

# BALANCED BUDGET IN '56 LINED

## In The Day's News

By FRANK JENKINS  
Something to think about:  
Air Force Secretary Quigley, in an address at Schenectady, New York this morning, says Russia is turning out scientists and engineers at a rate considerably higher than the United States.  
He adds:  
This fact presents a REAL challenge to us.

Why?  
Well, science is opening up a new world. One has only to read the newspapers and the magazines and listen to the newscasts to be acutely aware of that fact. Atom bombs, as instruments of destruction, and atomic power as an instrument of peaceful progress on a vast scale, are examples.  
Scientists and engineers are the pioneers of this fabulous new era.

If —  
In the critical decades to come — Russia produces more and BETTER scientists and engineers than we do, the challenge of Russia will be a REAL challenge to us.

What can we do about it?  
What we call the "younger generation" — the generation that is now entering our high schools and colleges — holds the answer. If enough of our young people become interested in science and engineering, we can meet the challenge.

If not —  
Well, in that event —  
We may FALL BEHIND.  
That's about the long and the short of it.

Getting closer home:  
The U. S. census bureau reports this morning that residents of Washington state pay the highest state taxes in the U. S. — an average of \$116 per capita.  
This figure draws the fire of Washington's Governor Langlie, who says it is misleading because it fails to reflect LOWER LOCAL LEVEL taxes paid by residents of his state.

Why is Washington's governor disturbed by the statement that the people of his state pay the highest state taxes in the country?  
The answer is quite simple.

Washington, along with all other states (especially our Western states) is striving for more INDUSTRIAL DEVELOPMENT in order to balance its economy.

Taxes are an important item in deciding where new industries will be located, because taxes ENTER INTO THE COST OF DOING BUSINESS and so must enter into the price at which the products of industry must be sold.  
A state whose taxes are TOO HIGH is severely handicapped in the competition for new industries.

## Mrs. Oralee Hall Taken By Death

Mrs. Oralee Hall, 50, wife of Dean Hall, died at the family home, 216 South Sixth Street, about 7 a. m. today.  
Death apparently followed a heart attack. She had suffered from a heart condition for some time.

She was a native Oregonian, born at Drury, Oregon, and had lived in Klamath Falls for much of her life. She was married in 1925 in Medford to Mr. Hall.

Mrs. Hall was a member of the Presbyterian Church.  
Surviving in addition to her widower is one daughter, Mrs. Brooks (Barbara) Warner, 1305 Elm Street, Klamath Falls, one grandchild and several brothers and sisters.

Funeral arrangements will be announced by O'Hair's Memorial Chapel.

## SWIM MEET IN KF LAKEVIEW

LAKEVIEW — Stanley Took, manager of the Lakeview swimming pool, announced today that he will take a swimming team to the invitational meet being held Sunday in Klamath Falls. Ten or 12 swimmers will make the trip.

## Sports Bulletin

CLEVELAND (AP) — Vic Wertz, hard-bitting Cleveland Indians first baseman and outfielder, has contracted infantile paralysis, Dr. Don Kelly, the baseball club's doctor said Friday.  
Wertz, 30, was taken to Lakeside Hospital before Thursday night's game with a fever. He had complained of a headache.  
Wertz, obtained by the Tribe from Baltimore last summer, was the hitting star for the Indians in the last World Series. His loss will be felt sorely by the Indians in the close American League pennant race.  
Wertz averaged .257 last season and now is batting .253 but has 14 home runs and is fourth among Indian sluggers in runs batted in, wty 35.

## California Bird Hunt Season Set

TULELAKE — Decision of a five-man board of the California Fish and Game Commission on another split season for 1955-1956 on migratory waterfowl for this Basin, brought angry protests today from local sportsmen.

The board, meeting August 25 in Los Angeles, set the dates for duck and goose hunting from October 15 - November 18 and from December 10 this year to January 15, 1956. Dates for the pheasant season in this area were set for November 19 - December 15.

Members of the five-man board are William J. Silva, Modesto, chairman; Andy Kelly, Los Angeles; Harley E. Knox, San Diego; Carl Wente, San Francisco, and Weldon Oxley, Redding.

O. E. Pedersen, Tulelake, president of the Northeastern California Conservation League, who has spearheaded a campaign for the last three years for a straight hunting season to conform with Oregon's migratory waterfowl season voiced bitterness of what he terms "discrimination by a few against many."

