

In The
Day's News

By FRANK JENKINS

Speaking at a GOP rally in Phoenix Arizona last night, Vice-President Nixon made this flat statement:

"There is nothing wrong with the U.S. economy that a good dose of CONFIDENCE won't cure."

Right you are, sir.

And what you say of the country as a whole GOES DOUBLE for the Far West. The 11 Western states are growing twice as fast as the rest of the nation. Within the next quarter of a century they are expected to have 40 million people. Forty million people will provide a market that will justify HUGE industrial growth.

Here in the Far West, we look forward to the future with complete confidence.

Speaking of the Far West, Andrew Downey Orrick, acting chairman of the Securities and Exchange Commission and one of the country's leading financial experts, calls San Francisco the second most important financial community in the nation.

He adds: "California's terrific growth has pushed San Francisco to a spot second only to New York in financial importance."

A suggestion:

Get out your map. Draw a 400-mile circle around New York City. Within that circle lies the most heavily industrialized area of the United States. Then draw a similar circle around San Francisco Bay.

That will give you an idea of the future that lies ahead of Southern Oregon and Far Northern California when they get ADEQUATE MARKETS for their products—both industrial and agricultural.

Adequate markets for our products will be provided by the population that is clustering around San Francisco Bay. This congested population will be within EASY REACH of the Southern Oregon-Far Northern California area.

Signs of confidence:

The Bank of America, as you have read in this space, has been planning a new office building on Market Street near Van Ness. Looking at the future, the bank's officials have decided to DOUBLE the size of the building. It will be eight stories high to start with, and will be so designed that additional stories can be added as needed.

When completed, more than 1,000 employees will work in it.

International Hotel Magnate Conrad Hilton has purchased two blocks in downtown San Francisco as a site for a 20 million dollar hotel.

Hilton says he will build a 1000-room luxury hotel with a 500-car garage and perhaps a big civic auditorium.

Evidently he has no fears as to the future of the West.

Weather

FORECAST—Klamath Falls and vicinity: Cloudy with rain. High Sunday 39-45.
High Saturday 52
Low at midnight 41

CRATER LAKE
High Friday night 34
Low Friday night 23
8 a.m. Saturday 32
Friday night snow 10
Snow depth Saturday 171
Same date last year 62
Highway 62 is open through the park with chains advised. Chains are required from Annie Springs to park headquarters and the road was closed on Saturday from headquarters to the rim for the third successive day. It was not expected to be reopened for Sunday travel. It was still snowing on Saturday morning and skiing is poor.

WARNER CANYON
Fremont Highlanders said that skiing would be good on Sunday despite the slight rise in temperatures. There was some snow during the early morning hours on Saturday at Lakeview.

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Ike Writes Nikolai About Summit Talks

WASHINGTON, Feb. 16 (AP)—President Eisenhower has written a new letter to Soviet Premier Bulganin which is designed to try to pin Bulganin down to brass-tacks talk about arranging a summit conference.

The letter has been cleared with this country's North Atlantic Treaty Allies, informants said Saturday. It will be delivered in Moscow early next week, probably Monday.

Information about it became known here as State Department officials studied evidence that the Soviets are whipping up a worldwide diplomatic offensive in support of their drive for a summit conference. This involves Far Eastern as well as European moves and could lead to some new Russian bid to include Red China in a summit conference.

However, authorities here say that if the Soviets are really serious about setting up East-West talks they will not press the Red China issue, since the United States does not recognize the Chinese Communist regime.

What is more puzzling to administration leaders at the moment is the question of whether the Russians really do want a summit conference—or whether they simply want to go on making propaganda about it.

Party Heads Start Work On Tax Cut

WASHINGTON, Feb. 16 (AP)—The Eisenhower administration and Democratic house leaders both are reported working quietly and separately on tax reductions plans to use if business continues to slump.

Each side wants to be ready to move quickly when and if necessary.

The Democrats are reported putting together a package plan of tax cuts totaling more than five billion dollars and cutting across the economy in both general and selective areas.

Administration officials were disclosed Saturday to have been calling in private experts and conferring among themselves in an effort to work out tax reduction formulas to meet any of a number of conditions of unemployment and declining production.

Informed government sources said the Treasury, the President's Council of Economic Advisers and other agencies were studying "preparedness" plans, but denied any expectation of using them.

An administration official said: "We're not trying to draft a ready-made 'tax package.' Things haven't gone far enough to know what we would need or whether we will need anything at all."

"We're talking to a lot of people, inside and outside the government, to find out what might be done under a variety of circumstances."

The administration will be especially wary, this source added, of initiating a tax cut just as the economy might be turning upward toward recovery, thereby pouring inflationary gasoline on the fire.

In final form, the Democratic package is expected to contain proposals for whole or partial elimination of the World War II transportation tax, a tax cut for individuals in the low and middle income brackets, tax relief for business, and possible tax law revisions to wipe out some unintended hardships.

