

NICARAGUA LEADER WOUNDED

The Day's News

By FRANK JENKINS

During the week just past, the White House announced four specific actions by the government's home financing agencies which are designed, the announcement indicated, to stimulate the low-cost housing field.

The federal housing administration cut from seven to five per cent the minimum down payment on houses appraised at \$9,000 or less. At seven per cent, the minimum down payment on a new house costing \$9,000 or less has been \$630. At five per cent the down payment will be \$450. That is, the minimum down payment has been lowered by \$180.

The federal home loan bank board boosted from 10 to 12 1/2 per cent of their share capital the limitation on borrowing of member institutions. That means that if the savings and loan institutions FEEL IT IS SAFE they can loan a little more money for building new houses.

The federal national mortgage association, in effect, raised the price it will pay for mortgages by one per cent. It did this by decreasing the discount at which it has been buying mortgages. The result of that is to increase the interest rate — which, presumably, will bring more mortgage money into the market.

The FNMA also agreed to issue advance commitments to buy home mortgages at prices more favorable to the seller.

Why was this done?

Let's be brutally frank about it. Home construction has been slipping off in recent months. This reduction in home building has been affecting unfavorably the market for building materials, home furnishings, etc. There is strong pressure to make more credit available, so that more new houses will be built.

This is an election year. In election years it is highly desirable to the administration in power to keep business booming.

Should it have been done?

That is a debatable question. Home ownership on the part of our people is undoubtedly desirable. American families should be encouraged to build all the new houses they can pay for — and for the payment record has been good. On the other hand, if more homes are built than are needed, or can and will be paid for, the resulting situation will be bad.

But —

While new home construction since the end of the war has bordered on the fabulous the demand for new homes is amazing. There are indications that this demand will continue for some time to come. The census bureau, for example, estimates that between 1955 and 1975 TWENTY MILLION new households may be added in the United States due to the present rapid rate of increase in our population.

That would require a lot more houses.

Now for the \$64,000 question.

What has been done wrong?

Let's be realistic.

There is a lot of talk about "tight" money. That suggests a realistic question:

Why is money tight?

This seems to be the answer. The demand for new money — to build new houses, to build new factories, to purchase new mechanical equipment, to build new highways, etc. — is INCREASING FASTER THAN SAVINGS.

This fact is fundamental. Before a HARD dollar can be loaned, a dollar must be saved by somebody.

So —

If more money is to be available for investment more money must be saved by the people. That is the only sound way in which money for investment can be provided. At this point, the realistic-minded people of Oregon deserve a pat on the back. In August of this year they bought more E and H government bonds than in any August since the 1945 war days. That is a good sign.

Man Perishes In Auto Crash

Elmer Harris of Willow Ranch, California was killed in an automobile accident Saturday when his car went out of control on the road between New Pine Creek and Willow Ranch, California. Harris was on his way home from New Pine Creek at the time of the accident.

Harris is survived by his mother, Mrs. Bertha Harris, of Willow Ranch; his wife, Kathleen; three brothers, Riley and Timothy; two brothers, Leland of Willow Ranch and Gordon, of Fossil Oregon; three sisters, Mrs. Barbara Smith, Mrs. Norma Nielson and Mrs. Elizabeth Madison.

Final rites will be held Monday at 2 p.m. at the New Pine Creek Baptist church with Eugene Barrows officiating. Interment will take place in Willow Ranch.

Veep Hopeful Levels 'Big Business' Tag

By JOHN CHADWICK

YAKIMA, Wash. (U) — Sen. Estes Kefauver said Saturday that while President Eisenhower is a good and honest man, he has been running "a big business, big money kind of government."

The Democratic vice presidential candidate, making a 15-state campaign swing, specified 25 ways in which he contended Eisenhower and his administration "have been working against the interests of the little people of the nation."

He did this in a speech prepared for a rally here after he said at a news conference at Walla Walla, center of a major wheat belt, that Eisenhower apparently fears to discuss farm problems face to face with farmers.

Kefauver's speech was designed as an answer to Vice President Nixon's demand that he apologize for saying Eisenhower works just

as hard against the interest of the little people as do those around him in his administration.

APOLOGY REJECTED

Kefauver, who promptly rejected the request for an apology, said he was glad to detail for Nixon just how "the acts of this administration have been detrimental to the welfare of the small business, working and farming people."

Then he went on to give his 25 examples. They ranged from what he called Eisenhower's broken promises to farmers and laborers to what he described as the giving away of the oil-rich tidelands "to pay off a campaign debt."

At his news conference in Walla Walla, Kefauver said he had noticed that Eisenhower, after going all the way to Newton, Iowa, for the National Plowing Contest, had not discussed farm problems.

