

# Ike Sees Flattening Out Of Decline in Economy

WASHINGTON (AP)—President Eisenhower Wednesday interpreted a less-than-season drop in unemployment as evidence that the economic decline is flattening out. But the President wouldn't go so far as to say a business upturn is beginning.

This was at a news conference at which Eisenhower

sought to knock down the idea that his job is too much of a strain, that he may resign and that he is grooming Vice President Richard M. Nixon as the next Republican candidate for the White House.

Essentially, Eisenhower read the economic barometer about as he has for several weeks. And once more he said that a tax cut still requires more study and analysis.

The Commerce Department announced Tuesday that unemployment fell 78,000 between mid-March and mid-April, compared with decreases of about 200,000 in the corresponding periods of the last four years. The decline was the basis of the first question at the conference—

a question whether the President thinks it marks the beginning of an upturn in the economy.

"I do believe," he added, "that there is a very continued and emphatic evidence that the decline is flattening out, and that is, it seems to me, the implication of those figures."

The President sailed through his sixth straight weekly session with newsmen in smiling good humor. He is nearing his record of eight successive conferences set in 1954.

Some of the questions fired Wednesday dealt with:

**PENTAGON REORGANIZATION**—The former general said the core of the controversial reorganization plan he placed before Congress is power for the secretary of defense to carry out a unified strategy effectively.

**POLITICS**—The President said that "I don't have any responsibility for trying to groom any successor," although he does have a duty to keep Nixon informed on all operations and major decisions of the government in the event he himself becomes incapacitated for any reason.

# Economists Urge Cut In Taxes

WASHINGTON (AP)—A wide variety of economists urged Wednesday that tax cuts be thrown into the fight against recession, but there was no sign their advice would prevail.

Secretary of Commerce Sinclair Weeks told the U.S. Chamber of Commerce convention that the administration is continually discussing the question of a tax cut, but has reached no decision.

On the general question of what is happening now, he and President Eisenhower sounded much alike.

"Long range, the future looks good," Weeks said. "I believe the economy is leveling out and we will see a pickup by late summer or early fall."

His appraisals came on a day when a panel of university, labor and business economists offered a Senate-House Economic subcommittee some varying views on how to use taxes as a tool with which to fix up the economy.

Weeks coincided, too, with the opening of House debate on a Democratic-backed bill to grant \$1.5 billion in federal money for the relief of the unemployed.

Rep. Howard W. Smith (D.-Va.) who prefers the plan of federal loans to the states to extend the period of unemployment compensation insurance, called the bill drafted by other Democrats "pure, unadulterated, unabridged, unabashed socialism."

Rep. John W. McCormack (D.-Mass.) retorted that the cry of socialism and dole is nothing new. He said it was raised against such things as social security and child labor laws.

# Auto Industries Join In Settlement Talks

DETROIT (AP)—General Motors, Ford and Chrysler were reported Wednesday to be working quietly behind the scenes in a joint effort to reach a wage settlement with the United Auto Workers by the end of May.

This would be industrywide bargaining for the first time.

Company spokesmen declined comment on the extent of co-operation. But their actions spoke louder than words.

Before leading his team into a bargaining session with the union Wednesday morning, Ford's John S. Bugas applauded General Motors for serving notice of termination of contract on the union Tuesday. GM's action had the effect of challenging the union to strike at midnight May 29—three days before Ford and Chrysler contracts expire.

In Washington, UAW President Walter P. Reuther reiterated the union's stand. He said, "We're not going to strike or do anything rash in the middle of a situation in which there is a backlog of \$50,000 unsold new cars."

Under terms of its contract, GM could have sat back and waited another month, giving the union the option of terminating the GM contract after it dealt with the other companies.

"I think it is very sound negotiating procedure in the circumstances in which we find ourselves," said Bugas, who is Ford's vice president for industrial relations.

The smiling Bugas obviously pleased that GM was seeking a quick showdown with the union.

The companies declined comment on a report they will have a new offer to make to the union by the middle of May.

# Nixon Arrives In Argentina For Installation

BUENOS AIRES (AP)—Vice President Richard M. Nixon arrived for Thursday's inauguration of Arturo Frondizi as president, and congratulated Argentina in its first free election in more than a decade.

Rear Adm. Isaac Rojas, Argentina's provisional vice president, greeted Nixon and his wife, Pat, on their arrival Wednesday from Montevideo, Uruguay, on the second leg of their goodwill tour.

Nixon said he looked forward to the inauguration of Frondizi, whose administration will replace the military junta that has ruled since dictator Juan Peron was ousted in 1955.

"The inauguration of a new government always is an important event in the history of a country," Nixon said in a speech. "But it is particularly so when it is not the imposition of the will of a man but the expression of the will of the people through free elections."

