

# Kennedy Sees No Need To Hike Price of Gold

## Americans Flee in Face Of Lumumba Loyalists

Leopoldville, The Congo — A total of 164 Americans have fled to the safety of Ruanda-Urundi in the face of new persecutions by forces loyal to deposed Congolese Premier Patrice Lumumba, the United Nations announced today.

A U.N. spokesman said the Americans, all missionaries and their families, had crossed into the Belgian-administered trust territory from Oriental and Kivu provinces where pro-Lumumba forces are in control.

The American refugees are being gathered together at the Ruanda town of Managi, the spokesman said.

The spokesman said a convoy of Belgian refugees escorted by U.N. Ethiopian troops was turned back by the pro-Lumumba troops while trying to follow the Americans to safety and all vehicles were confiscated.

## Imbalance of Payments Said Cause of Concern

(Continued from page 1)

On the dollar gap involving the present imbalance of international payments, Kennedy said there was cause for concern, but not despair. Since 1958, he said, nearly \$5 billion had flowed overseas from U.S. gold reserves and the prospect for 1961 was another deficit in international payments of about \$2 billion.

He pointed out, however, that total American gold stocks available now amount to about \$22 billion "and I now pledge that their full strength stands behind the value of the dollar for use if needed."

The President said there was no need to increase the gold price from \$35 an ounce, to impose exchange controls or to fall back on restrictive trade policies.

**Won't Distort Value**

"This administration will not distort the value of the dollar in any fashion," he said. "That is a pledge. Prudence and good sense do require, however, that new steps be taken to ease the payments deficit and prevent any gold crisis."

To do this, he announced an immediate program to attract foreign investment and travel to the United States, to promote American exports at stable prices, and shrink loopholes in tax and custom laws that encourage undue private spending of dollars abroad.

Tied in with the dollar gap, the defense speed-up and the lagging economy were the federal budgets for this and the next fiscal year. Kennedy said fiscal 1961 was almost certain to show a deficit and former President Dwight D. Eisenhower's \$80.9 billion budget for fiscal 1962 could be balanced only if Congress enacted recommended revenue measures and the economy rebounded higher and sooner than Kennedy's economists expected.

Even in this fiscal squeeze, the President said a new administration had to build on spending and revenue estimates already submitted.

"Within that framework," he said, "barring the development of urgent national defense needs or a worsening economy, it is my current intention to advocate a program of expenditures which, including revenues from a simulation of the economy, will not of and by themselves unbalance the budget."

**Stern Outlook**

Seldom has a peacetime President presented such a stern national and international outlook as Kennedy did in his address delivered in what he called "an hour of national peril and national opportunity."

His passages on conditions at home amounted to an economic sick call.

"The present state of the economy is disturbing," he said. "We take office in the wake of seven months of recession, three and a half years of slack, seven years of diminished economic growth, and nine years of falling farm income."

He continued: "The most resourceful industrialized economy on earth ranks among the last in economic growth. Since last spring it has actually receded. Business investment is in a decline. Profits have fallen below predicted levels. Construction is off. A million unsold automobiles are in inventory. Fewer people are working — and the average work week has shrunk well below 40 hours. Yet, prices have continued to rise — so that now too many Americans have less to spend for items that cost them more to buy."

**Approach Unusual**

Kennedy's approach was unusual for a new President in that he accented gravity rather than a bright tomorrow. He frankly placed more stock in forecasts of continued slack economic conditions into 1962 than he did in hopeful prognoses.

He recommended action: quick action by Congress.

"We cannot afford to waste idle hours and empty plants while awaiting the end of a recession," he said. "We must show the world what a free economy can do."

After calling for unified American efforts to sharpen military, economic, political and diplomatic tools, the President said wishing, predicting and even asking for an easier 1961 would not make it so. He said strenuous effort would be the only answer.

"The hopes of all mankind rest upon us," he said.

**WHEAT PRESIDENT**

Portland — Floyd Root, a Wasco wheat rancher, has been elected president of Western Wheat Associates.



