CONGRATULATIONS — Pat Boone gets a congratulation kiss from his wife, Shirley, and three daughters, Laury, 4; Debby, 5, and Cherry 8, following a successful opening night at the Sahara hotel in Las Vegas, Nev. (UPI)

Railroads Could Expand With New Farsighted Management

By JESSE BOGUE
UPI Financial Editor

New York (UPI) — Railroading is an expanding business?

Yes, says Wayne M. Hoffman, 39, executive vice president of the New York Central railroad; but it is a challenge to managements to make it so, and there have been and will be breaks with the past in the process.

"Our object is to grow," Hoffman said in an interview here. "We can do this.

"There's a changed concept at the Central and other well-run railroads. Chief executives are insisting on managers who are strictly discontented with ways of doing things that don't seem to work."

New Blood

At the Central, Hoffman said, Alfred E. Perlman has brought in a number of men who are "not strictly railroad people" because Perlman "sets a premium on drive and imagination."

"He believes railroading is a young man's job; a man has to be on the job all the time . . . he has said he likes to 'bring people in before they harden'."

Perlman became president of the New York Central in 1954. Hoffman was brought to the Central shortly thereafter, became vice president for sales and then executive vice president.

He has far-reaching ideas on the job of management. Its essence, he said, is to be able to foresee what is going to happen and to make the correct decisions in the light of what they know.

Driving Executive

Hoffman's performance at Central and the ideas he advances in the business of running a railroad are pretty good examples of the actions of a young man with drive and imagination.

Tall, Chicago-born Hoffman is a veteran of World War II and a post-war graduate of the University of Illinois and its law school. He worked in the legal department of the Illinois Central Railroad in Chicago before coming to New York Central.

"Running a property like the New York Central is not merely a matter of running the railroad, although that is the most important part of the job by far," he said. "We also have such things as real estate investments, hotels, coal properties.

"But railroading itself is an art which requires experience and training. Laying out a modern railroad operation is still the chief job.

Modern Methods

"There is a modern way of doing things—like the introduction of automatic equipment, automatic bookkeeping, order processing, traffic control. We spend $2 million a year in rental of ADP (automatic data processing equipment), in use in one of the most advanced systems for automatic control and operation. I can't say from my own knowledge that we are the best, but we certainly are not following anyone else in the use of ADP.

"You hear a lot of people comparing the job of running an airline and of running a railroad, particularly in passenger movement.

"But compared to railroading, running an airline is comparatively simple."

He talked briefly about the commuter operation in the New York City area, where the Central is an integral part of the job of bringing thousands of persons into and out of the city each day.

"We do everything an airline does in the people-carrying operation and do it many times a day," Hoffman said. "The very job of bringing trains in and out of Grand Central (the NYC main passenger terminal in New York City) is a miracle and a split-second timing operation, particularly during the rush commuter hours."

Hoffman turned to the proposed merger of the New York Central and the Pennsylvania railroads. This has the approval of directors and stockholders of both railroads, and hearings are scheduled to open next month before the Interstate Commerce Commission in Washington.

"The essence of the merger is the greater utilization of plant and facilities," Hoffman said. "The two railroads have had two plants operating in some areas side by side. It (the merger) will eliminate duplication of terminal facilities, for example."

Consult Employees

Before any changed operating plan would go into effect, he said, "we plan to consult with communities, with customers and with employees. The employees have every right to know, and we want them to know, what we are about."

The two railroads combined have reduced payrolls by 110,000 persons in the past 10 years, an average of 11,000 a year. In the merger, Hoffman said, about another 7,000 to 8,000 would be displaced, and "they would be protected by compensation and other means."

"We could make a strong case that the employees would be a lot better off with the merger, with a healthy, strong railroad, than with either going on the way it has."

From the employees' standpoint, he went on, "the easiest business to run is an expanding one. It is much more difficult when it is shrinking.

"Railroading is an expanding business. But it must be efficient."

Doctors Await Abortion Advice

Phoenix, Ariz. (UPI) — A team of surgeons are awaiting legal advice on a proposed abortion for a Phoenix woman whose expected child could be deformed by a harmful drug she had taken.

Arizona law makes abortion a felony, but permits such operations in cases where the mental or physical health of the mother is in danger.

A committee of doctors on the hospital staff where the operation would be performed recommended terminating the pregnancy on the basis of medical evidence.

The doctors' recommendation was based on medical evidence that a drug the woman had taken, thalidomide, can cause deformities of children. She took a tranquilizer containing the substance during the early weeks of her pregnancy — considered by medical authorities as the most dangerous time.

Portland (UPI) — Richard Benjamin Schwensen, 26, has been sentenced to die in circuit court here for the death of Jean Rosaria Bussey, 29, last Sept. 17.

Ex-Iranian Premier Apparently Made Enemies in Losing Battle

By United Press International

Dr. Ali Amini, who quit as Iranian premier this month with a blast at U.S. aid policies, apparently made too many enemies in his losing battle to wipe out corruption and inefficiency in Iran.

Amini's ambitious program, ranging from tax reforms to redistribution of land to peasants, drew bitter attacks from both right and left.

