

By FRANK JENKINS

Business note:
The Big Three auto manufacturers report this morning that automobile production was down from a third to a half during the first eight months of 1958, as compared to a similar period in 1957.

The Big Three (G.M., Ford, Chrysler) have reportedly produced slightly more than three million cars and trucks up to now this year, compared to nearly five million in the first eight months of 1957.

On its face, that looks bad. But let's look at the doughnut, rather than the hole.

Last year the automobile manufacturers misguessed and produced too many cars. That slowed down production while they were getting rid of the surplus. This year, they have produced fewer cars, which means they will clean up quicker.

That will make for better markets in the future.

More about business:
The Federal Reserve Board reports that consumer installment debt (meaning goods purchased on the installment payment plan) has been declining ever since the first of February of this year. After rising steadily for years, it is now down almost to the total of a year ago.

Again looking at the doughnut instead of the hole, that situation hasn't promoted business so far this year but it makes possible bigger business in the future.

After all, recessions are catching-up periods. It's beginning to look like we're getting caught up.

Dr. Edward Teller — generally referred to as the father of the H-bomb and recognized as one of the world's foremost physicists — tells the atoms-for-peace conference in Geneva that H-blasts "could crush rock for mining, recover trapped oil, build harbors and canals or divert rivers."

I don't want to discourage you, sir, but here in the Klamath Basin we aren't interested in diverting rivers. Our idea is to keep them where they are.

We need them in our business.

Dulles, Chief Plan Meeting

WASHINGTON (AP)—Secretary of State Dulles winds up an intensive new study of the China crisis today preparatory to making a personal report to President Eisenhower.

Dulles was closeted in his office yesterday with members of the Joint Chiefs of Staff, including Gen. Nathan Twining, the chairman, and other Defense Department officials.

Shortly afterward, Eisenhower's vacation headquarters at Newport, R. I., announced Dulles will fly there for a conference tomorrow with the President.

Icelandic Ire Is Reflected In Its Press

REYKJAVIK, Iceland (AP)—Icelandic anger was reflected in the nation's press today against British naval action in Iceland's fishing dispute with Britain.

A brickbat and smoke bomb demonstration outside the British ambassador's residence Tuesday night was followed this morning with charges of armed aggression and demands that Britain call its gunboats and trawlers home.

Thodviljinn, the Communist newspaper, demanded that Iceland break relations with Britain, its North Atlantic (NATO) ally.

"Don't negotiate with pirates," it said. "Sever diplomatic relations at once."

Iceland's minister of fisheries, Ludvig Josephsson, is a Communist in this country's coalition government.

Reykjavik's other papers had headlines about Tuesday's clashes between British sailors and Icelandic coastguardsmen.

"Sooner or later the British will be forced to follow the example of other nations in this matter," the newspaper Pippin said.

"If they don't this might become a very serious dispute, threatening to assume international significance and of great damage to the cooperation of Western nations—particularly NATO."

This is armed aggression," said Althjofur, the newspaper editor. Foreign Minister Gudmundur Gudmundsson's party.

The coast guard reported there were no overnight incidents in Iceland's coastal waters where British trawlers—backed up by naval frigates—began fishing for the third day inside Iceland's new 12-mile limit.

The British say the 12-mile limit is illegal and its fishermen have an international right to trawl in the zone.

A British Embassy spokesman said he understood today would be the final day in which the trawlers would defy the Icelanders. All trawlers and frigates will have left by this time Thursday, it is expected.

The dispute is over Iceland's self-imposed ban on fishing 12 miles from its coasts.

Weather

FORECAST—Klamath Falls and vicinity: Increasing high cloudiness tonight with a few sprinkles. Partly cloudy Thursday with widely scattered light showers. High 66-72; low tonight 38-48.

High yesterday 80
Low last night 47
Precip. last 24 hours 0
Since Oct. 1 20.63
Same period last year 15.26
Normal for period 12.96

Fire, Danger Today
HIGH
Fires start readily from match or glowing cinders, tend to spread rapidly and tend to crown in young growth.

Northern California — Partly cloudy through Thursday except occasional rain on the coast from Cape Mendocino northward. Cooler in interior Thursday. Southerly coastal winds of 10-20 miles an hour from Cape Mendocino northward.

London Police Prevent Mobs From Forming

LONDON (AP)—Race rioting continued for the fourth straight night last night in London but fast-moving police squads took the edge off the violence and kept big mobs from forming.

Fifty-nine persons were arrested, the biggest roundup since poor whites began attacking colored immigrants from the West Indies and other Commonwealth areas nearly two weeks ago.

Hundreds heeded Scotland Yard warnings to stay off the streets of the Notting Hill district—the chief trouble spot — and surrounding areas. Police patrols moved in whenever those who did come out tried to form the large mobs which rampaged through the area on previous nights.

