

Adams Testifies Before Congress On Gifts

WASHINGTON (AP) — Sherman Adams testified Tuesday that he had had more experience "I believe I would have acted a little more prudently" in making inquiries on behalf of his friend and benefactor Bernard Goldfine.

President Eisenhower's top aide sometimes called the assistant president — pleaded too that "I am ignorant of the rules and regulations" when told that both the Securities and Exchange Commission and the Federal Trade Commission violated them in response to his inquiries about Goldfine's affairs.

Adams swore to a House investigating committee that he never sought any improper favors for Goldfine, a Boston industrialist who made gifts to him and Eisenhower.

He said he makes "legions" of telephone calls to federal agencies without influencing their conduct.

After hearing Adams, committee chairman Owen Harris (D-Ark.) indicated — without saying so directly — that he thought Adams should be bounced from his job as Eisenhower's first assistant.

Harris said he thought Adams' actions "were highly improper" and that "Mr. Adams would have to search into his own conscience and Mr. Eisenhower should do likewise."

Recalling that Matthew J. Connelly, a secretary to former President Truman, was convicted of conspiracy to fix a tax case, Harris said that was "political persecution if there ever was any."

Adams indicated that in speaking of inexperience he had in mind the operation of the presidential staff.

Adams, 59, has been in government much of his adult life. He had served in the House and been governor of New Hampshire before moving into the administration when Eisenhower took office.

And, though he said he might have acted differently with more experience, he told a House subcommittee which questioned him more than two hours "I have no excuses to offer; I did not come here to make apologies."

Two years ago, Adams said, he tightened up on the contacts between the presidential staff and executive agencies to avoid "implications in case of instances like this."

Committee counsel Robert Lishman told Adams that one of his inquiries in 1954 resulted in Goldfine's obtaining information in violation of law and regulations of the Federal Trade Commission.

Adams said he had no knowledge of this result and no intention of bringing it about.

Throughout his appearance on the stand, Adams insisted there was never any attempt to bring White House influence to bear on behalf of Goldfine or anyone else and that if any mistakes were

made, they were mistakes of judgment or due to inexperience.

Just before he left the stand, Chairman Owen Harris (D-Ark.) asked Adams whether, in view of all that had been brought out, "you think that in these instances you may have overstepped the bounds of propriety?"

Adams replied that in retrospect "I think a greater measure of prudence would have obviated some of the questions before your committee — I cannot wholly disagree with some of the implications in your question."

Throughout his stay in the witness chair, Adams insisted he only routinely contacted the FTC and the SEC for Goldfine.

And he said he received many favors from Goldfine only innocently, as an old friend.

There were spots of harsh Democratic criticism.

"I went through the campaign of 1952 under the whiplash of a very

critical judgment imposed by others on persons in public life," Rep. John E. Moss (D-Calif.) told Adams.

Adams was one of those critical of what the Republicans called the mess in Washington when they campaigned to put a "clean-as-a-hound's-tooth" government under Eisenhower.

Moss told Adams: "I think you must apply the same rules at all times" — not to set up different standards depending on political party.

Mass asked Adams if he didn't think Adams' calls to the FTC about a case involving Goldfine — "a man who has been a close personal friend" — amounted to improper influence.

"Mr. Moss, that's your argument," Adams said. Adams said he did not think the case was "prejudiced just because he is my friend."

"I can say that I have made

legions of such calls," Adams continued. He said it is routine for him to seek information from agencies for those who request it, including congressmen.

There was political talk too when Rep. Charles A. Wolverton (R-N.J.) commended Adams for appearing voluntarily before the subcommittee "when he could have pleaded his position not to do so."

Wolverton said that "in this respect he set an example that in my opinion should have been shown on the part of certain senators who were named in other matters considered earlier and who refused, despite invitations to appear before the subcommittee."

This was a pointed reference, although Wolverton did not name them, to three Democratic senators whose names appeared several times in testimony about representations to the Federal Communications Commission in a Mi-

ami television channel case. The senators were Estes Kefauver of Tennessee, George A. Smathers and Spessard L. Holland of Florida.

Adams told reporters as he left the Capitol he would discuss with presidential press secretary James Hagerly the possibility of holding a news conference later.

