

IKE ATTACKS PIECEMEAL CUTS IN BUDGET

"I'd Letcher Have A Couple Hunnert Grand Till Pay Day But I don't Mislead A Few Hunnert Grand"



Iran Bandits Slay American Officials

Tehran, Iran — (U.P.) — Two American officials were killed and the wife of one of the slain men kidnaped by bandits in southeastern Iran, U. S. authorities revealed today.

The American officials killed with two Iranians in a bandit ambush two days ago were identified as Kevin M. Carroll, 37, Issaquah, Wash., and Brewster A. Wilson, 58, Portland, Ore. Carroll's wife, Anita, was kidnaped.

Carroll was an official of the U. S. Point 4 program, administered by the International Cooperation Administration. Wilson worked for the Near East Foundation.

No trace of Mrs. Carroll has been found. Police Pursue Bandits

American officials said the party was traveling in two Jeeps in rugged country near the tiny town of Iranshahr in the wild and arid region of Baluchistan. The party was ambushed by bandits apparently from Baluchistan, which lies in southeastern Iran and western Pakistan and is inhabited by Iranian-speaking Baluch nomads.

Oregon To Receive More Salk Vaccine

Portland — (U.P.) — Oregon will receive about 30,000 cc's of Salk polio vaccine if it gets its usual one per cent share of new supplies released nationally this week.

The State Board of Health announced that 3,018,069 cc's of the scarce vaccine has been made available by the public health service since Monday. If Oregon receives its usual share, about 22,500 cc's will probably be channeled to regular commercial outlets and about 7,500 cc's will go to support public clinics throughout the state.

Dr. Harold M. Erickson, state health officer, said commercial supplies of the vaccine in Oregon are now believed to be virtually exhausted and the new supply will permit private physicians to resume their inoculation programs.

Preliminary Hearing Set for Seattle Man

Preliminary hearing for Lawrence Alvis Workman, 25, Seattle, was scheduled for 2 p. m. today in district court. He was arraigned yesterday afternoon on a charge of negligent homicide. He was released on \$1,500 bail.

Workman was identified by police as the driver of a vehicle which struck Jack Everett Engler, 25, also of Seattle, as Engler was pushing his stalled vehicle north on Highway 99 near Talent Sunday evening. Engler, en route home from his honeymoon with his bride of 11 days, died in a Medford hospital 3 1/2 hours after the accident.

Eisenhower Considering Florida Jaunt To Shake Off Remnants of Lasting Cough

Washington — (U.P.) — President Eisenhower is considering a Florida vacation next month to shake off the stubborn remnants of his troublesome cough, it was learned today from highly-placed government sources.

Exact date and location of the President's sojourn have not been determined. However, the idea was described as definitely "in the works."

Holmes To Seek Re-election

Fair, Highway Commissioners To Be Appointed Soon

Still Favors Basic School Fund Increase

Salem — (U.P.) — Gov. Robert D. Holmes told a press conference here today he would be a candidate for reelection "if God is willing and I live out my present term."

The governor also said he would announce the appointment of a new highway commissioner and state fair commissioner "within 72 hours."

At his first press conference in many weeks the governor said it seemed natural to him that he should try for a full four-year term as governor after being elected to his current two-year term.

He said he also was giving serious thought to personnel of the State Tax commission. Two terms on the commission expire in June.

The governor was emphatic on the point that he still favored a basic school increase of from \$80 to \$120 per census child which would cost the state some \$38 million in the next biennium.

When asked if he thought Democratic legislative leaders could hold the budget down to a ceiling of \$265 million, Gov. Holmes said he felt sure it would go higher.

"I am in sympathy with the lowest possible budget," he said, "and while I think setting the ceiling was a laudable objective, I told Democratic leaders at the time it was proposed that I didn't think they could hold the budget down to the amount set."

(See Story on Page 14)

Gov. Holmes Holds Jensen Decision

Salem — (U.P.) — Gov. Robert D. Holmes has completed his study of the case of James Norman Jensen, 28-year-old convicted murderer, but will not announce his decision in the matter until later, he said today.