BLAME LAID  
Pedersen laid the blame for the "unfair decision" on the law enforcement branch of the state game commission, which he charged with "not wanting to burden law enforcement officials with the dual duties of keeping the hunters in line if the migratory waterfowl and pheasant seasons ran concurrently."

He also stated that he had been assured immediately before the board met in Los Angeles that recommendations of the Conservation League for a straight season for the Tulelake area would be given favorable consideration.

RECOMMENDATION  
The Conservation League recommended a straight season starting October 22 and continuing for 60 days to conform with the Oregon migratory waterfowl season. The proposed season dates would give sportsmen who come here from points in Southern California a chance "to get their money's worth," Pedersen pointed out. "Hunters could bag ducks, geese and pheasants on the same trip," he said.

He charged the board with hurting the economy of the Tulelake basin and other parts of the state which derive seasonal income from sportsmen.

QUESTIONED  
Pedersen today questioned that the board actually met on Thursday, since the San Francisco Examiner carried information on the dates set before the board met.

Waterfowl have left the Tulelake area before dates of the last half of the season, he said, which leaves only the first half of the season open for hunting.

FREE HUNT AREA  
Tulelake is the only large, free hunting area left in the state of California, Pedersen said. "Sportsmen who hunt on private game preserves are not affected by the board's decision. It is the fellow who can't afford private club fees but who wants to hunt, that takes a beating."

Hunting hours presumably will be the same as in past years, from one half hour before sunup to sunset, since the report from the board made no mention of any change in shooting time.

## Fire Subsides In Bly Forest

Fire fighters today are mopping up a blaze that covered over 2,300 acres of pine and fir timber in the Denning Creek area of Forest National Forest near Bly.

About 75 men contained the fire within control lines Thursday afternoon for the third time since it started Monday morning. This time they did not have to contend with the afternoon winds which had caused the flames to jump the lines repeatedly in the preceding days.

Only three spot fires were found over the lines Thursday afternoon, and these were quickly squelched. Spokesmen at the Bly District Ranger Station said that no further trouble was expected unless high winds occurred again. The fire has almost burned itself out in the middle, they said.  
Some eight water trucks and four tankers are on the scene now to wet down the area around the fringe of the fire. Several caterpillar-type tractors are standing by in case they are needed to work on additional control lines.

## 60,000 Give Up Fight In Morocco

CASABLANCA, French Morocco (AP) — Between 50,000 and 60,000 Herber tribesmen who sacked Moroccan towns and massacred Europeans last weekend began turning over their firearms Friday to French forces.

The first to surrender were members of the Zaian tribe who rode down from the Atlas Mountains into Khenifra, southeast of here, on Saturday.

At nearby Oued Zem, French forces were preparing for the surrender of another Berber tribe—the Smiala—who took part in the massacre of 80 Europeans in that mining town.

The surrender at Khenifra followed a giant cleanup operation by French Legionnaires, Senegalese and Moroccan troops organized after last weekend's bloody disorders. The rioting came on the second anniversary of the exile of Nationalist Sultan Mohammed Ben Youssef by the French.

French officials in Casablanca said other tribesmen would come down Oued Zem Friday for a formal surrender to Gen. Antoine Franchi, French military governor of the region.  
The most important are the white-robed Smiala who number over 20,000. They live in the region just south of Oued Zem, 90 miles southeast of Casablanca.

The Smiala are held largely responsible for the murder last Saturday of 80 French residents, many of them women and children. Officials said some 6,000 tribesmen fled into the hills to escape the French army. They have suffered heavy losses since their flight.

The most powerful chieftain of Morocco's Berbers, Thami el Glaoui, pasha of Marrakech, is a staunch friend of France and has urged the tribes on the side of Morocco's French administration. He made the French settlements a puzzle to the French. The reasons for the Berber attacks still are obscure.

John M. Jacobs, Phoenix, Ariz., said that if every U. S. farmer could see how tilling land and raising livestock is carried on by directives handed down by a centralized government, Secretary of Agriculture Benson "wouldn't have much to say."

His implication seemed to be that given an overdose of regimentation American farmers would favor junking federal controls.

The farm delegates who covered 10,000 miles in Russia, said Russia goes in for an expensive and inefficient method of setting fats and oils by producing heavy, fat-loaded hogs, now outmoded in this country.