He called this "remarkable" and said it would seem that Eisenhower, in view of "the poor farm record of the Eisenhower-Benson-Nixon administration," feels "safe in discussing farm problems only when there are millions of air waves between him and the farmers."

Eisenhower spoke only briefly at Newton and said he would reserve discussion of specific agricultural problems until he makes another speech in Peoria next week.

PARTY RALLY

In his speech for the party rally at Yakima, Kefauver said:

"The picture is clear for all to see. The Eisenhower-Nixon Republican Old Guard administration had forgotten its promises of 1952; they have forgotten the people to whom they made those promises."

In the 25 examples he gave, Kefauver said Eisenhower had promised farmers 90 to 100 per cent of parity and then, after election, had put into effect a system of sliding scale farm price supports.

He charged that "the Eisenhower-Benson program has liquidated 400,000 family sized farms."

He declared small business profits have gone down 50 per cent and the rate of failures up 20 per cent under the Eisenhower administration.

He said as another example that "100 of the largest corporations get 65 per cent of the value of all defense contracts."

Continuing, Kefauver said the administration has fought a bill to strengthen the anti-price discrimination law, another bill to raise the minimum wages from 75 to a dollar an hour and another measure for the proposed Hells Canyon Dam on the Snake River.

Another example he gave was what he called the administration's "phony" partnership program and he said still another was that the rural electric cooperatives have had their power supplies threatened by the administration policies.

Plywood Mill Cuts Shift

OLYMPIA (U) — A drop in plywood prices is curtailing operations of three plywood plants here, the Daily Olympian reported Friday.

The Hardsel Mutual Plywood Corp. plans to lay off non-union employees, the paper said, and the St. Paul and Tacoma Co. plant will go on a four day week starting Monday.

Lacey Plywood Co. already has cut its monthly production by 500,000 board feet.

The newspaper quoted officials of the Georgia-Pacific Corp., which Thursday announced a price cut on one grade of plywood, as saying the company has enough low-cost, high-grade peeler logs to maintain normal operations.

At nearby Shelton and McLeary, the Simpson Logging Co. has been running mostly four days a week for the past month. The company is limiting production to match orders.

French Join Suez Canal Association

LONDON (U) — The French government agreed Saturday to join the Suez Canal Users' Assn. (SCUA), but with the reservation and protests that it lacks teeth.

The French Cabinet, in a communique, said it was joining what it called "The club" in order to preserve British-French unity and that it was reserving "liberty of action" to attain international control of the Suez Canal.

RESERVATIONS

French Premier Guy Mollet told newsmen in Paris that Britain had reservations about SCUA "the same as ours" and that "the British will and the French will have not varied since the month of July."

Mollet referred to his promise to the National Assembly to use "every means" to defeat what he called Egyptian President Nasser's act of force in nationalizing the canal on July 26.

In London, however, British Foreign Minister Selwyn Lloyd officially went along with the tempered version of the users' association, and in invitations to 17 other nations set Oct. 1 as the date for a third London Suez conference to put the agency to work. Amid signs that Nasser's Arab neighbors were putting pressure on him to compromise with the West, the Egyptian president flew to Saudi Arabia for a three-power Arab summit meeting with Syrian President Shukri Kuwailat and the Saudi Arabian King Saud at Riyadh.

ARABS ALARMED

Some of the Arab states were reported alarmed that a shutdown of the canal or a long-drawn economic struggle with the West might hurt their oil revenues.

Some informants in Cairo hinted that SCUA came close to Nasser's own ideas, and there was intense interest in the forthcoming visit here of India's roving ambassador, V. K. Krishna Menon.

Menon, ending a week of soft-spoken diplomacy in Cairo, declared Saturday he was "optimistic" after his talks with Nasser on the Suez crisis.

Weather

FORECAST—Klamath Falls and vicinity: Fair Sunday and Monday. A few clouds north portion. Little change in temperature. High both days 66 to 76. Low Sunday night 35-45 with 30 in a few high valleys.

High yesterday 63
Low last night 32

Pastor Accepts Apology In 'Wife-Stealing' Complaint

ROSEBURG (U) — An apology from his accuser was displayed Saturday by a Yoncalla pastor arrested in his pulpit a week ago on a charge of break-and-enter.

The Rev. Orin Douglas Channer, pastor of the Assembly of God church in Yoncalla, said he had a notarized statement signed by John Tubbs, who had filed the complaint against Channer.

A state policeman arrested the pastor last Sunday in the middle of a sermon, after Justice of the Peace Clarence Leonard had signed the warrant. The sermon was completed by a church elder.

Tubbs' statement, witnessed by Elva Bragg, Yoncalla notary public, said in part: "I deeply apologize for Rev. Channer's being falsely jailed." The pastor is free on bail.