Counsel Lishman contended a violation of law stemmed from Adams' 1954 telephone inquiry to the FTC about an investigation of a Goldfine mill for alleged misbranding of the content of a fabric.

As a result of the call, Lishman said, Goldfine learned the name of a complainant and also that the matter might be settled if the mill would agree to change its labels. He said that giving this information to Goldfine was in violation of law and regulations.

Adams replied: "So far as I am concerned, he

got information supplied by the responsible official. I made no special request. I am ignorant of the rules and regulations of the commission. . . I had assumed quite obviously that what he got he was entitled to under rules and regulations."

Under questioning then, Adams testified that had he known of the rules "my decision might have been different" in interceding with the FTC for Goldfine.

In earlier testimony, Adams had acknowledged he received a rug and a coat from Goldfine and let the textile magnate pay hotel bills for him in Boston, New York and Plymouth, Mass.

Adams came before the committee with a 1,500-word prepared statement, but frequently departed from a reading of it to fire off-the-cuff remarks. Accompanying him to the hearing was his wife, Rachael.

In The Day's News

By FRANK JENKINS

I think the feeling of most of us, following the appearance of Sherman Adams before the house investigators this morning, is one of disappointment and disillusion. He is too NAIVE to hold the office of first assistant to the President.

He testified, for example, "If I had had more experience, I believe I would have acted a little more prudently" in his dealings with this man Goldfine.

He has had a lot of experience. He was a member of the New Hampshire house of representatives, and served as its speaker. He served as a member of the U.S. house of representatives. He served a term as governor of New Hampshire. His service in those offices should have taught him that when somebody showers costly gifts on an office-holder that somebody WANTS SOMETHING.

Adams holds an A.B. degree from Dartmouth college. As a graduate of Dartmouth away back in 1920, when the classics held a much larger place in college curricula than they do now, he must have been familiar with the Aeneid, in which Virgil makes Aeneas say: "Timeo Danaos et dona ferentes" (I fear the Greeks when they come bearing gifts.)

If his education had done him any good, he should have recalled that line when the Goldfine person began to pour gifts on him when he reached a position of great power and influence.

If you are to hold the office of first assistant to the President of the United States, you must KNOW ALL THESE THINGS. Otherwise you will expose your country to scorn and contempt.

And—

You will bring grief and sorrow and shame upon the President whom you serve.

Our government is so FRIGHTFULLY complicated.

It has so MANY favors that can be given.

For example:

Suppose you are the first assistant to the President of the United States. Suppose you have a friend who is a shrewd speculator. As first assistant to the President you will be more or less familiar with more or less everything that is going on in the government.

Just one little word dropped in conversation about an impending decision by some governmental agency—such as the Securities Exchange Commission, the Federal Trade Commission, the Federal Communications Commission, the Interstate Commerce Commission—can mean a golden opportunity to turn a quick buck in a big business deal.

Going on with the list—

Suppose a friend — possibly a friend who has shown you many favors, asks you to make an appointment with the head of some government agency with which he wants or needs, to do business. Suppose the head of that agency—who wants to keep his job and knows that the President has the appointing power—misunderstands your interest in the introduction and jumps to the conclusion that he'd better give your friend an important tip on what to do and DOES give him an important tip and he acts on it and MAKES A LOT OF MONEY.

All these things COULD happen. It is to KEEP THEM FROM HAPPENING that Presidents have first assistants. The first job of a first assistant to the President of the United States is to know so much about the complicated business of the government that he will be able to PREVENT such things from happening.

It is shockingly apparent after this morning's hearing that Mr. Adams lacks a lot of the qualifications of a first assistant to the President.

RUNAROUND

WARSAW (AP) — The 115 musicians of the Philadelphia Orchestra arrived in Warsaw Tuesday with loud complaints about the "intolerable runaround" they're getting in Poland. The orchestra, which has been a sensational success in the Soviet Union, Romania and Austria, complained of fifth rate hotel rooms, long waits for meals and generally impossible conditions during three days in the Polish provinces. So far Warsaw wasn't much better.