They added that in Russia they never saw an ear of corn—used in America to produce good beef and other meat—outside of a research laboratory.  
The action was taken following serious discussion of the pros and cons of the idea, and was based on directors' attempts to do everything possible to recognize the

## Knowland Says 'Be Careful'

LOS ANGELES (AP) — Sen. William F. Knowland (R-Calif.) in a warning against "Russian spies," said last night the Russians have "merely changed their tactics."

A foreign policy speech before 650 members of the Greater Los Angeles Press Club and their guests, the Senate minority leader said some persons "because of the smiles of Krushchev and Bulganin," believe "there has been a basic change in Russian policy."  
"I wish I could believe that, but I cannot. There has been no change. They have merely changed their tactics—perhaps for the purpose of digesting the advances they have made in the past 10 years."

The senator said he feared an atmosphere of "belletr" has grown out of the summit conference.  
"But Knowland said there has 'not been a single instance' of the loosening of Soviet inspired tension "that was present prior to the Geneva conference."  
He cited as his proof:  
1. Failure to unify Germany.  
2. No agreement yet on a formula for control of nuclear warfare.  
3. No change in the Russian control of their satellites.  
4. No change in the use by the Communist government of subversive techniques to disrupt and overthrow free governments.  
Knowland warned against a "Far Eastern Munich" which would give Formosa to the Chinese Communist government.

## KF School Bid Awarded

Charles W. Kerr, Keno Road, was awarded the contract for building additions to the Roosevelt School building at a meeting of the board of school district No. 1 Thursday evening, according to Harold Ashley, clerk of the district.  
Kerr's bid of \$20,715 was low among the four bids entered. Other bidders were Burkard Construction Company, A. G. Silva, and Eldon All.  
The construction includes a multiple room and revision to locker rooms and will cover 1,024 square feet. Under the contract it is to be completed by January 1, 1956.  
Subcontractors include Chris Lobben, brick and masonry; Park Cabene, millwork; Kimball Glass, glass and glazing; B. Thomas, plastering; G. C. Motley, plumbing and heating; iron and steel and electrical, Henris Roofing, roofing, and L. P. Brockman, painting.  
Howard R. Perrin was architect for the job.

# Klamath Falls Herald and News

Price Five Cents—18 Pages KLAMATH FALLS, OREGON, FRIDAY, AUGUST 26, 1955 Telephone KIII No. 3170



KLAMATH COUNTY'S CONTRIBUTION to the Red Cross relief program in flood disaster areas in the northeastern states was signed by Otto Smith, Red Cross disaster chairman, (seated) and sent to Red Cross National. Because of the immediacy of the need, United Fund and Red Cross directors Thursday night voted to borrow the funds and repay them through an additional and separate item in the regular United Fund-Red Cross campaign. The loan was negotiated with Klamath Falls banks, represented by (from left) Lester Offield, assistant manager of U.S. National Bank; R. H. Tisdale, vice president and manager of the First National Bank and Franklin Michaelson, assistant cashier at First National's South Sixth Street branch.

## Farmer Hits Russ System

WASHINGTON (AP) — Back from a tour of Russian farm lands, several American agricultural experts Friday said Soviet farming, by directive fails far short of results achieved by the American way.

John M. Jacobs, Phoenix, Ariz., said that if every U. S. farmer could see how tilling land and raising livestock is carried on by directives handed down by a centralized government, Secretary of Agriculture Benson "wouldn't have much to say."

His implication seemed to be that given an overdose of regimentation American farmers would favor junking federal controls.  
The farm delegates who covered 10,000 miles in Russia, said Russia goes in for an expensive and inefficient method of setting fats and oils by producing heavy, fat-loaded hogs, now outmoded in this country.

They added that in Russia they never saw an ear of corn—used in America to produce good beef and other meat—outside of a research laboratory.

## Weather

FORECAST—Klamath Falls and vicinity: Fair through Saturday with variable high cloudiness. High Saturday 80; low Friday night 58.  
High yesterday 71  
Low last night 58  
Precip. last 24 hours 0  
Since Oct. 1, 1955 7.00  
Same period last year 15.12  
Normal for period 12.57

## Klamath County Will Give \$1800 To Flooded States

Klamath County went out on a limb Thursday night — an \$1800 loan — to help fellow Americans in the northeastern flood stricken areas.