The ex-premier battled back. He fought the despotic landowners, the army, the outlawed Tuden (Communist party) and the left-wing nationalist followers of former Premier Mohammed Mossadegh.

He apparently even antagonized Shah Mohammed Reza Pahlevi himself.

At the same time Amini, a former ambassador to Washington who was considered pro-American, came under near constant fire of Moscow Radio because of his pro-Western policies.

"Dr. Amini never had a chance," one Iranian source said. "The only thing he could have done to set the country straight was to shoot everybody in power and then start with a clean slate."

See It as Game

There was some speculation, however, that Amini's dramatic resignation may have been part of a desperate game aiming for stronger support.

According to his line of thought he may have hoped that by creating a crisis he could convince the United States and the Shah that he was the only man capable of running the country and solving its problems.

On Thursday the Shah, in what some regarded as a temporizing move, appointed a close friend of Amini, 43-year-old Assadolah Alam, as premier-designate to succeed him.

Amini came into power in May, 1961, promising reforms to end monumental corruption and pledging support for the West. He was vigorous and quick of step, and his puckish grin gave confidence to many who had doubted anything could be done with the ancient kingdom.

Hits at U.S.

He resigned Wednesday complaining of broken health and lashing at the United States. He charged the United States had undermined his position by cutting down military aid to Iran, a country that has a common border with Russia for more than 1,000 miles.

At this point, it appears that Amini resigned because he found too many people against him and not enough with him. His term in office also undoubtedly taught him that the most drastic measures are needed to pull Iran out of its lethargy.

Amini took over from Dr. Sharif Emami, whose government fell because of blatant election frauds, with a massive reform program.

Amini put into effect a land redistribution plan, immediately alienating the rich land owners.

He had the Shah dissolve the Majlis (parliament) and this set off in full fury the nationalist elements which rally around the name of former Premier Mossadegh. The Tudeh party, working underground and from bases in Russia and Communist East Germany, joined the nationalists.

Demand Elections

They protested the suspension of the Majlis and Amini's failure to hold elections. The Western-educated lawyer and economist said no elections would be held until a new election law, which would make it impossible to cheat, was drafted. He held firm on this point.

His fall hurts the West. Iran is a key member of the Central Treaty Organization. Its ancient enemy — Russia — is poised on the other side of a long border, growing stronger by the month.

Government trouble in Iran means a general dislocation in the Western defense posture in the Middle East. Prolongation of the crisis in Iran would serve the purposes of the Soviet Union.

Only Small Part of Insurance Dollars In Common Stocks

New York (UPI) — Any one of the nearly 120 million Americans who had life insurance with legal reserve companies and who had any interest in the stock market may have pondered recently how much of his insurance dollar was also in the market.

The latest available breakdown, for 1961, shows that it was a small portion indeed.

Latest addition of the Life Insurance Fact Book, published here by the Institute of Life Insurance, said that life companies generally are precluded by law or by their investment practices from putting more than a small part of their funds into common stocks.

With assets of U.S. life insurance companies of $126,816,000,000 in 1961, the "small part" represented a preferred and common stock investment in that year totaling $6,258,000,000. In its recent stockholders' census, the New York Stock Exchange put the value of the 14.4 billion shares in the nation's publicly held corporations at $531 billion, or 85 times the insurance companies' investment.

The common and preferred stock investment of the life insurance companies represented 4.9 per cent of all life insurance assets, although at the end of 1961 the holdings were higher than for any previous year. More than $4.2 billion, or 67 per cent, of the 1961 total was in common stocks, and more than $2 billion, or 33 per cent, was in preferred stock.

During the year, life insurance companies acquired $918 million in stocks and sold $477 million worth. Almost two-thirds of the acquisitions were of common stocks, and about four-fifths of the stocks sold were common issues.

Nearly 48 per cent of the assets of the life insurance companies at the end of 1961 were in bonds of various types.

The remainder of the assets, besides stock, were divided as 34.9 per cent mortgages; 4.5 per cent policy loans, 4.5 per cent miscellaneous assets, 3.2 per cent in real estate.

Youngster Drowns In Lake Lytle

Rockaway (UPI) — Ten-year-old Jack Dale Dunn drowned in Lake Lytle here Tuesday afternoon and his 11-year-old brother, Dennis, narrowly escaped the same fate in a vain rescue attempt.

The Tillamook county sheriff's office said Jack fell off a dock into the lake. Dennis and Virgil Dunn, 15, found a raft and tried to go to the aid of their brother.

However, the sheriff's office said Dennis fell off the raft and was pulled to safety by an unidentified motorist. The motorist apparently did not realize that Jack also was in the lake.

Divers found Jack's body shortly afterward, but efforts to revive him failed.

WITNESSES — Richard E. Turner, right, Dallas, Texas, an investigator in the Dallas sub-office of the Agriculture Marketing Service, and Donald Campbell, left, an Agriculture Department attorney, are shown as they appeared before the House Government Operations subcommittee in Washington. The group is pushing further into the business dealings of Texas financier Billie Sol Estes, particularly his grain storage operations. (UPI)