The Herald and News

Price Five Cents—12 Pages KLAMATH FALLS, OREGON, TUESDAY, JUNE 17, 1958 Telephone TU 4-8111 No. 6097

SALE

NEW YORK (AP) — Men's vicuna coats, a feature of the Sherman-Adams-Bernard Goldfine investigation, went on sale Tuesday at R. H. Macy's Department Store.

The price \$299. "Usually \$599," said the ad which also informed: "It takes the shearing of approximately 1,200 Peruvian goats to make one coat like these."

Britain To Tell Plan For Cyprus

LONDON (AP) — Britain went doggedly ahead with preparations to announce its new plan for the future of Cyprus today despite advance Greek and Turkish rejection.

New violence and bloodshed were feared on the east Mediterranean island. British troops, reinforced by paratroopers flown out from England, were on the alert to meet new trouble.

The plan was to be announced by Prime Minister Macmillan in London and Gov. Sir Hugh Foot in Nicosia.

It is expected to provide some measure of self-government for the British colony, a cooling-off period that the Greek and Turkish governments would be asked to help sponsor and perhaps a promise of a self-determination plebiscite in the future in which the island's Greek majority presumably would vote for independence as a prelude to joining Greece.

The population of Cyprus includes about 500,000 persons of Greek extraction and 140,000 of Turkish descent. The Greeks have been waging a sporadic guerrilla campaign for Enosis — union with Greece—while the Turks demand that Cyprus be partitioned between the two communities.

Britain gave both the Greek and Turkish governments an advance look at the new plan. An informant close to the Athens government said the Greeks would turn it down as not going far enough. The Turkish parliament earlier adopted a resolution declaring Turkey would accept nothing but partition.

Fourteen Greek Cypriots and two Turks were killed in weeklong rioting last week by Turks in Nicosia and other Cyprus cities. A tense, uneasy peace was finally restored by virtually round-the-clock curfews.

The curfew was lifted yesterday morning, and there was no new outbreak. But Greek Cypriot families began moving from homes in Turkish sections in fear that new attacks would follow announcement of the new British plan.

Reds Execute Leaders Of Hungarian Revolt Of 1956

VIENNA, Austria (AP) — The execution of Imre Nagy, one of Hungary's premiers during the 1956 revolt, provoked a wave of shock and surprise in Yugoslavia and the Western world Tuesday.

Three of Nagy's aides died with him. Chief among these, was Gen. Pal Maleter, arrested by the Russians while negotiating for withdrawal of all Russian forces from Hungary.

In Yugoslavia experts on Soviet affairs predicted Moscow will use the case for new blasts against President Tito and as a clear warning to all satellites that the Kremlin means to be tough.

These experts expressed belief that Janos Kadar, communist boss in Hungary since Nagy's trial, was so implicated by the trial that he can no longer remain in power. He was a member of Nagy's revolted government at one time.

In Washington, Sen. Mike Mansfield (D-Mont.) predicted that the executions will bring a new wave of resistance in the satellites.

Britain's foreign office said Nagy, Maleter and the others "deserve the respect of all mankind."

Socialist Robert Bratschi, speaker of the Swiss parliament, said the executions opened a new gap between East and West.

In addition to the executions, prison terms were meted out to five others close to Nagy.

Moscow broke the word first in what looked to Vienna observers like the start of a new Kremlin purge of Titoists in the satellites seeking some independence from Moscow's domination. Foreign diplomats in Belgrade viewed the execution of Nagy as a direct Kremlin slap at the Yugoslav President.

Budapest radio said Nagy and Maleter refused to make full confessions to the people's court bench of the Supreme Court, which tried them secretly in Budapest. The dates of the trial and of the executions were not made public.

All nine were charged with "organization of a plot aimed at overthrowing" the Hungarian government. Nagy also was convicted of "betraying the motherland" and Maleter of "organizing a military uprising."

Budapest radio said Nagy, Maleter and Jozsef Szilagyai denied the charges "but later under the weight of incriminating evidence they made partial confessions." Szilagyai and Miklos Gimes were Communist journalists executed with Nagy and Maleter.

The most prominent of the five men sentenced to prison was Zoltan Tildy, Hungary's first post-war president, who was given 5 to 12 years.