He said he had been studying the case with his legal advisor, Orval Thompson. Gov. Holmes is the only man who can hold up the execution of Jensen which has been set for April 5.

Jensen, in death row at the state penitentiary, was convicted of the first degree murder of Mrs. Fern Hile at her Medford home in April, 1954.

He appealed to both the State Supreme Court and the U. S. Supreme court, but both appeals failed.

The governor's review was of special interest in light of legislation now before a Senate committee abolishing the death penalty. Gov. Holmes favored an end to capital punishment in his inaugural address.

Three Plead Innocent In District Court

An Ashland man and a Medford couple pleaded innocent in district court yesterday afternoon to charges of assault and battery in connection with a reported beating of Mrs. John Drager, 272 Orange st., Ashland, in Ashland Sunday.

Arrested Monday by Ashland police and sheriff's deputies was Guy Fred Witham, 62, of route 1, box 101, Ashland. Arrested Tuesday in connection with the case were Mr. and Mrs. Lorren Cecil Keck, of 2645 South Stage rd., Medford.

They were released on \$500 bond each. Trial date is scheduled to be set at 1:30 p. m. tomorrow. Harbison and Piazza law firm is representing the three.

Mrs. Drager was found Sunday evening on the sidewalk in front of Lithia hotel, where she claimed she had been "dumped out" of a car.

MEDFORD

United Press—Full Leased Wire
22 Pages MEDFORD, OREGON, WEDNESDAY, MARCH 27, 1957 No. 5

Domestic Crisis Faces Macmillan On Return Home

London — (U.P.) — A five-fold domestic crisis jeopardizing the life of the Conservative government awaited Prime Minister Harold Macmillan's return from Bermuda today.

The Socialist opposition, howling for a general election they believe would put them into power, was snapping at the government's heels on Cyprus, the Suez Canal, rent, H-bomb and strike issues.

Cabinet Meeting Called

Acting Prime Minister R. A. Butler called a cabinet meeting for Thursday to give Macmillan a full report. Informed sources said he would find that clashes of opinion within the cabinet have blown up during his week in Bermuda, particularly on how to handle the Cyprus situation.

The most pressing problem was the growing labor dispute. More than one million shipbuilding and engineering workers are on strike and up to three million will have walked off their jobs by April 6 if it is not settled by then.

Minister of Labor Ian MacLeod hoped to hear from the unions today whether they will halt their strike while a court of inquiry looks into the dispute over wage increases.

May Ask Confidence Vote

If the Conservatives lose a major issue in the House of Commons they might call for a vote of confidence. If they lost this they would have to call for new elections before their current term runs out in 1959.

Political experts agree that if a general election were held now the Socialists would oust the Conservatives.

Informed sources said elements in the Conservative party are demanding that Archbishop Makarios be brought to London for immediate negotiations on Cyprus. This is the opposition view, too.

Ike Sees Something Hidden by Stand

Washington — (U.P.) — President Eisenhower said today he shares what he called the common belief that if a man invokes the Fifth Amendment there is something he does not want to tell.

The refusal of teamsters boss Dave Beck to testify before the Senate Rackets Committee on grounds of possible self-incrimination was mentioned at Mr. Eisenhower's news conference.

The President remarked that in some cases a citizen has the definite right to take the Fifth Amendment. But he said he supposed he shares the common belief that if a man does invoke the amendment to avoid testimony, there is obviously something he does not want to tell.

Mr. Eisenhower also reiterated his belief that there should be federal legislation to assure union members of an exact accounting of how their funds are used.

Water Department Remodeling Near End

Remodeling is scheduled to be completed Friday in the city water department where new counters are being installed to accommodate more customers, according to Robert Lee, city water superintendent.

The work is being done by D. M. Blickenstaff, Medford contractor. Remodeling was started in the water department Monday.

Lee said the new arrangement will feature a new cashier's desk and improve efficiency in the department.

Reuther Purchases To Be Investigated

Washington — (U.P.) — The Senate Rackets Committee, ordered an investigation today to find out whether Walter P. Reuther and other high union officials bought personal goods with union funds.

