President Jose Figueres said today rebel invading planes have strafed 10 Costa Rican towns, including this capital city, in the nation's two-days-old rebellion.

He said his own land forces, meanwhile, have recaptured the important railway and communications center of Villa Quesada from the insurgents in sharp fighting. Villa Quesada is 50 miles from San Jose.

Figueres, in an interview with the United Press, said the insurgent forces were "completely destroyed" in the battle which regained for Costa Rica the richest prize to fall to date to the insurgent forces.

The president said to the best of his knowledge no persons were killed or injured in the air attacks on "innocent civilian people."

Americans in Danger
Road gangs and American-provided equipment working on the U. S.-supported Pan-American Highway also were reported subjected to air attack.

In Washington, the Bureau of Public Roads said that 13 Americans, technicians and engineers, are working on the Pan-American Highway in Costa Rica.

"It was reported in Washington that one vehicle carrying workers on the road was machine-gunned and the windshield was shattered. It was not learned whether the workers were native or U. S. citizens. No one was reported injured.

President Confident
President Figueres indicated he was confident the rebellion will be crushed. But he confirmed there are "indications" the tiny border port town of Puerto Soley was taken by rebel forces during the night.

The President said he was awaiting the arrival of the Inter-American Commission here today.

Washington — (U.P.)—President Eisenhower said today the United States will have nothing to say on the dispute between Costa Rica and Nicaragua until a special Inter-American Commission has made its on the spot investigation.

The President pointed out at his news conference that the special five-man commission, appointed by the Council of the Organization of American States left Washington by plane for Costa Rica today.

Oregon Senators Protest FPC Action
Washington — (U.P.)—Oregon senators today protested the "high handed action" of the Federal Power Commission in allowing the Idaho Power Company to change plans for development of Hells Canyon after the company filed its original application.

The company has applied for licenses for three low dams in the canyon, on the Snake river. Sens. Wayne Morse (Ind-Ore.) and Richard L. Neuberger (D-Ore.) favor a single government dam in the canyon.

After the close of an FPC hearing, they said, "the commission is permitting the company and the commission staff to juggle and re-write the company plan... this is high handed action which places an intolerable burden upon the intervenors advocating the high dam."

Bulletins

Washington — (U.P.)—The government plans to begin distribution of from \$6,000,000 to \$9,000,000 in impounded timber sale receipts to 18 counties in Oregon, it was reported today.

The receipts have been held for 12 years pending court fights over the distribution formula.

San Francisco — (U.P.)—Directors of the Pacific Coast league today named Claire Goodwin, prominent Oakland civic, sports and financial figure, president of the loop.

Legislators Attend School Designed To Make Them Experts on Tax Problems

Salem — (U.P.)—Oregon legislators went to school today—a tax school designed to make them experts on taxation in 22 not so easy lessons.

With revenue problems slated to be one of the biggest issues before the 1955 legislature, Rep. Loran L. Stewart, chairman of the House Taxation Committee, arranged for a series of lectures by tax experts to give legislators the fundamental of tax principles to guide them as they tackle a mass of complex fiscal matters. Senators have been invited to attend the "school."

House Speaker Edward A. Geary urged the representatives to attend the tax seminar whenever possible. Senate President Elmo E. Smith said he thought the seminar was especially good for new members unfamiliar with tax committee work, but was excellent for all.

First speaker at today's opening session was Dr. C. Ward Macy, head of the economics department at the University of

Oregon.

The seminar will be conducted through Feb. 10.

The House met at the regular time of 10 a.m. today, but the Senate moved its opening up to 9 a.m. because of a hearing before the Oregon Supreme Court at 10 a.m. concerning the constitutionality of a controversial labor bill passed in 1953.

Challenged in Courts
That bill had some anti-picketing provisions in it which were challenged in the courts. Circuit judges independently arrived at the conclusion that section 17 of the bill, regarding picketing, was unconstitutional. The matter was appealed to the Oregon Supreme Court, and that was the hearing today.

Three bills introduced in the House at the afternoon session yesterday came from the committee on financial institutions to revise statutes affecting insurance companies doing business in Oregon.

One would permit suspension for not more than a year of in-

urance agents and solicitors guilty of violating the state insurance code. Present law calls for outright revocation of the licenses. The other two measures would stiffen the requirements for insurance companies and title insurance companies, increasing the paid up capital requirements.

Three bills in the Senate also were introduced in the Senate yesterday afternoon. Two, introduced by Sen. Francis W. Ziegler of Corvallis, would correct dates. One would make the date for veterans organizations to file reports for money out of county indigent funds the fourth Monday in July instead of Jan. 1, so that the report comes after the counties' fiscal year has started. Another would provide for refund of certain license monies to dairies. The old license expired May 30 but this was changed to coincide with the state's fiscal year, which starts July 1, and this bill would merely enable the dairies to be repaid the overlapping license money.