Dozens of automobiles and hundreds of walkers were searched for weapons. Police collected a small arsenal of knives, chains and clubs.

In one of the most serious incidents of the night, a gang of white youths stormed a colored calypso club in the Bayswater area with gasoline bombs. Colored men in the club gave battle, and knives, bottles and glasses were hurled from both sides.

The fighting spread swiftly to neighboring streets, with bands of white teen-agers hurling rocks and fire bombs through the windows of nonwhite houses. Five truckloads of police aided by Alsatian dogs broke up the fight.

Ten Notting Hill Negroes walked in a band through the streets with knives drawn. A mob of whites jumped them. The police moved in and broke it up.

In nearby Lancaster Road a mob of 200 teen-agers chanted, "We want niggers — down with niggers." Police questioned the leaders of the bands incessantly, trying to learn if a central organization was behind the disturbances.

Integration Decision Due

ALEXANDRIA, Va. (AP)—A federal court decision may come today on whether Arlington County must admit 30 Negroes to various all-white schools.

New Rules; Budget Set For Ore-Tech

SALEM (AP)—Oregon Technical Institute must admit any student who can meet the admission requirements, Atty. Gen. Robert Y. Thornton ruled Wednesday.

Winston Purvine, OTI director, said this will mean that OTI, located at Klamath Falls, will have to exceed the 1,000-student maximum that had been decreed by the Legislature.

He told the state Board of Education, which runs OTI, that the enrollment this fall probably will be about 1,075 as the result of Thornton's opinion. He said there are now 1,193 applications for enrollment, but that more than 100 probably won't show up for school.

The board adopted a \$1,308,024 budget to operate the school for the 1958-59 fiscal year, compared with \$1,344,408 for the past fiscal year. Purvine said there is a pressing need for repairs to the physical plant, but that the budget contains enough money "to maintain the campus at a minimum level until a decision is reached on long range plans."

The 1959 Legislature will have to decide whether to continue the school at its present site. There are proposals to build a completely new school closer to Klamath Falls.

Dag, Nasser Meeting Set

CAIRO (AP)—U.N. Secretary General Dag Hammarskjold took up his Middle East peace mission again today, arriving in Cairo to confer with President Nasser of the United Arab Republic.

Hammarskjold flew from Geneva after attending the opening of the second international atoms-for-peace conference. As usual he brushed reporters aside and would say nothing.

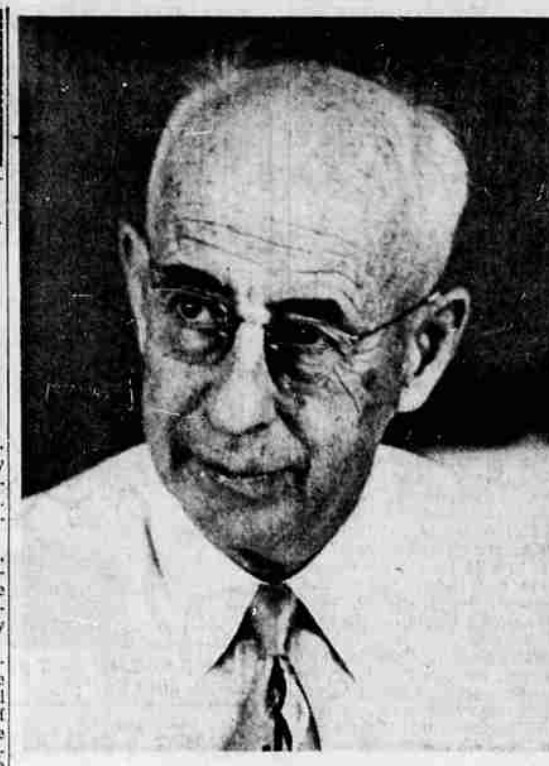
He was expected to see Nasser later today. The U.A.R. president had a two-hour conference yesterday with Foreign Minister Mahmoud Fawzi in preparation for the meeting.

Nasser presumably will renew his demands for speedy withdrawal of British troops from Jordan and U.S. troops from Lebanon. Hammarskjold in turn is expected to ask for assurance from the U.A.R. government that it will do nothing, either through radio propaganda or by aid to antigovernment forces in Lebanon and Jordan, to overthrow those governments.

Charged by the U.N. Assembly with making arrangements to facilitate the U.S.-British withdrawal, Hammarskjold spent three days in Jordan last week before going to Geneva. At the end of the visit a joint communiqué said he and the Jordanian government had reached a large area of agreement.