Members of the joint boards of United Fund and Red Cross, and representatives of agencies served by United Fund voted in an open meeting at the First Presbyterian Church to borrow \$1800 and wire it directly for relief in the disaster areas where raging flood waters have taken 207 lives and caused at least \$1,500,000,000 damage.

The money has been borrowed from the U. S. National Bank, the First National Bank and its branch on South Sixth, and the United Fund-Red Cross joint campaign committee has undertaken the task of repaying the no interest loan through an additional request in the drive set for October.

The \$1800 sum will be in addition to the campaign goal of \$129,627, and in order to guarantee it, David S. Troy and Arthur Rickbell, co-chairmen of the advanced gifts division of the drive, will organize early to respond to the immediacy of the need.

## Dulles On KFLW

Radio Station KFLW will carry the speech by Secretary of State Dulles before the Council on Foreign Relations tonight at 8:30. Dulles will discuss problems in the Near East.

## Land Group Backs Water Users Pact

At a meeting held on Thursday afternoon at the office of the Klamath County agricultural agent in the federal building, the Klamath County Land Use Committee endorsed the draft of the contract between the department of the interior and Copco which was proposed by the Klamath County Water Users Association on August 17.

The Water Users draft was submitted in response to an invitation by Secretary McKay to all interested persons and organizations to offer comment and suggestions concerning the proposed draft of the contract that was made public by the Sacramento office of the reclamation bureau on August 5.

In a letter to Interior Secretary McKay, copies of which were sent to the Sacramento office of the bureau, the land use committee said: "The August 17th draft of a proposed contract submitted by the water users, which provides for protection of water rights for all irrigable lands, rather than protection for project lands only, and makes title to easements, rights of way, levees and flowage parcels and parcel of Klamath Lake dam ownership, are constructive additions to the original draft."

"Many smaller areas of land in the Basin lend themselves better to reclamation through private development rather than project development. Advantageous power rates will do much to insure ultimate development of all potentially irrigable lands."

"Completion of negotiations in respect to the contract drafted by the water users will commit all Basin waters to full beneficial use. A contract made on this basis will provide for full local development of Klamath Basin water and land resources."

The committee recommended negotiation of the Water Users proposed contract be completed as rapidly as possible.  
The membership of the Klamath County Land Use Committee includes farmers, livestock men, industrialists and business men.

## Benson Tells Potato Support

WASHINGTON (AP) — The Agriculture Department announced Friday it will make benefit payments for potatoes diverted from regular commercial channels because of prospects of a big crop this year.

Secretary of Agriculture Benson said a new conference the potato industry "is in difficulty" because a crop of 400 million bushels is indicated this year. "That is more than we normally consume," Benson said.

The surplus would be diverted to manufacture of starch, livestock feed and flour, Benson said. Benefit payments for potatoes so diverted would be 50 cents per 100 pounds up to Dec. 31 then drop to 40 cents until March 31, 1956, and afterward to 30 cents until June 30, 1956.

It probably will be Sept. 20 before the plan can be put into operation, he said, and the department will help out only in states or areas where the "industry develops and operates an approved plan." The diversion program, he added, "will be an industry responsibility."

## Northeast Awaits Edith

MIAMI, Fla. (AP) — Hurricane Edith, still carrying 80-mile winds, displayed eccentric behavior far out over the Atlantic Friday.  
The storm, fifth of the year and third this month has chug to the development stage for two days, a longer period than usual. All her hurricane force winds are on the northeast side, with only gales to the southwest.  
This slow development, said forecasters, apparently is going on about because Edith's heart is cold. An Air Force hurricane hunter plane dropped several instruments into the eye which radio the temperature, pressure and humidity.  
"The eye is not quite as warm as could be expected, and this seems to be an inhibiting factor in the storm's development," said Gordon Dunn, chief forecaster in the Weather Bureau's Storm Warning Service here.

## Soons Favor Possible Tax Reductions

WASHINGTON (AP) — Sens. Geo. D-Or.) and Millikin (R-Colo.) said Friday they will favor tax reduction next year if the Eisenhower administration approaches a balanced budget in the fiscal year ending next July 1.

Secretary of the Treasury Humphrey said Thursday that "barring some unforeseen developments, we think that we should and that we can balance the budget this (fiscal) year." But Humphrey said it was "entirely too early" for him to talk about tax cuts.