Orders for preparation of the standby tax legislation have gone out from House Speaker Rayburn of Texas. In response to his directive, several alternative proposals are being prepared by the staff of the House Ways and Means Committee for consideration by Democratic policymakers.

The final form of the Democratic tax package has not crystallized, and Democrats say it will be March or April before they know where they stand. They say their decision will be influenced by economic developments in the meantime, the course of unemployment, and the Treasury's mid-April revenue estimates.

No exact revenue figures have been applied to the Democratic tax program. Leaders, however, have been talking in terms of five to ten billion dollars if tax cuts become necessary to stabilize the economy.

OUT THE WINDOW
WEED—Hayes Royal, of 31½ Tent Street, is a poorer but wiser man today. Royal had a nest egg of some \$6,000 tucked away in his home, but when he came in Friday night he found \$2,000 of his money on the floor near a bedroom window. The other \$4,000 was gone.

US Reported Arbitrating New Dispute

TUNIS, Feb. 16 (AP)—The United States worked in the background Saturday in an effort to settle Tunisia's bombing dispute with France without hauling it into the open forum of the United Nations, informed sources said. Both sides gave signs of conciliation.

Western quarters feared a U.N. debate on the French bombing of a Tunisian border village a week ago would become a Communist sounding board to aggravate anti-Western feelings in sensitive North Africa and the Middle East.

Informants said the United States hoped to get talks between France and Tunisia started before Tuesday, when the U.N. Security Council is scheduled to take up the dispute with the Soviet delegate, Arkady Sobolev, sitting as president.

As U.S. diplomats conferred with French officials in Paris and Washington, President Habib Bourguiba of Tunisia publicized a list of modified demands for settlement. His announcement coincided with decisions taken at a special meeting of the French Cabinet.

Diplomats here said Bourguiba's modification of his demands and the action of the French Cabinet indicated a strong possibility some sort of conciliation could be reached.

Bourguiba's official spokesman said the President's changes were given to the Rome newspaper Il Tempo, after an interview.

They included:

1. French acceptance in principle of troop evacuation. (France, in fact, already did this in March, 1956, when the French gave up Tunisia as a protectorate. Under an agreement at that time, France was given 20 years to complete a troop withdrawal.)

2. Immediate abandonment of minor French garrisons in Tunisia. (The French Cabinet considered this Saturday.)

3. Provisional concentration of French forces in the two main bases at Bizerte and Sfax.

4. Opening of negotiations on turning the French Bizerte naval base on the Mediterranean over to NATO. (The French suggested this earlier in the week.)

In the beginning, Bourguiba demanded that France immediately pull all of her 15,000 troops out of Tunisia and abandon the strategic Bizerte base.

His modification was seen by one important diplomat here as clearing a good part of the way toward solution of the crisis.

Russian Colonel Enters Appeal
NEW YORK, Feb. 16 (AP)—Russian Col. Rudolf I. Abel Saturday asked that his 30-year spy conspiracy sentence be tossed out on the ground that errors deprived him of a fair trial.

Abel's plea was submitted to the U.S. Court of Appeals through his court appointed lawyer, James B. Donovan. The government has 20 days to reply. Oral arguments are expected to be heard in May.

Abel, the highest ranking Soviet espionage agent ever caught in this country, claimed evidence used against him in his Federal District Court trial last year was seized without a search warrant in violation of the constitution.

He also contended that there had been no proof he conspired to steal specific defense secrets and that testimony of a prosecution witness, U.S. Sgt. Roy A. Rhodes, should not have been admitted. Rhodes himself now is under court-martial on spy conspiracy charges.



LYLE C. SMITH

L. Smith Files For Surveyor

Lyle C. Smith, 36, 4647 Peck Drive, a graduate engineer, has filed on the Democratic ticket for county surveyor, County Clerk Charles DeLap announced Friday.

Smith, who has been in Klamath Falls for the past eight years, is a graduate of Oregon State College, and has operated his own firm, Lyle C. Smith, Engineering and Surveying, for the past two years.

The Smiths, Lyle and Helen, have two children, Craig, 4, and Jean, 2.

Listing his qualifications, Smith said that he has been an engineer for eight years and has had experience in land surveying and agricultural surveying.

Smith has also had graduate study at Purdue and Columbia universities. Present county surveyor Bill Canton said that Smith is "a good man for the job," and added that he believed Smith's qualifications will hold him in good stead.

At the present time has refused to comment on his plans to seek reelection as county surveyor, but still retains the post of county engineer, a position appointed by the county court.