Committee counsel Robert F. Kennedy said the committee has no evidence that Reuther, head of the United Auto Workers, used union money for his personal benefit.

The new investigation was ordered, however, after Nathan W. Shefferman, a Chicago labor relations consultant, testified about "a couple of transactions" for Reuther, done out of the Detroit office.

Shefferman said that when an unknown assailant wounded Reuther in his kitchen several years ago "The story got around that his life was saved by a left-hand door refrigerator that he got from our office."

(See stories on Page 7)

Israeli Settlement Said Syrian Target

By UNITED PRESS

Israel reported today that Syrian troops opened fire on an Israeli settlement at midnight and that marauders from the Gaza Strip ambushed an Israeli truck Tuesday, seriously wounding one civilian.

Egypt's semi-official news agency reported in Cairo that Saudi Arabia had moved troops to the outskirts of the Jordanian port of Aqaba, but a Jordanian military source denied the report in Amman.

Could Block Shipping

However, other sources said the Saudis had moved troops all along the Eastern shore of the Gulf of Aqaba in what could be the start of a new Arab move to blockade Israeli shipping in the narrow waterway.

The Arab moves sharply increased tension in the Middle East as UN Secretary General Dag Hammarskjold ended his Cairo mission and left for New York without solving the future of the Suez Canal or the UN Emergency force.

The West was silent pending a formal report from Hammarskjold on his mission, but in Bermuda a highly informed source said "Everybody accepts the fact that for better or worse Egyptians are going to operate the canal." The statement came after the Anglo-Canadian conference.

The Saudi military moves followed a recent announcement that the nation would take "all

Ashland Man Gets Certificate for Service on Boards

Guy T. Applewhite, Ashland, received a certificate of appreciation for 15 years of continuous service on Jackson County Selective Service boards yesterday.

The award was presented by Col. Francis W. Mason, deputy director of the Selective Service system for Oregon, at a ceremony in the federal building in Medford. The certificate was signed by the president of the United States.

Applewhite became affiliated with Jackson County local board No. 1 in October, 1940, when it was organized, and served as its chairman until 1947 when Selective Service became inactive and all local boards were closed.

In July, 1948, he went to work again for Selective Service when local board 17, serving all of Jackson county, was organized. He has served continuously on the board without pay, since then. Besides his work as local board chairman, he also acts as volunteer registrar for the Ashland area.

Applewhite is a veteran of World War I, and during his military service he received back injuries which caused him to wear a cast until 1947.

He has devoted a great deal of time to work with the County Welfare commission and has been active in American Legion work as well as civic and fraternal affairs. His son, Capt. Warren Applewhite, is now serving with the Army in Korea.

Hotel Room Thefts Reported to Police

About \$62 was stolen sometime Monday night from two rooms at the Medford hotel, 406 West Main st., Medford, according to city police. The thefts were reported by Harry Watson, hotel manager.

Victims of the theft were identified as Richard Van Kirk Dressler, of Seattle, residing in room 611, and William Possinger, of Portland, residing in room 627, officers reported.

Police said a billfold containing \$2 was taken from Dressler's room and \$80 was taken from a billfold in Possinger's room. Dressler's billfold was found in another part of the hotel later, according to William Edward Ashton, desk man, it was reported.

The rooms were entered by a master key or by the doors being left unlocked, police said. The theft occurred sometime between 10:30 p. m. Monday and 6:30 a. m. Tuesday, they said.

Portland — (U.P.) — Lew Cornelius, secretary of Teamsters union local 162, said he will report on the Harry Federspiel case to the local's regular meeting Tuesday.

Weather

FORECAST: Thickening cloudiness tonight and Thursday. Showers Thursday afternoon. Low tonight 38. High Thursday 63.

Highest Yesterday 64
Lowest this Morning 37

Our Skies Tonight

Sunrise 6:04 a. m.
Sunset 6:31 p. m.
Moonrise Thursday 4:25 a. m.
New Moon March 31

PROMINENT STARS

Aldebaran and the Pleiades, in the west at 8:18 p. m.
Between them is seen the planet Mars, which is now much dimmer than Aldebaran.

