

# Humphrey Urges Caution in Investigation of Stock Market Boom

## Some Experts Put Blame for Price Break on Probe

Washington — (U.P.) — Secretary of the Treasury George M. Humphrey today urged the Senate Banking committee to observe caution in its investigation of the stock market boom.

Humphrey testified in the wake of the worst market break since 1929. Some experts have blamed the investigation for the \$10,000,000,000 drop in stock values in the last 10 days. The market rallied today with defense shares leading the recovery.



**INSTRUCTOR** — Sgt. Myron Warren, above, of the safe burglary detail of the Portland police, will instruct the third class in the advanced police training school being conducted here. He will speak tomorrow at the Medford city hall, giving instruction in interrogation and safe burglary investigations.

The secretary warned that there is danger of destroying confidence in both the stock market and the future of the nation's economy.

**Negative Testimony**  
Committee Chairman J. William Fulbright (D-Ark.), replied that he sees no reason why the investigation should have an adverse effect on the market if the market is sound and the inquiry is conducted in an orderly and reasonable manner.

Sen. Homer E. Capehart (R-Ind.), went even further than Humphrey. He said committee questions put to witnesses had "all tended to be on the negative side." He added there has been little testimony of the sort that would show the economy is healthy.

"I don't think anyone can deny that the Democratic controlled-committee set out to prove the stock market is too high and just a few steps before a crash like 1929," Capehart said.

**Says Little People Hurt**  
"It has had a tendency, in my opinion, to push down the prices of stocks."

Capehart said it is "the little people" primarily who have been hurt by the drop in stock prices.

Fulbright retorted that the main purpose of the Senate inquiry is not to find out whether stock prices are too high. He said it is to determine whether the stock market is functioning in the best manner for the national economy and "especially whether it is threatening to throw the economy" into a depression.

**Margin Requirements**  
Asked for specific criticism of the investigation, Humphrey said testimony about the possibility of margin requirements being raised appears to have had the most effect on the confidence of investors.

But the overall tone of his statement to the committee was that the sharp rise in stock prices in the past 18 months had been generally healthy. The committee is conducting a "friendly" investigation of the market boom.

## Coffee Exporter Sees End of Price Changes

San Francisco — (U.P.) — The frenzied price changes that took place on the coffee market a year ago are now a thing of the past, according to Abraham Jabour, the largest single coffee exporter in Brazil.

He said the coffee famine of the 1953-54 crop was caused by a heavy frost in one of the largest coffee producing states in Brazil.

"Coffee went up to 93 cents a bag for the green bean," Jabour said. "But now the price has stabilized itself at about 50 to 54 cents a bag."

He said that Brazil produces 16,000,000 bags of green coffee beans a year and expects to increase its production by 1,000,000 bags this year.

"It is not generally known, but the consumption of coffee today is not so great as it was before the war," Jabour said. "But it is increasing all the time, with the United States taking 70 per cent of our harvest annually."

## Bonneville Signs Idaho Power Intertie

Portland, Ore. — (U.P.) — Bonneville Power Administrator William A. Pearl yesterday announced signing of a 20-year exchange agreement with the Idaho Power company providing for a high voltage intertie at La Grande, Ore., by May, 1956.

The connection has been sought both by the BPA and the Federal Power commission for some time to help integrate Utah and Idaho systems with Oregon and Washington utilities of the northwest power pool.

The La Grande intertie will complete a five state loop of high voltage transmission lines linking all major generating facilities of Oregon, Washington, Idaho, Western Montana and Utah.

# Market Experts Fear Tighter Federal Controls

New York — (U.P.) — Stock market experts expressed fears today of tighter government stock restrictions on the heels of Monday's sharp market break—the greatest since late 1929.

Prices tumbled as much as \$12 Monday in the kingsized selling wave. The total value of stocks

listed on the New York Stock Exchange dipped \$3,000,000,000.

The loss in values was added to a \$7,000,000,000 decline of last week, the greatest for any week-long period in 15 years.

Nearly every stock market analyst attributed the stock break directly or indirectly to the market study being conducted by Sen. L. William Fulbright's Banking Committee.

## Emergency Funds Sought for Dust, Grasshopper Fight

Washington — (U.P.) — Dust bowls and grasshoppers are a growing menace to farms and rangelands in the drought stricken southwest, Congress learned today.

In testimony made public by a House appropriations subcommittee last night, agriculture officials asked for emergency funds, \$730,000 to fight grasshoppers and \$7,147,000 to fight wind erosion.

The officials said the government this year may have to extend its fight against dust bowl conditions into a seventh year, Wyoming.

**Grasshopper Buildup**  
They warned that "severe wind blow and erosion are expected" in the southwest.

The subcommittee was told there has been a "severe buildup" of grasshoppers on 6,000,000 acres of rangeland in 15 western states. Agriculture officials said about 2,600,000 acres will "require treatment to avert serious damage or extensive migration."