THOSE PARKING TICKETS are in for a new method of handling beginning Monday, February 17. Merle Young, traffic patrolman, here displays the new envelopes that will be included with all traffic violations issued in the future. The envelopes are self-addressed and stamped and offenders can enclose their fines and citations in the envelopes and drop them in the mail. Everyone is reminded that beginning Monday all traffic violations must be paid at the Traffic Violations Bureau which will be in the city hall, not the police department as before. The new procedure has been recommended by Inspector Richard Young, Berkeley police officer, currently conducting an evaluation of the Klamath Falls Police Department. —Photo by Kettler

Stassen Quits Cabinet Post Enters Race For Governor

THOMASVILLE, Ga., Feb. 16 (AP)—Harold E. Stassen stepped out Saturday as President Eisenhower's disarmament adviser and announced he is a candidate for governor of Pennsylvania.

Stassen's resignation in order to run on the Republican ticket in the May primary was announced at the President's vacation headquarters.

Eisenhower said he was accepting the resignation with deep regret. As is his custom in the case of primary races, the President did not directly endorse Stassen's gubernatorial bid. But in a "Dear Harold" letter to Stassen he said

"you have much to contribute to the future of our country."

In recent weeks there have been published reports — one pinned to a high administration official — that Eisenhower had decided Stassen had outlived his usefulness as disarmament adviser and would have to go.

But White House Press Secretary James C. Hagerty replied today "of course he wasn't" when asked whether Stassen had been requested to quit. He said the friendly tone of the President's letter should scotch any such idea.

Hagerty said it was Stassen's own decision and added that the decision was inevitable and automatic once Stassen decided to re-enter the political arena.

The decision came as no surprise. Stassen, 50, three times governor of Minnesota, has been sizing up the Pennsylvania picture for months.

He acted against a background of increasing disagreement with Secretary of State Dulles over disarmament policy and negotiation with the Russians.

Pennsylvania is Stassen's adopted state, as it is Eisenhower's. After being elected governor of Minnesota three times he resigned during his last term to enter the Navy in World War II. After the war he served as president of the University of Pennsylvania.

Election of Stassen to the governorship would give him an excellent forum from which to make another bid for the GOP presidential nomination. It appears now that such a bid would pit him against Vice President Nixon as a principal competitor in 1960.

Stassen's announcement of his gubernatorial ambitions brought from Pennsylvania Republican party chairman George I. Bloom this statement:

"Anywhere that I have had any contact with Republicans in Pennsylvania I have found no sentiment for Harold Stassen. In three party meetings held recently the sentiment was opposed to him."

Malin Jr. High Wins Contest
Malin Junior High School contestants walked off with top honors for the third consecutive year in the annual Klamath County Speech Festival held all day Friday at Altamont Junior High in Klamath Falls. Malin receives permanent possession of the cup and presentation of the award was made by Howard Bingham on behalf of Klamath County School District at the close of the contest.

Second place was won by contestants from Altamont and third place by Bly Junior High students. Each county junior high school was invited to enter one contestant in each of the six divisions. The divisions were story telling, serious, poetry, radio, choral reading and humor.

Mildred Totell, Malin teacher, was chairman of arrangements for the speech festival and was assisted by Christine Murray of Altamont and Freda Thayer of Bly. Judges for the event were Gerald Bevans, the Rev. Burton Algotas, a dozen of whom were from the Klamath Basin, were made acquainted with the various functions of state governments.

Hinman Elected To Governorship
Cameron Hinman, a Klamath Union High School senior, was elected governor for the annual Hi-Y Tri-Hi-Y legislative assembly to be held in Salem sometime in April.

Cameron was elected at the pre-legislative assembly for YMCA youth interested in government which was held at Southern Oregon College in Astland on Saturday. During the assembly the young delegates, a dozen of whom were from the Klamath Basin, were made acquainted with the various functions of state governments.

Potato Stocks Show Decline

WASHINGTON (AP)—The Agriculture Department reported Friday that stocks of potatoes held by growers and local dealers on Feb. 1 were 15 per cent smaller than a year earlier and 7 per cent below the 10-year Feb. 1 average.

They were reported at 67,000,000 hundredweight compared with 78,760,000 on Feb. 1, 1957 and 71,900,000 for the 1-year Feb. 1 average.

The department said disappearance or usage of storage potatoes during January was the second highest of record for the month. It was estimated at 21,700,000 hundredweight.

The stocks by major producing states on Feb. 1 this year and last included, respectively:

Oregon, 2,800,000 hundredweight this year and 3,150,000 last year; Washington, 1,350,000 and 1,150,000; Maine, 24,100,000 and 2,000,000; upstate New York, 2,000,000 and 3,350,000; Pennsylvania, 2,100,000 and 2,700,000; Michigan, 2,350,000 and 3,200,000; Minnesota, 2,900,000 and 5,200,000.

North Dakota, 3,400,000 and 5,300,000; Idaho, 15,500,000 and 16,000,000; Colorado, 3,070,000 and 3,450,000 and California, 1,230,000 and 1,200,000.

