

Too Much Is Expected Of Forecasts For 1960

By ELMER C. WALZER
UPI Financial Editor
NEW YORK (UPI)—Predictions are piling up for 1960. They make good reading.

There are two brands as astute economist Heinz E. Luedicke of the Journal of Commerce classifies them—the "nothing-can-go-wrong in 1960" kind and the "strong-start-but-weaker-finish" variety.

He finds the difficulty with fore-

casters is that readers or clients expect too much from them. Thereupon he relates the story of the little boy who broke his arm.

"Doctor, do you think I can play the clarinet when I'm out of the hospital?"

"Of course, my boy."

"Gee, that's swell. I couldn't play it before I broke my arm."

Luedicke believes there's too much hedging in the forecasts.

"There are so many holes in most

of the annual forecasts that they resemble a piece of swiss cheese," he says.

He admits that the dream of the economists is a business indicator—or a relatively small group of indicators—that would enable one to foresee the turning points of the business cycle.

As it is, he says, it usually takes months before we can be sure that business has turned.

Some mighty big bankers go along with this belief, and they frankly admit that there isn't any one indicator or group that will tell to a nicety what's coming.

Why is it then that some prognosticators are so very successful? We asked one of the more successful ones—A. W. Zelomek—his secret.

"All I do," said he, "is try to find out what John Doe will do. He's my indicator. He knows from nothin' about economics. He has lots of money to spend and he has some in reserve. And he believes in Santa Claus."

He explained that the big thing is to know what the masses will do. As long as they spend, we'll have prosperity. If they buy automobiles, all the industries that go into making cars will prosper—steel, upholstery, rubber, glass, brass, copper, lead, zinc, and of course the oil industry.

"You've got to be a good sociologist and have good horse sense to know what the little fellows who spend the big money are going to do," Zelomek holds.

He has invented a term for that job—"socio-economist."

On that basis, here is what he expects in the new year:

"General business, based on gross national product (business consumer and government spend-

ing) will average higher in 1959. Total production will show a greater increase.

"Expect both business and consumer spending to record the greatest increases, although government spending will also show a small gain.

"Disposable income (personal income after taxes) should show an increase of about \$20 billion over 1959, even without a cut in personal taxes.

"Expect the greater income and the sustained record liquid assets of the public to be reflected in about a 6 per cent increase in spending.

"Wholesale prices will average slightly higher than in 1959, although quotations will not fluctuate uniformly.

"Expect consumer prices to show an increase of about 1½ per cent over the previous year, but to lag as compared with the gain in average hourly earnings.

"The international situation will be slightly easier.

"Expect the Far East to provide most of the international tension, although a final settlement of the Berlin situation is not likely. Localized tension in the Middle East also will continue."



"I've made up my mind to accept Edgar as a steady if it ever gets to the point where I have no other choice!"

Official Stationery Used For Letter To Santa Claus

WASHINGTON (UPI)—A letter to Santa Claus from the White House?

Evidently, because there on the envelope was the inscription used by the office of President Eisenhower's special assistant, Wilton B. Persons. It had been marked over, but there it was.

Officials at Washington's main post office, who often have to open letters to Santa in order to determine how they will be delivered, looked into this one.

The single sheet of paper inside also bore the White House letterhead. Written on it was this:

"Dear Santa
"Would you bring me a ric-shay pistols two gun holters (sic)

Body Found Of Fisherman

SEATTLE (AP)—The Coast Guard reported Wednesday the body of a missing Oregon fisherman was found at sea by a French freighter.

The victim of the accidental drowning was James L. Cook, 45, of Port Orford, Ore. He disappeared Friday from his crab fishing boat while fishing off the Oregon coast.

The body was found at sea by the freighter S. S. Jean L. D. some 10 miles off Coquille Point, near the Oregon-California border. The body later was transferred to a Coast Guard rescue boat for return to Port Orford.

Increase Slated By Blue Cross

PORTLAND (AP)—Oregon Blue Cross rates and services will be increased on Jan. 1.

Frank F. Dickson, executive director of the hospital insurance program, said Wednesday the new benefits would include an increased allowance for the cost of a hospital room, full payment for other necessary hospital services and increased payments for anesthetics.

There will be higher rates charged, but they were not reported.