Specifically, however, the communiqué said only that they agreed neither a U.N. force nor a border observation group should be sent in to protect Jordan, but rather that "other forms of U.N. presence" in Jordan should be developed. Sources at U.N. headquarters have said this probably will be a high-ranking representative who would alert the U.N. if the Hashemite kingdom was again threatened.

Hammarskjold is expected to stay three days in Cairo. He also is to visit Amman again, Beirut and Baghdad, and possibly Saudi Arabia.



E. A. (TAXI) THOMAS

Taxi Thomas, KF Engineer, Dies Following Operation

Edwin Abbot (Taxi) Thomas, 64, died at 7:03 p.m. on Tuesday in Klamath Valley Hospital following recent surgery. He had been Klamath Falls city engineer for nearly 28 years.

He was born at Denver on July 22, 1894. After completing Denver public schools, he was graduated from the University of Colorado School of Engineering at Boulder. It was during his college days that the nickname "Taxi" was acquired and it continued all of his life. He was a member of the Sigma Chi fraternity.

During World War I he saw service in France in the Engineering Corps with the Eighth Army.

At the end of the war, he returned to Colorado and was with Mountain States Telephone Company at Denver and Casper and later at Casper was associated with Midwest Oil Company in engineering field work.

In the fall of 1925, he went to Florida and opened his own engineering office, but returned to Casper in the spring of 1926. A few months later he moved to the Pacific Coast to Seattle and later that year arrived in Klamath Falls. Also during 1928, he was married to Nora E. Ekern, who survives.

Mr. Thomas served as assistant city engineer under E. B. Henry, Don Zunwalt and C. C. Kelley. He was named as city engineer in 1953.

Plan Approval Sought By U.S.

UNITED NATIONS, N.Y. (AP)—The United States said today it will ask the U.N. Assembly to adopt a four-point plan to assure that outer space will be used solely for the peace and benefit of mankind.

U.S. Ambassador Henry Cabot Lodge announced that the United States has asked that the proposal be put before the 81-nation Assembly scheduled to open at U.N. headquarters Sept. 16.

The four main points are: 1. Creation of a special U.N. committee to make detailed studies and recommendations of specific steps for furthering progress in outer space work and to assure that outer space will be used solely for man's benefit.

2. A declaration by the Assembly separating the subject of peaceful uses of outer space from the long fruitless disarmament negotiations.

3. A formal declaration giving Assembly support "the principle of the peaceful utilization of outer space."

Police Arrest Segregation Negro Leader

While public school integration proceeded slowly today in several states, one of Alabama's Negro leaders in the campaign against racial segregation was arrested on a charge of loitering.

Police said the Rev. Martin Luther King Jr., who led the bus boycott in Montgomery, and other Negroes were blocking a sidewalk outside city hall and that King twice refused to obey an order to move. He was released on \$100 bond and a hearing set for Friday.

At about the same time, the Norfolk, Va., School Board lost a round in its efforts to delay classroom mixing of the races. U. S. Dist. Judge Walter E. Hoffman denied the board's motion to put off integration until 1959.

Judge Hoffman said he reserved the right to reconsider after the U. S. Supreme Court rules in a similar situation at Little Rock, Ark. Further arguments on the Little Rock issue will be heard by the Supreme Court Sept. 11.

Whites and Negroes went to school without incident today at Van Buren, Ark., contrasting with white resistance Tuesday in the form of jeers and signs saying "Nigger, go home." Five Negroes were admitted to a previously all-white high school.

Across the river at Fort Smith, second largest Arkansas city, no racial trouble was reported. School registration was incomplete.

Another Negro minister named King—Clennon King of Gulfport, Miss.—carried on his own integration fight with a statement in New York that he believed his wife and children had been frightened into leaving their Gulfport home. He said they had been badgered by anonymous phone callers telling them to get out.

A brother, C. B. King of Albany, Ga., said the family had been there but he declined to give their whereabouts.

Clennon King, who previously had been arrested for disturbing the peace when he tried to enroll in the all-white University of Mississippi, promised last week to try to register his 6-year-old daughter Thursday in a white Gulfport school. But he said in New York he would wait until he hears from his family.

In Birmingham, Ala., a crowd of white men kept watch today outside Phillips High School, where Negroes attempted to enroll last September. But the Rev. F. L. Shuttlesworth, a Negro leader, said he would not try to enroll his children in a white school while the issue is pending before the Supreme Court.

AN APPLE A DAY
MOUNT VERNON, Ill. (UPI)—The Mount Vernon Chamber of Commerce stole a march on apple polishing students Tuesday. When school opened the teachers found an apple on their desk with a pennant from the C of C reading "Welcome to Mount Vernon" and "We Hope You Have a Pleasant Year."

Top U.S. Leader Vows Chinese Aid

TAIPEI, Formosa (AP)—The top U. S. commander on Formosa said today American help is coming to meet the Communist threat to the Chinese Nationalist off-shore islands.