Moscow Blows Summit Talks Out Of Water In Withering Blast On Delay

WASHINGTON (AP) — The United States, Britain and France surveyed the wreckage today of their efforts to set up a summit conference through secret diplomacy.

Moscow blew them out of the water by making public a letter from Soviet Premier Khrushchev denouncing their attempt as needless foot-dragging.

The State Department blasted back by publishing the West's major presummit proposals, hitherto kept secret.

When the smoke cleared, things were right back where they were two months ago, before the Soviet Union agreed to try it the West's way. The Soviet Union was demanding a heads of government meeting. The west was insisting on adequate preparations on lower levels first.

Soviet Foreign Minister Andrei Gromyko started things off in Moscow. He called in Ambassadors Llewellyn Thompson of the United States, Sir Patrick Reilly of Britain and Maurice Dejean of France. He told them he was making public Khrushchev's June 11 letter to their government chiefs as well as other top-secret material they had been discussing in Moscow.

The Soviet ambassadors in Washington, Paris and London were called home, meanwhile, for consultation.

In Washington, the State Department rushed out with its side of the story—three documents totaling about 2,000 words which set forth the West's position during the Moscow meetings.

Gromyko told Thompson he was making public Khrushchev's letter and policy statements because the Western press had distorted the Soviet position on a summit.

Texas Hit By Tornadoes

DALLAS (AP) — Overnight cloudbursts, measuring up to 10 inches flooded great areas of southwest Texas Tuesday.

Hardest hit were the adjoining counties of Uvalde and Bandera. Flooding streams also menaced the Austin area.

The State Highway Patrol reported residents of Sabinal, a town of 2,000 in Uvalde County, were preparing to evacuate their homes.

Utopia, a small community of 200 in the same county, was drenched by a 10-inch cloudburst. Another deluge of 6.6 inches fell at Knippa, also in Uvalde County.

Bandera County was isolated with most highways reported under water.

The torrential rains resulted from an inflow of moisture with the tropical storm Alma, which went inland below Brownsville, Tex., early Sunday.

The downpours followed a day of tornadoes, hail and rain Monday.

Gov. Holmes Speaks On Railroad Panel Here

Unity of railroad labor and management in facing the problems now confronting the industry was the dominant theme at last night's open meeting on "The Future of American Railroads," part of the 1958 Northwest Association meeting of the Brotherhood of Railroad Trainmen, now being held in Klamath Falls.

A good crowd nearly filled the Pine Grove Room of the Willard Hotel to hear Gov. Robert D. Holmes and labor and management officials discuss various railroad problems.

Holmes, who has been called to Washington, and therefore will not be able to participate in today's closing sessions of the convention, confined his remarks largely to the matter of freight rates, and the importance they have for the West, distant as it is from the great markets of the East.

Holmes scored the "destructive effect" of the percentage rate increases of recent years, which he said amounted to 123 per cent since 1947. Since these inc. rates are applied uniformly across the country, they heighten the competitive advantage of the nearer suppliers of the Eastern markets.

Thus, in 1947, the Western apple grower may have been at a disadvantage of 50 cents a box in supplying the New York market, against a grower in Virginia. Today, he must pay nearly \$1.25 more per box in shipping charges. The result is that traffic and production decrease, since the West cannot absorb its own production, as witnessed by the fact that 70 per cent of Western railroad traffic is eastbound.

Holmes advocated joint action by the Northwestern states to combat the percentage increase of rates, and cited the success with which the Southern Governors Conference had met a similar threat.

The other speakers were more largely concerned with internal problems of the railroads, though these often have a direct impact on the public at large.

J. W. Nisbett, commerce counsel of the Association of Western Railroads, referred to one of the more immediate points of public interest, in speaking of the railroads' tax problems. This is the excise tax on transportation, because as a war measure to keep people off the trains, but still to effect today, though it has been

pared from 15 to 10 per cent. A parallel tax, of three per cent on freight, again started during the war to reduce traffic, also persists.

Repeal of these taxes has been recommended in the report of a Senate committee headed by Sen. George A. Smathers of Florida, and railroad labor and management are united in the hope that the Congress will pass legislation in this sense.