They said the infested area includes 750,000 acres in Texas, 900,000 in Colorado, 565,000 in New Mexico, 500,000 in the Oklahoma panhandle and 93,000 in southwestern Kansas.

## 4-H Club News

**Antelope Club**  
Friday, March 11 at the Antelope school house the Antelope Dairy club conducted the meeting with Judy Bradshaw, president, and Marjorie Murray, secretary. Roll call was answered with steer weights by those taking beef projects. Lucy Gardner reported on the window displays put in various stores during 4-H week. John Bohner told the Swine club members to start looking for their weaner pigs and they might get some from one of the club members.

Steve Garen joined the dairy club. Our annual box social will be held Friday, April 15, at Eagle Point Grange hall at 7:30 p.m. All interested are invited to attend. Mr. and Mrs. Earl Jossy and Mr. and Mrs. A. E. Mallory are on the entertainment committee.

We judged pictures of a class of Hereford heifers and then gave reasons. John Noble then showed motion pictures of a trip that Vern Matthews took to Illinois. A comedy was also shown.

Bob Hayes, Reporter.

## Boy Scouts

**Troop 15, Phoenix**  
For the next five weeks the troop will meet on Wednesday evenings at the Presbyterian church from 7 to 9 p.m.

Johnny Klassen will instruct fly tying classes and also will give pointers on fishing.

Our Scout leaders are now taking the leadership training sessions on Thursdays.

We are to make plans for the Campore which is in April, and urge all Patrols to participate.

Roger Kelsoe, Scribe

which began March 7 was in itself disconcerting to most investors. But the experts refused to concede that today's market reflected conditions prevalent in 1929.

**Tickers Run Late**  
At the market close Monday declines in the industrial average amounted to 28.32 points since March 7, about 6.75 per

## Solon Opposes Drink on Planes

Albert Thomas (D-Tex.), wants the Civil Aeronautics board to stop the sale of alcoholic drinks aboard airliners.

This was brought out in hearings before the House Appropriations committee which were made public last night.

Chan Gurney, acting CAB chairman, said the agency is keeping its eye on the whisky sales to make sure safety is not impaired.

cent. The railroad average dipped 11 points or 7.17 per cent and the utilities 3.23 points or 5.11 per cent.

A 10 per cent decline is not excessive during a period of rising prices, the experts insisted. However, the selling during some periods Monday assumed proportions of actual dumping to avoid losses.

American Telephone and Telegraph, Bethlehem Steel, U. S. Steel, General Motors, Texas Company, United Aircraft, and DuPont all fell several points.

International Business Machines dipped 12 points, DuPont dropped seven points and ten recovered all but four of the total loss.

Tickers ran as much as nine minutes late during the hectic selling. More than 4,200,000 shares of stock changed hands. It was the fourth time this year that sales have passed the 4,000,000 mark.

## Canby Schools Closed By Numerous Flu Cases

Canby, Ore. — (U.P.) — Hundreds of cases of the flu in the local area resulted today in the closure of grade and high schools here for the rest of the week. Principal Leslie Rood said 296 youngsters were absent from schools yesterday.

Sandpaper was patented by Isaac Fischer, Jr., in Vermont in 1834.

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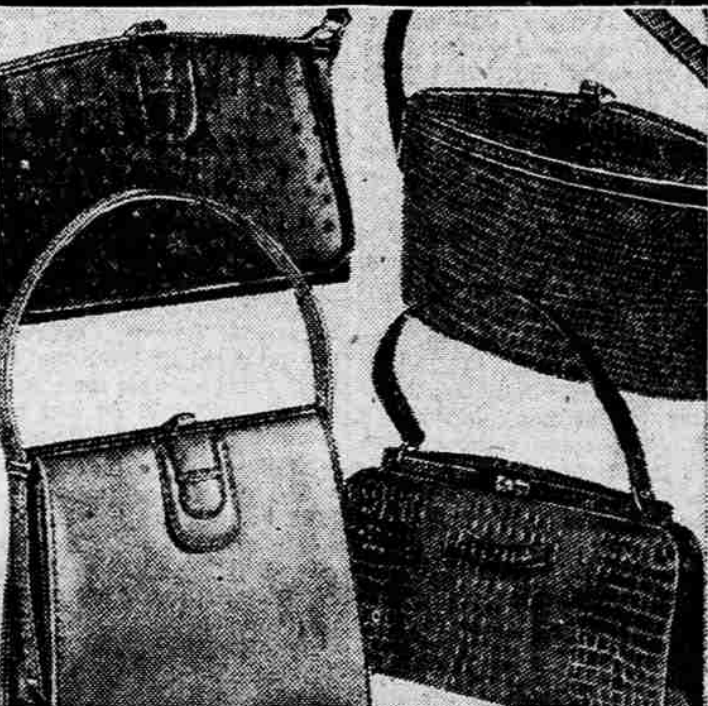
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