RECEIVES AWARD — Guy T. Applewhite, director of the Jackson County Selective Service board, was awarded a certificate of appreciation yesterday, at a ceremony in the federal building, for 15 years continuous service on the local board. He is shown above, third from left, receiving the award from Col. Francis W. Mason, deputy state director of the Oregon Selective Service system. Also pictured are, left to right, county judge Rodney Keating, commander in the Naval Reserve; Maj. Gen. Roy Rickard, Army, retired; G. E. Garrett and James R. W. Gregg, local board members.

Reductions Would Reduce Welfare, Security Needs

Congress Challenged To Decide Requirements

Washington — (U.P.) — President Eisenhower today vehemently attacked piecemeal budget cuts by Congress as fatuous and the most foolish kind of economy.

As for a specific recommendation by Sen. Harry F. Byrd (D-Va.) that the \$81.8 billion budget for fiscal 1958 be cut by \$5 billion, the President said he did not believe a cut of this size could be accommodated within the security and welfare requirements of the United States.

Congress Challenged

Byrd made that reduction proposal in a speech prepared for delivery in the Senate today.

In his most vigorous discussion of the budget to date, the President challenged Congress to decide for itself whether the American people wanted to cut down on payments to veterans, agricultural benefits and the construction of new schools. He said these are the only expenses that could be chopped down, because to reduce expenditures for defense, mutual aid and the Atomic Energy Commission would be to invite international trouble.

Mr. Eisenhower's news conference ran unusually long, 35 minutes, as he went to great length to support his budget against growing demands on Capitol Hill for sharp reductions.

Defends Foreign Aid

He said savings undoubtedly were possible but he was somewhat amazed to notice recently that a number of persons were becoming more economy minded than before.

He energetically rejected the idea of any major cuts in the defense or foreign aid programs. So the only places big cuts could be made would be such possibilities as the Post Office Department, now laboring under an undesirable deficit, fixed benefits for veterans, federal aid for school construction, and farm benefits.

He said he also wanted to point out that Congress has authorized many public works without proper preliminary surveys. He said he believed that Congress had done this obviously for political reasons.

Mr. Eisenhower said it was futile to talk about keeping up the U. S. position in the world and still to advocate severe budget cuts.

Dangerous to Nation

He added that some people become highly economy conscious without knowing what they are talking about.

When he was asked specifically about Byrd's recommendations for a \$5 billion cut, the President said he did not believe a cut of that size could be made without danger to the basic defense and security programs of this country.

The President said the House and Senate must look at basic programs which they themselves had voted.

Frequently raising his voice, the President said let some one older than he say it is not necessary to meet fixed obligations to veterans; let some one else say a healthy agriculture is not necessary; let some one else say that efforts to relieve the schoolroom shortage are not necessary.

Russia's Threats Said Indefensible

Washington — (U.P.) — President Eisenhower today branded as completely indefensible Russia's recent threats against Norway, Japan and other U. S. allies.

He told his news conference that all nations have the right to take whatever measures they believe to be necessary to protect themselves.

The President made the remark when asked what he thought of such recent Russian statements as Soviet Premier Nikolai Bulganin's warning to Norway that she would pay dearly if she allowed her territory to be used as a base against the Soviet Union.

Patton said he hopes more residents will take the trouble to return filled-in cards. A good return on the total number of replies is important if an accurate picture of opinion is to be obtained, he said.

Widespread Advertising Is Urged by Area Residents

Ashland — More widespread advertising of the Oregon Shakespearean Festival has been urged by hundreds of Medford residents interviewed in a public opinion survey being conducted by the Festival association.

Purpose of the survey is to obtain opinions and suggestions regarding the operation of the Festival from representative citizens. A similar survey is taking place in Ashland.

Festival Manager Bill Patton reported that returns from 2,000 questionnaire cards mailed to residents and merchants have been varied. Medford merchants have shown great interest in the Festival and have returned a high percentage of survey cards, but residents have expressed less interest.

Portland — (U.P.) — Lew Cornelius, secretary of Teamsters union local 162, said he will report on the Harry Federspiel case to the local's regular meeting Tuesday.