This unanimity was emphasized by W. P. Kennedy, president of the B. of R. T., who said that in this, as in other matters, "management and labor must work together to preserve the industry."

Kennedy cited numerous instances where joint work is necessary, as did J. W. Corbett, vice president for system operations of the Southern Pacific, and Harry See, national legislative representative of the B. of R. T. These three speakers enlarged on the remarks made during their talks at a press conference on Tuesday morning, as will be reported in a later issue of the Herald and News.

After this morning's closed meetings of the B. of R. T. and of the Ladies Auxiliary, a joint meeting is being held just after lunch, at which the committees will make their reports.

After the reports, there will be addresses by See, W. J. Weil, general secretary-treasurer; W. J. Macklin and E. B. Miller, regional and district directors, respectively, of the Railroad Retirement Board; and Clifton Hildebrand and Eugene Rerat of the legal aid department of the brotherhood. The meeting will close with a question and answer period, the selection of a site for next year's meeting, election of officers and a financial report. The benediction will be offered by the Rev. C. O. Tremain, of the Free Methodist Church.

The entertainment committee will take over beginning at 6 p.m. today, with a wind-up at the fairgrounds auditorium. It will be "hospitality hour" until 7 o'clock, when a Western ranch pit barbecue will be served. Weil, Corbett, Kennedy and R. B. Robinson, superintendent of the Shasta Division of the Southern Pacific, will speak during the meal. The convention will end on a note of gaiety, with dancing to the music of the Starlighters from 9 p.m. to 1 a.m.

Weather

FORECAST—Klamath Falls and vicinity: Fair and continued warm through Wednesday. Evening thunder showers likely in mountain areas. High Wednesday 82-87. Low tonight 59-55.

High yesterday 83
Low last night 61
Precep. last 24 hours 0.00
Since Oct. 1 16.68
Same period last year 15.91
Normal for period 11.91

Beef Price Sees Dairy Cows On Sale

WASHINGTON (AP)—The Agriculture Department reported Tuesday that beef cattle prices—at the highest levels in six years—are encouraging some dairymen to send milk cows to slaughter.

In some areas, the agency said, returns from the slaughter market are more favorable than returns from production of milk. Prices of the latter have declined this year, largely reflecting lower government price supports.

This movement of some milk cows to slaughter is causing the production of milk to level off at about last year's level, the department said. Improved production practices were said to be preventing a decline in milk output.

"In a number of states where milk production competes with meat animal enterprises, milk output apparently has been restricted," said the department in a dairy situation report.

"The importance of this factor in restricting milk output the rest of 1958, however, cannot be finally concluded from the first five months because during much of the early part of the year severe weather prevailed in many areas of the country. In 1951 and 1952, when meat animal prices also were high, compared with milk prices, production of milk averaged 2 per cent under 1950.

"But in that period supplies of feed grains and roughages were not so plentiful as currently," the report pointed out.

Crash Kills Former Prexy

RIO DE JANEIRO (AP) — Former President Nereu Ramos and 18 others were killed last night in the crash of a Brazilian airliner which hit a pine tree as it was landing at Curitiba, 400 miles southwest of Rio.

Also killed were Gov. Jorge Lacerda of Santa Catarina state and Congressman Leoberto Leo.

Another congressman, Jose Leme Rodrigues, was among the eight survivors. He was seriously injured.

The twin-engine Convair of the Cruzeiro do Sul Airline was ending a flight from Porto Alegre to Curitiba, the Parana state capital in a coffee-growing area. The airplane said the plane struck a tall pine only a few yards from the edge of the airstrip.

KILLED

ATLANTA (AP)—A 14-year-old boy was injured fatally last night sliding into home plate during a junior baseball game. Charles M. Cumberland, athletic director for Atlanta American Legion Post 1, said Bobby's head apparently struck home plate.

UNIT

LONDON (AP) — Princess Soraya, divorced wife of the Shah of Iran, arrived from America Tuesday to spend a few days in London. She and her mother came from the liner Queen Elizabeth to London by the boat train.

Dulles Says US Troops May Be Used In Lebanon

WASHINGTON (AP) — Secretary of State Dulles said Tuesday the United States would use military action under certain conditions to preserve Lebanon's independence.