Tubbs had accused the minister of breaking into his home last Sunday and taking away Tubbs' wife, whose church work had led to protests from the husband. The statement obtained by the pastor said:

"John Edward Tubbs, do

hereby publicly apologize for falsely accusing Rev. Channer of breaking and entering my home. I was distraught over my wife and two sons leaving me, and when Rev. Channer came Sunday (after my wife had left on the Friday before), I was very upset, and admit now that this story is false. I have hurt this man very deeply and hope that he and all those connected will forgive me."

Tubbs has been sued for divorce by his wife, Virginia, and he has filed an answer in circuit court. The wife's suit accused Tubbs of cruelty and of once making her promise not to attend church.

Tubbs' countersuit asserted that since she joined a "fanatic and despotic religious cult" 21 months ago she "has failed to conduct herself as a wife and be a proper mother."

Channer said that Tubbs came to his church Thursday night and asked to be forgiven, saying that his conscience had "haunted him." The pastor said he would turn the notarized statement over to the district attorney.

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A ROUSING WELCOME was given Senator Estes Kefauver, (center) Democratic vice presidential candidate, when he arrived at Klamath Falls Municipal Airport Friday. Five hundred persons turned out for a one-hour rally during which the Tennessee blasted the Eisenhower Administration and plugged for the reelection of Oregon Senator Wayne L. Morse. Kefauver is shown with Klamath County Sheriff James Murray Britton (left) and State Senator Harry Boivin. Boivin and Britton are seeking reelection.

Police Break Stadium Riot

PORTLAND (U) — Brawling among teen-agers leaving a high school football jamboree Friday night resulted in injuries to two policemen and the arrest of three boys and three girls.

Two boys started fighting as a crowd of 20,000 filed out of Multnomah Stadium where eight high schools had participated in the city's annual football opener. The sister of one of the boys bit and kicked Sgt. Jay Williams as police moved in.

Williams tried to handcuff the girl while another girl swung a pop bottle. Williams dodged, and Patrolman Donald Gritzmacher was hit on the side of the head.

After the crowd dispersed, police broke up several other fights among juveniles in the downtown area.

J. W. Edwards, superintendent of schools in Portland, said today that school district investigators would report to him Monday on the incidents.

"We have a little trouble each year, but it seems to come after the jamborees and not on the field," he said.

There was a near-riot of high school students at Hermiston, Ore., after a football game between Hermiston and Richland, Wash. A post-game dance was cut short after some of the students ignored a ban against smoking and rock 'n' roll dancing.

Later a mob of 100 crowded around the Hermiston jail protesting the arrest of two Richland students. Police Chief William Silvey said the mob was broken up after about a half-hour.

Police arrested three more Richland youths on charges of creating a disturbance.

At nearby Shelton and McLeary, the Simpson Logging Co. has been running mostly four days a week for the past month. The company is limiting production to match orders.



JAYCEE BIGWIGS were gathered Saturday at the Willard Hotel for their annual fall board meeting. The three-day conference, which brought Junior Chamber of Commerce officials from all parts of Oregon to Klamath Falls, ends today. Shown above (left to right) Jerry Slusser, meeting chairman; Ike Congleton, state past president; Don Hagedorn, national director; Leo Morstad, Klamath Falls Jaycee leader; Don James, District 6 vice president; and Max Snyder, District 1 vice president.

Assassination Try Fails; Culprit Dead

MANUAGUA, Nicaragua. (U) — President Anastasio Somoza was shot three times Friday night by an unknown assailant in the city of Leon. The president's arm, leg and several ribs were fractured by bullets.

The 60-year-old president was taken to a hospital immediately. His condition was reported as not serious.

The Nicaraguan embassy in Washington reported that a medical team of U. S. Army and civilian personnel from the Panama Canal Zone had reached Managua.

The embassy said Somoza's condition was found to be as good as could be expected and the U. S. medical team decided to await the arrival later of three top specialists from the United States. The three, sent on orders of President Eisenhower, included Maj. Gen. Leonard Heaton, commanding officer of the Army's Walter Reed Hospital.

The government declared a state of siege — a modified form of martial law.

DURING RECEPTION

Somoza had gone to Leon, 45 miles northwest of the capital, to be proclaimed candidate for reelection by the Liberal Party. The presidential election is to be held in November.

After the nomination ceremony, he attended a reception at a workers' center. There, while he was watching dancers, the gunman approached and fired six shots at him with a .45 revolver. Three bullets struck the president.

Mrs. Somoza was with the president at the time of the shooting and is remaining at his side at the hospital.

Reports from Guatemala identified Somoza's assailant as Rigoberto Lopez Perez, a Nicaraguan, and said he was killed on the spot by the crowd at the reception.

Nicaraguan embassies in other Latin American capitals said the country was calm and there was no indication of attempt at revolution in Nicaragua.