Oil Yield Shows Drop

PORTLAND (AP)—The harvest, yield per acre and value of Oregon's peppermint oil was down this year compared with 1958.

The Oregon Crop and Livestock Reporting Service said Wednesday the harvest was 968,000 pounds—down somewhat from the record harvest of last year.

The yield per acre dropped to 65 pounds from 67 in 1958.

The value of the crop, at \$3,391,000, was down 23 per cent from a year ago.

The number of acres in peppermint production was reported at 14,900. That is 300 more than last year.

The DANMOORE HOTEL
1217 S.W. Morrison St.
Portland, Oregon

All Transient Guests. All those who come return. Rates not too high, not low. Free Garage, TV's and Radio's. Reputation for cleanliness. Children under seven, no charge.

For Others

"Christmas is coming" . . . you can hear and see it everywhere. And those three happy words mean just about everything worth living for . . . reverence for God, love for our fellowman and gifts for our own and for others.

And it is the "others" that The Salvation Army is especially concerned about, for it would like to make sure that no one is forgotten this Christmas. With your help, The Salvation Army would like, in the best of the Christmas tradition, to remember the very poor, the old, the children, and those who may be heartsick and lonely.



We will close at 6 PM Christmas Eve to allow our employees to be at home with their families . . . Closed Christmas Day. Prices in this Ad are effective Saturday, Dec. 26 ONLY.

Tomato Soup	Cherub Milk
Campbell's	Finest quality evaporated for cooking and baby's formula
6 10 1/2-oz. cans	Reg. 15¢
39¢	Tall can
Soda Crackers	Potato Chips
Sunshine "Snowflakes"	Nalley's. Fresh, crispy! For "dips" and nibbling.
1-lb. pkg.	Triple Pack
29¢	69¢

Special Savings This Weekend On . . .

PORK CHOPS

Lean, flavorful center cut chops. A grand favorite at a low price. Fill your freezer!

49¢ lb.

Pork Loins	Pork Roast
Whole or half and loin end roasts	Rib end cuts, 2 1/2 to 3 1/2 pounds.
lb. 39¢	lb. 35¢
Sliced Bacon	Morrell's Yorkshire
1-lb. pkg.	35¢
Beef Sausage	Delicately seasoned
3 1-lb. rolls	1 00
Ground Beef	Fresh daily
lb.	49¢
Lunch Meat	Asst. Varieties Vacuum Pack
3 6-oz. pkgs.	1 00

Remember These Holiday Favorites

Lucerne Egg Nog	Lucerne. Ready-to-pour.	qt. 59¢
Coca-Cola	Get plenty! plus deposit	6 6-oz. btl. 49¢ 2 26-oz. btl. 49¢
Mixers	Cragmont beverages and mixers. 12 sparkling flavors	6 qts. 1 00
Cranberries	Ocean Spray certified.	2 300 cans 45¢
Lucerne 3.8	Richer milk	2 1/2 gal. ctn. 1.01
Cigarettes	Always fresh. Reg. size; non-filter	ctn. 1.89
Nestles' Quik	Instant Chocolate Family size	98¢
Alka-Seltzer	Quick Relief	Lge. size 54¢
Cheer Detergent		21-oz. pkg. 37¢
Dash Detergent		9-lb., 12-oz. pkg. 2.59

More new items added to our shelves to better serve you.

Cheez Whiz 16-oz. jar 59¢
8-oz. - 35¢

Chocolate Mix Bakers Instant 1-lb. pkg. 47¢

Pancake Flour Aunt Jemima 4-lb. pkg. 57¢

Aunt Jemima Mix Buttermilk and Buckwheat 4-lb. pkg. 59¢

Look What a Nickel Buys at Safeway!

Avocados	Calif. Fuertes Peak of the crop quality	each 5¢
Onions	Marblehead or Hubbard Thick yellow meated	lb.
Squash	Medium size yellow, mild flavored.	lb.

Prices effective through Saturday, December 26, ONLY, at Safeway in Klamath Falls. We reserve the right to limit.

The Town Shop

GIGANTIC STOREWIDE Pre-Inventory Sale

STARTS SATURDAY

Terrific Savings on Dresses, Skiwear, Lingerie, Sportswear