**READY FOR FLIGHT**—Barring unforeseen but not completely unexpected trouble, a Mercury spacecraft carrying a chimpanzee will be launched from Cape Canaveral Tuesday. One of the chimps especially trained for the Mercury Redstone 2 flight is shown in couch in which the monkey will ride during the 16-minute ballistic flight. The MR-2 flight is one of a series of launches scheduled by the National Aeronautics and Space Administration in its manned orbital flight program, Project Mercury. (NASA Photo by UPI Telephoto)

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## MEDFORD MAIL TRIBUNE

MEDFORD, OREGON, MONDAY, JANUARY 30, 1961

## Stocks Run Firm But Slightly Down During First Hour

New York — (UPI) — Stocks were running firm but slightly below their best levels in heavy first hour dealings today.

Rails failed to share much in the upside swing reflecting principally a further 3/4 point decline in C&O. Utilities showed small fractional improvement.

Steels moved ahead with

U. S. Steel and Youngstown up 3/4 and Bethlehem and Republic 3/4.

Chrysler picked up 3/4 and GM 1/4 in the autos where other issues were unchanged. Chemicals featured a jump of 1 1/2 in Union Carbide, 3/4 in Allied and 1/4 in Du Pont. Finance shares were strong with CIT and Commercial Credit up more than 3 apiece.

Aside from Lockheed, up 7/8, aircrafts were narrow. In the metals, Anaconda rose 3/8, Kennecott 1/4 and International Nickel 1/4.

**ATTENDS COURSE**

Second Lt. Thomas H. Denney, son of Mr. and Mrs. Thomas H. Denney, 1859 Fruitdale dr., Grant, was attending the 12-week field artillery officer orientation course at the Army's Artillery and Missile school, Ft. Sill, Okla. The course is scheduled to end Feb. 8.

Lieutenant Denney is a graduate of Grants Pass High school and Harvard college.

**NOW YOU KNOW**

United Press International The largest land animal is the African bull elephant, some of which stand up to 12 feet, 2 inches at the shoulder and exceed 7 tons in weight.

## TAX RETURNS

\$2.00 up

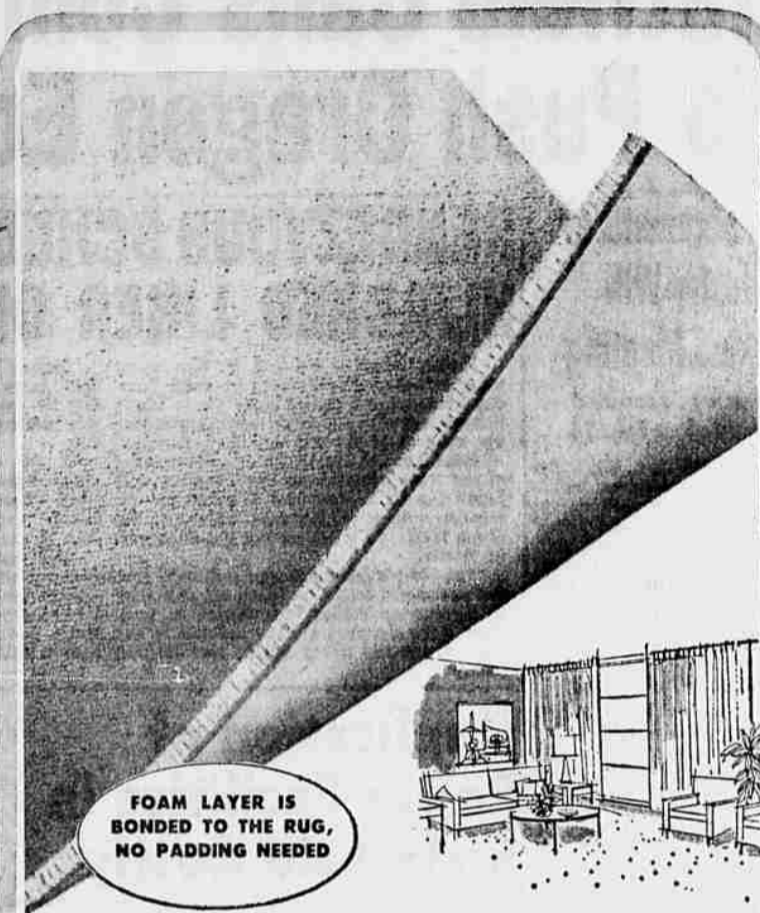
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