Managua was cut off from communication with the outside world, apparently by orders stemming from the state of siege.

Airline passengers arriving in Guatemala said their plane was not permitted to unload or load passengers when it landed at Managua Saturday morning. The passengers said troops surrounded the plane while it was being refueled.

DETAILS RECEIVED

Details of the shooting were received in Washington from Managua by Ambassador Guillermo Sevilla-Sacasa.

Somoza first served as president from 1936 to 1947. Thereafter, as commander of the army, he ruled through President Roman Reyes, his uncle, until 1950.

Ike To Have Physical Test

WASHINGTON (U) — President Eisenhower is expected to have a general pre-election physical checkup about mid-October, press secretary James C. Hagerty said Saturday.

The President has said previously he would undergo such an examination and that the results would be made public.

Hagerty, in response to a question, said he expected the examination would be made in Washington.

The President is "feeling fine and looking fine," Hagerty added. This was his answer to a question about how the President feels a year after he suffered a heart attack. The attack occurred last Sept. 24—a year ago next Monday.

He said the President is back on a full work schedule and gets a swim almost daily.

Color War Slows Down

By THE ASSOCIATED PRESS
The school segregation-integration tug of war showed signs Saturday of settling down — at least temporarily — to legal and legislative maneuvering.

Gone for the time being were mob action and violence which brought out the militia in Tennessee and Kentucky and the Rangers in Texas. In their place were new, less-enacted Virginia laws to enforce segregation, litigation against the National Assn. for the Advancement of Colored People in Texas and school board orders against integration in Kentucky.

Quiet reigned in San Francisco, Calif., and Ashbury Park, N.J., scenes of brawling conflicts between white and Negro youths in states with no racial segregation.

In San Francisco, where 10 youths were cut, stabbed or beaten in a rash of fights at a high school football pageant Friday, a strategy conference was called on juvenile delinquency. City officials will attempt this week to find some of the answers to ill feeling that erupted in violence and landed three Negro teen-agers in jail.

On the president's death in that year Somoza assumed office and later was elected for a six-year term.

Somoza was educated in the United States. He was graduated from the Pearce Institute in Philadelphia in accounting and business administration.

Sevilla-Sacasa said that while most of the large crowd at the reception was dancing, Somoza was seated in a chair at one side of the ballroom.

Suddenly, Sevilla-Sacasa said, the president was approached by a man who fired the shots.

The ambassador said the crowd turned on the assassin and beat him to death.

Sevilla-Sacasa said the reason for the shooting had not been determined.

Vandenberg Seeks High Court Post

By LYLE DOWNING
Circuit Judge David R. Vandenberg of Klamath Falls announced in Portland Saturday that he will be a write-in candidate for the Oregon Supreme Court in the November election.

Judge Vandenberg has presided in the 13th judicial district here since 1941.



JUDGE VANDENBERG

In the race for the high court post he will oppose Supreme Court Justice William M. McAllister, former speaker of the state house of representatives.

McAllister was named by Governor Elmo Smith to fill the unexpired term of the late Justice Earl C. Latourette. Justice Latourette died last August. The term expires January 1.

Several weeks ago, Justice McAllister announced his candidacy to succeed himself for a full six-year term. He also will be a write-in candidate as he failed to file in time to have his name placed on the November ballot.

Judge Vandenberg, 57, has been a resident of Klamath Falls since 1924. Following his admission to the bar after graduation from Northwestern Law School, he was named a deputy district attorney here.

After a brief period as a prosecutor Judge Vandenberg entered private practice. Until he was elected circuit judge 15 years ago, Vandenberg was recognized as one of the state's leading defense lawyers.

When he made his announcement at the Multnomah County Courthouse in Portland where he has been presiding for the past week, Judge Vandenberg said many friends had urged him to become a write-in candidate for supreme court justice.

"Because of my experience," he added, "both as a lawyer and a judge, I believe that I am qualified to serve the people of Oregon as a member of its highest court."

Judge Vandenberg was born in Chicago, Illinois. When he was a small boy his family moved to Panama where his father was a railroadman. A year later they migrated to Oregon.

Before attending Northwestern Law School, Judge Vandenberg was a student at Portland University and the University of Oregon. His son, David Raymond Vandenberg Jr., was admitted to the bar last week. Judge and Mrs. Vandenberg reside at 237 Washington Street.

Bavarians Open Beer Festival

MUNICH, Germany (U) — Bavaria started a 16-day beer-drinking binge at noon Saturday. As a 12-gun salute boomed over the city, they rolled out the beer barrels to open and start the traditional welcome to the harvest season. Before the celebration is over, thousands of barrels will be drained.

Five million visitors are expected to pour in and out of the Bavarian capital to drink beer, dance, drink beer, eat bratwurst and drink beer.