George, former chairman and a veteran member of the Senate Finance Committee, said in a telephone interview from his home at Vienna, Va., that he thinks it "entirely possible" the budget will be balanced.  
Millikin, also a former chairman and top Republican member of the committee, said that he will favor "tax cuts when the budget is within 'approximate' balance."

INCOME TAXES  
George said any tax cuts should be limited to individual income levies, possibly attained through an increase in personal tax exemptions and some adjustment in rates.

George said he personally believes Congress also ought to consider reducing some excise taxes where the rates on individual items are what he called "unusually high."

He said that budget balancing may be possible because there already has been a great reduction in foreign aid spending "and further cuts can be made."  
Millikin said he didn't want to specify now what kind of tax cuts would be possible.

While Humphrey is talking hopefully of a balanced budget, the government's public calculations do not go that far.  
The official summer budget revision by the Treasury Department stopped \$1,700,000,000 short of Humphrey's optimism about the budget outlook. The Treasury still predicted a deficit of that amount by the end of fiscal year 1956, next June 30.

FORECAST BUDGET  
That was 700 million dollars lower than the figure President Eisenhower forecast in his budget message to Congress last January. The cut was based on the following revised estimates:

1. Spending will total \$68,000,000,000 this fiscal year—\$1,400,000,000 more than the January estimate, but 700 million less than spending of \$41 billion in fiscal 1955, ended June 30.

2. But the government's income will be swelled enough by the rapid economic expansion now in progress to more than offset the rise in the spending estimate. Receipts for the current fiscal year are now estimated at \$62,100,000,000—\$2,100,000,000 above the estimate made last January, and \$1,400,000,000 higher than the fiscal year total of \$60,700,000,000.

3. The budget deficit is now estimated at \$1,700,000,000 for the fiscal year, instead of the \$2,400,000,000 forecast in January. The deficit for fiscal 1955 was \$4,200,000,000.

NEW DEFICIT  
The new deficit would be the lowest in five years, and would be only 3 per cent of total spending.  
Even so, there was every indication that the \$1,700,000,000 red ink forecast was little more than official caution. The budget review text said it was possible that "a balanced budget will be brought into sight as the year unfolds."

And Humphrey, obviously enjoying what he was saying, read the following estimate, made jointly with Budget Director Rowland R. Hughes, to newsmen:  
"If there is ever a time when our budget should be balanced, it is now."

Americans are enjoying new peaks of prosperity... but this simply emphasizes the need for wisdom and restraint, in both public and private affairs.  
"Everybody knows that no family can continually live largely beyond its means. It is worse for government to do so. History shows how countries have been deflated by rapidly rising costs, finally resulting in destruction of all values...  
"Barring some unforeseen development, we think that we should, and that we can, balance the budget this year."

## Car Shortage Closes Mills

MEDFORD (AP) — A sawmill at Prospect and one at White City were closed Friday and three associated firms began shutting down, too, because of lack of buyers.  
Bill Burt, manager of the Ross Lumber Co. interests with which all five firms are allied, said that out of a quota of 36 cars, only 6 were received the first three days of this week.  
He said the closures would put about 350 persons out of work at the Ross Lumber Co., the Ross Lumber Co., the Ross Lumber Co., the Crater Wholesale Co., and the Olson-Ross Lumber Co.

First of the closures was at Prospect Thursday when the mill didn't start up. Then Friday the mill at White City didn't open. By the end of Friday the shutdown in allied plants would be complete, Burt said.  
The Prospect mill's lumber is trucked to White City for the southern Pacific rail connection.

## ANNUAL WEED PICNIC

WEED—The annual Community Presbyterian Church family picnic will be held Sunday at the Mall playground. The picnic will start at 11 a. m. following the regular Sunday School hour. Friends are welcome to attend the potluck. Dinner and beverages will be furnished. Serving time is set for 12:30 noon.



COUNCILMAN LAWRENCE SLATER was the first to buy a forget-me-not from the Ladies of the Dewey Powell Post, Unit 12, of the Disabled American Veterans. The forget-me-nots, for the benefit of disabled veterans, will be sold by members on the downtown streets Friday and Saturday. From the left, are Mary DeLap, senior commander; Kathleen Scarbrough, past commander; Slater, Irene Potest, commander; and Emma Wirth, past commander.

CLYDE HAMSTREET, son of Mr. and Mrs. Marvin Hamstreet, 2124 Eberlein Avenue, appeared at the chamber of commerce office early this morning to purchase a season ticket for the high school football games.