Dulles told his news conference the U.S. 6th Fleet in the Mediterranean is watching the crisis-ridden Lebanese situation.

He said fleet elements, including Marines, could take appropriate action.

He said it may be necessary to enlarge the U.N. peace-watch force in Lebanon and give it greater mobility.

Mentioning that U.N. Secretary General Dag Hammarskjold and a U.N. security force are in the area, Dulles said any proposal by Hammarskjold in this connection would be supported by the United States.

He added that this includes physical support.

Dulles said there are other contingencies under which the United States might send military support to Lebanon. But he declined to go into them, excusing himself from his news conference at that point on grounds he had to go to Washington's National Airport to greet the arriving Philippine president, Carlos P. Garcia.

On other points during the news conference, which Dulles had asked be limited to a half hour so he could welcome Garcia, the secretary said:

Russia apparently wanted to break off diplomatic talks with Big Three ambassadors on preparations for a possible summit conference. That, he said, is his inference from the Kremlin's disclosure Monday of the hitherto secret papers of those meetings amid charges of heel-dragging by the West.

He would not predict whether a summit conference is possible this year.

The communists' execution of former Hungarian Premier Imre Nagy indicates another step in Soviet reversion toward brutal, terrorist methods practiced under Joseph Stalin.

Dulles will consult with the Justice Department to try to work out future passport policy, now that the Supreme Court has ruled he has no authority to deny passports on the basis of an inquiry into an applicant's beliefs and associations.

Crash Kills Crop Duster

LAKEVIEW — A crop dusting plane that nose dived to the ground and burned on the Fred Nelson ranch, one-half mile southeast of the Westside Store, took the life of a Chilquin man, about 7:30 p.m. June 16.

Dead is Lewis T. (Bud) Bickers, 31, lifelong resident of Chilquin, spray pilot for Paul Orwein of Lakeview. Bickers was a spraying grain on the Roy Peterson ranch, 14 miles west of Lakeview shortly before the crash.

Eye witnesses said that Bickers was flying at a low altitude estimated at 100 to 150 feet, when he apparently attempted to gain altitude. The craft faltered and dived straight down, striking the ground with terrific force and bursting into flames. Police were prevented from removing the victim's body for two hours by intensity of the fire. The pilot had been flying in the Lakeview area for about three months.

Civil Aeronautics Administration officials are expected today to investigate the accident.

Bickers is survived by the widow, Mrs. Marie Bickers, daughters, Phyllis and Susan, a Chilquin; parents, Mr. and Mrs. William B. Bickers, Modoc Point; brothers, James A. Bickers of Prineville, and William C. Bickers, Grants Pass, and a sister, Mrs. Susan E. Thompson, Phoenix, Oregon.

The body will be taken to Klamath Falls by Ward's Klamath Funeral Home from the Ousley-Osterman Funeral Home in Lakeview.

Lebanon To Ask UN Aid

BEIRUT, Lebanon (AP) — Lebanon will ask for a U.N. security cordon along the Syrian frontier and Mediterranean coast, a Beirut newspaper said Tuesday.

The usually reliable L'Orient said Lebanon will ask U.N. Secretary General Dag Hammarskjold to set up "a cordon of security to be installed all along the sea and land frontiers to keep out infiltrations of men and arms coming from Gaza and Syria."

Hammarskjold is expected to arrive in Beirut Wednesday night. An advance U.N. team is here to check on arms smuggling but it has power only to report back to the U.N.

L'Orient did not disclose the source of its information and it could not be officially confirmed immediately.

Meantime the Lebanese cabinet was reported to have instructed Foreign Minister Charles Malik to ask for another U.N. meeting on Lebanon.



"GOO AND THICK. . ." seems to be what Chef George Paris is telling Jack Chapman, right, and Bob Wilson, about the prime ribs he will dish up tonight for the members of the Brotherhood of Railroad Trainmen at the convention windup at the fairgrounds. Wilson is proprietor of the Blue Ox, where Paris is chef, Chapman is entertainment chairman for the convention. The auditorium will be decorated in Western motif for the barbecue. Dancing will follow the dinner.