Hammarskjold To Be Met by Top UN Officials at SF

United Nations, N.Y. — (U.P.)—Two top UN officials flew to San Francisco today to receive from UN Secretary-General Dag Hammarskjold his first hand report on his efforts to win freedom for 11 American airmen jailed in Red China on "spy" charges.

Hammarskjold, who has dropped no hint of the results of his negotiations in Peiping, is expected to arrive in San Francisco tomorrow.

American and UN authorities are deeply concerned because of the growing threat that U.S. congressional sources will bring heavy new pressure for a blockade of the China mainland and other retaliation unless the U.S. airmen are released.

Failure Reported
Their concern has been heightened by reports from a highly placed diplomatic source in London that Hammarskjold failed to obtain from Red China's Premier-Foreign Minister Chou En-lai the immediate release of the airmen.

Hammarskjold is expected to report that he has kept the door open to further negotiations which may bring freedom to the 11 jailed Americans at some future date.

On hand to receive his report on his arrival in San Francisco will be Andrew W. Cordier, the secretary general's chief executive assistant, and Wilder Foote, top press spokesman for the United Nations.

Even then it is doubted that a public report will be made available until Hammarskjold has returned to UN headquarters here and reported to the United Nations and the United States.

Radio Highlights

Claire Booth Luce, United States ambassador to Italy, will speak over CBS, and station KXJC (1230 kc) at 9:30 p.m. Thursday.

Crater Lake Park Visitors Make 1954 Second-Best Year

Travel into Crater Lake National park during 1954 was the second highest on record, Superintendent Thomas J. Williams said today. It was exceeded only by 1947.

The number of visitors last year was 370,554, compared to 447,300 in 1947, the post-war year when virtually all tourist records were broken.

July Biggest Month
July of last year, however, was the largest single travel month in the history of the park, Williams reported, when 114,154 people entered the park.

Williams said he expects 1955 to bring more visitors to the park than 1954, largely because of the increasing interest in winter sports and the improved snow clearance program in effect on the park's roads during the winter.

Mill Construction For Plywood Plant Will Begin Monday

Temporary offices for Fir-Ply, Inc., have been built and a long pond is being dug, it was announced today.

The newly-formed company, which announced plans recently for a half-million dollar rough plywood mill, has leased 40 acres in the Camp White area from the White City Realty company. Work on the mill proper is to begin Monday, according to Carl Jacobson manager of the company.

To Buy Logs
The pond is being completed rapidly so that logs can be purchased on the open market to be ready when the mill itself is completed, he said. Construction of the mill is expected to take about three months, and the work is being handled by the

Aslund Construction Co. of Grants Pass.

Robert Van Duker, office manager, and his family have moved to Medford, and other officers of the company plan to move here later. All were with the Southern Oregon Plywood corporation in Grants Pass before they resigned to form the new company.

Besides Van Duker and Jacobson, they include Ernest Clark, production manager, Ray Henry, logging manager, and Arthur Michelson, maintenance superintendent and engineer.

Behind Ross Mill
The new plant will be located behind the Ross Lumber company, which is just beyond the turn in Highway 62 about a mile southwest of the Camp White domiciliary center.

Plans for the mill, which were first announced last Dec. 16, call for the employment of some 100 to 110 men, with an annual payroll of about \$500,000, and the expenditure of another \$500,000 annually for the purchase of logs for the rough plywood to be manufactured.

Acting Police Chief At Ashland Gets Nod
Ashland—Acting Police Chief Herb Hays will receive a permanent appointment as chief when the city council meets next week, the Ashland Daily Tidings has reported.

Hays has been acting chief since the resignation of Vern Smith recently. He has been a member of the police force since 1946, and was named assistant chief in 1948.

Three men had submitted applications for the job, Hays, former Deputy Sheriff DeArmond Leigh and Police Sgt. George Bennett. Mayo-Richard Neill last week submitted Leigh's name to the council for confirmation, but the council rejected it.

The Tidings said the council this week met informally and voted, five to one, to approve Hays' appointment.

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Williams said he expects 1955 to bring more visitors to the park than 1954, largely because of the increasing interest in winter sports and the improved snow clearance program in effect on the park's roads during the winter.

Two regular ski runs are maintained from the rim to park headquarters, and many families come to the park for skiing, or simply to play in the snow or look at the scenery, Williams said. A warming hut is open at the rim on week ends and holidays.

Reports Clear Days
The superintendent reported that 10 days in December were clear and were ideal for winter-time photography.

He suggested that weather conditions be checked before driving to the park, and the park telephone exchange is open from 8 a.m. to 4:30 p.m. daily. All cars visiting the park should carry chains, though often they will not be needed, particularly on cars which have snow tires, he said.

Weather

FORECAST: Considerable cloudiness through Thursday. Some valley fog Thursday morning. Low tonight 25; high Thursday 42.

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Lowest this Morning 28