"I am inclined to support the 'education tax' program suggested by Sen. Walter J. Pearson."

This program, formulated by Sen. Walter Pearson (D-Portland), provides for a sales tax to support schools.

Gill said he lacks campaign funds, but will discuss issues with other Republican candidates any time or any place if they will pay his expenses.

Of his opponents Gill described Unander as "a rich man who can support a campaign." And he said he had been informed that Hatfield "has received assurances of financial support."

Gill expressed great respect for both men. But, he added, to his knowledge, neither has ever worked in a business of his own.

Gill has 10 years' legislative service—two years in the House and eight in the Senate.

He is married and the father of two daughters.



THE PACIFIC COAST ABERDEEN-ANGUS ASSOCIATION held its 12th annual sale in the pavilion at the Klamath County Fairgrounds Saturday. Some of the top breeders from Oregon and California exhibited a wide selection of fine cattle. Over 60 head of registered blacks were sold by auctioneer S. Williams after they had been judged by James Guttierrez. Buyers from several western states kept the bidding moving rapidly and indicated their respect for the quality of the animals offered for sale.



JAMES V. KALER

Kaler Makes Bid For Post

James V. (Jim) Kaler, well known Klamath Falls businessman, has filed as a Democratic candidate for the county commissioner seat now held by Jerry Rajnus. The latter has indicated that he will not seek reelection during the May 16 primaries.

Kaler is a native of Klamath Falls and received his elementary and high school educations here.

He is 40, married, and the father of three children ranging in age from 3 to 13. During 1939 and 1940 he farmed in the Merrill area with his uncle, C. O. (Doc) Prentice.

Following that he operated a filling station, worked with the local fire department, and in 1944 established his own machine shop and automotive repair unit.

Two years later he organized and operated the Kaler Ambulance Service which was sold last year to Felix Peace.

He was a member of the Klamath Falls City Council in 1950, and resigned after one year's service because of conflicting business interests. In 1956 he was the Democratic nominee for the county court and was defeated by Commissioner Ed Gowan.

"My platform is brief but broad in scope," Kaler said. "I am for a progressive, economical county administration with harmony and sound judgment."

He added that the recent sale of his ambulance business will permit him to devote much time to the job of county commissioner if elected.

Kaler is a member of the Elks, Moose, the International Order of the Footprinters, has been a special deputy sheriff since 1942, and is the institutional representative of the Boy Scouts and Cub Scouts of Mills School.

Also seeking election to the commissioner seat presently manned by Rajnus is Jimmy Barnes, a Republican nominee and currently a member of the Klamath Falls City Council.

Rebels Name Own Premier

PADANG, Indonesia, Sunday, Feb. 16 (AP)—A revolutionary government for Indonesia was proclaimed last night with the aim of ousting Premier Djundana and forcing President Sukarno to give up his "guided democracy" program.

It was the guided democracy program that brought Communists into the central government. Rebel leaders said they will continue to consider Sukarno as president, but only under certain conditions.

Dr. Sjafruddin Prawiranegara, former finance minister and until recently governor of the Bank of Indonesia, was named premier and finance minister.

But when the smoke finally cleared, the Atlas could be seen still standing. It was covered by the glistening white frost which had formed after liquid oxygen was pumped into its fuel tanks at 300 degrees below zero.

The Air Force said that at the moment of launching "the test conductor cut off the engines when instrumentation indicated a possible malfunction."

"No apparent damage was done to the missile, which will be re-scheduled for firing in the near future."

It was the second mysterious mishap in eight days to an Atlas, the free world's only ICBM and a power plant that may figure in the future in efforts to put bigger American satellites into orbit.

Space Gremlin Anchors Atlas

CAPE CANAVERAL, Fla., Feb. 16 (AP)—A mechanical "bug" halted the test launching of an Atlas intercontinental ballistic missile Saturday a split second before the blastoff.

The countdown reached zero and the button was pressed that would have sent the mighty weapon roaring skyward. Its tail belched a great cloud of smoke.

Then, warned of possible trouble by his complex instruments, the test conductor pressed another button that cut off the engines.

For a few minutes when smoke hid the Atlas from view, watchers on the beaches outside the cape thought it had blown up on its launching pad.

The scene was the same as that of last Dec. 9, when a Vanguard satellite rocket exploded on take-off.

But when the smoke finally cleared, the Atlas could be seen still standing. It was covered by the glistening white frost which had formed after liquid oxygen was pumped into its fuel tanks at 300 degrees below zero.

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WAITING FOR THEIR CUES are these radio speech contestants who participated in the annual Klamath County Speech Festival held at Altamont Junior High School on Friday. The contest was separated into six divisions: radio, story telling, serious, reading, poetry, choral and humor. Malin Junior High School won the contest for the third consecutive year.