Vice Adm. Roland N. Smoot told a news conference it would take the combined efforts of the Nationalists "and the help of the United States which is coming to overcome this immediate situation" created by Red bombardments of the islands and efforts to blockade them.

Smoot declined to tell what help he meant, saying it would be foolish to give the Communists military information. He also refused to say whether this meant U. S. forces would help defend the off-shore islands, a commitment American officials from President Eisenhower down have refused so far to make publicly.

At Eisenhower's Newport office, press secretary James C. Hagerty declined comment on Smoot's remarks.

"Has a decision been made whether we will support Quemoy and Matsu?" Hagerty was asked. "I have no statement on that either," he replied.

Asked whether he was denying what Smoot said, Hagerty said: "I have no comment."

Smoot is commander of the U. S. Taiwan (Formosa) Defense Command which is committed to protecting Formosa and the nearby Pescadores Islands. Congress also authorized Eisenhower to defend any other Nationalist territory he considered essential to the defense of Formosa.

As the Communists continued for the 12th day an artillery attack on the Quemoy islands that might be a prelude to an invasion attempt, Smoot was asked if they could successfully invade or blockade the islands. "They can do neither," he replied.

The Nationalists said they still were getting soldiers and supplies through to Quemoy despite Red attempts to cut it off from Formosa.

Communist shells scored 11 direct hits on Quemoy's main hospital today, dispatches from the besieged island said.

The bombardment reportedly killed one male nurse and injured four other persons, but casualties apparently were extremely light because the patients and hospital staff had moved to underground shelters.

Nationalist officers in Taipei charged the hospital shelling was deliberate. They said the hospital was three-quarters of a mile from any military installations.

Smoot said there are many ways to break a blockade attempt. "As far as the enemy blockade of Quemoy is concerned, I can tell you the Chinese (Nationalist) forces have not yet begun to fight," he said.

Nationalist forces are almost entirely equipped with U. S. weapons, and Smoot might have been referring to more and different arms for them.

More ships are on the way from the Mediterranean and the United States to join the U. S. 7th Fleet patrolling the Formosa Strait to prevent any Communist strike at Formosa. About 1,000 U. S. Marines are coming from Okinawa for maneuvers on Formosa this weekend. Additional jet fighters have been sent from the United States to Far Eastern bases.

Defense Chief Warns Reds

WASHINGTON (AP)—Secretary of Defense Neil McElroy said cryptically today that if the Red Chinese are wise they won't open full-scale war in the Far East.

He was asked by newsmen about the Communist bombardment at Quemoy and a threat of general attack on Nationalist-held territory.

McElroy said first that "We don't want to be rattled by sabers and saying we can lick anybody in the world" because "that is not in our interest."

Then, to another question, McElroy said:

"Our interest is not to wage war but to deter. It is my judgment that if the Chinese are wise they will be deterred."

McElroy talked with newsmen at the airport upon his return from making an American Legion speech in Chicago.



RETIRING after 21 years of service to the city of Klamath Falls is Frank Blackmer, police judge. Blackmer submitted his resignation to the city council at its adjourned meeting Tuesday at 4 p.m. It is effective September 30. In resigning, Blackmer said, "I have been happy with my city work, but feel it to my advantage to accept this new offer. I want to take this opportunity to thank the public and my many friends of Klamath Falls who have been so loyal to me during my years of public service." He joined the Klamath Falls Police Department in May, 1937, and resigned to become police judge July 1, 1952. Blackmer will become sales and public relations representative for the Monroe Clay Products Company of Monroe, Oregon.

Trucking Lines Sign Contract

SACRAMENTO, Calif. (AP)—A Teamsters Union spokesman said Wednesday that a contract has been signed with Merchants Express and Walkup Truck Lines, a major firm in the Central Valley.

The contract gives the teamsters equality with Bay Area teamsters, said M. S. Vidaver, information officer for Joint Council 38 of the Sacramento Valley.

"This is the biggest break we have had since this thing started," Vidaver said.

Senator's Doctors Remove Tumor

PORTLAND (AP)—Physicians have removed a small, malignant tumor of the testis from Sen. Richard Neuberger (D-Ore.).

Dr. Morton Goodman Tuesday said the operation was performed Friday at the University of Oregon Medical School Teaching Hospital here.

Neuberger returned here only last Thursday from Washington, D.C. The senator is 45.



Goodman's statement said: "Sen. Richard Neuberger underwent surgery on Aug. 29 at the University of Oregon Medical School Teaching Hospital for the removal of a small tumor of the testis, which has been diagnosed as malignant."

"He recovered promptly from the surgical procedure and has returned to his home. The tumor was of a type and location in which there has been a gratifying record of recovery."