Coincident with Nixon's arrival, Dr. Carlos Alberto Florit, who will be Frondizi's foreign minister, issued a statement saying Argentina's foreign position belongs with the Americas and the West.

## State Politics

WASHINGTON (AP)—Mayor David L. Lawrence of Pittsburgh said the Democrats in Pennsylvania have new-found strength this election year in what he termed worthy men running for minor offices.

In many previous elections, Lawrence told a newsmen, the Democrats have put up merely token resistance in areas that have been historically Republican.

"This year we have many strong candidates in counties like Delaware and other Republican strongholds."

YORK, Pa. (AP)—Arthur T. McGonigle, Republican organization-backed candidate for governor, declared Wednesday it is "the solemn duty of government" to protect the public and union members from irresponsible labor leaders.

In an address to a York County political rally McGonigle reiterated a promise to put in his administration a man from the "ranks of labor."

"However," he added, "labor leaders must come to realize that with added power goes added responsibilities, and that it is the responsibility of government to protect both the rank and file of the labor unions and the general public at large from abuses of that power."

HARRISBURG (AP)—Democrats reduced the Republican lead in voter registration for the May 20 primary to 263,867 almost complete registration figures showed Wednesday. The GOP lead in 1953 was almost a million.

Democrats made a net gain of 13,489 but Republicans lost 66,695 in reports from 66 of the state's 67 counties. Lackawanna County has yet to report new registration figures for the May primary.

The total registration for the primary of 5,280,942 represented a drop of 55,772 from the 1957 registration of 5,336,714.

## Officilas 'Startled' By Day Accidents

HARRISBURG (AP)—The Pennsylvania Turnpike Commission found it "startling" today that most accidents on the superhighway occur during daylight, fair weather, dry roadway and involving a single vehicle.

Harold S. Roberts, turnpike safety director, made a report on 1957 accidents and blamed the individual driver for a lack of alertness while driving on the 470-mile turnpike.

There were 1,930 mishaps on the superhighway last year—of which 1,217 occurred in daylight. Sixty-two people were killed and 1,043 persons were injured on the turnpike last year.

## Khrushchev, Nasser Hold 3-Hour Talks

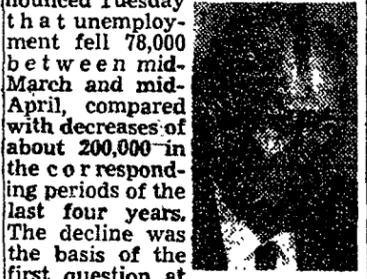
MOSCOW (AP)—Premier Nikita Khrushchev and President Gamal Abdul Nasser of the United Arab Republic talked for three hours Wednesday in the Kremlin.

Egyptians said Nasser is seeking more economic aid. In return for it, Nasser is expected to go along on a joint declaration of friendship to climax his 18-day state visit.

## Batt to Be Considered For Welfare Position

HARRISBURG (AP)—William L. Batt Jr., now secretary of labor and industry, was reported today as under consideration to head the new Public Welfare Department.

Batt's name figured in capitol speculation in a possible four-way shift in Gov. George M. Leader's cabinet, reported to be in the making. The governor's office refused to discuss the reports.



D. D. Eisenhower

## Schoolboy Shot in Feud By Student in Washroom

MASSAPEQUA, N.Y. (AP)—A schoolboy, climaxed a bitter feud with a classmate, waylaid him in a high school washroom Wednesday and killed him with a shotgun blast full in the chest.

"This is for you, Timmy, you creep," police quoted the boy, Bruce Zator, 15, as saying as he sprang from concealment in a toilet booth.

The victim, Timothy Wall, also 15, was shot down as he combed his hair in front of a washroom mirror.

# \$26 Million Unfrozen In Egyptian Assets

WASHINGTON (AP)—The United States Wednesday unfroze \$26 million in Egyptian government assets in a major move to restore friendly relations with President Gamal Abdul Nasser's United Arab Republic.

The action, announced by the Treasury with State Department approval, came as the Egyptian leader toured Moscow as honored guest of the Soviet government.

It followed by some 24 hours Egypt's pledge to pay Britain and France about \$92 million to settle the bitter dispute which erupted over Egyptian seizure of the Suez Canal 20 months ago.

The State Department, in freeing Egypt's funds, cautiously welcomed the Suez Canal agreement, explaining it wiped out the need to keep the money as protection for American shippers who might use the waterway.

The department's announcement said nothing about a series of cautious steps planned as a followup to improve the lukewarm relations with Cairo in the next few months.

These steps include, however: 1. Allowing CARE, a private relief organization to resume operations in Egypt.

2. Beginning a student exchange program for Egyptian and American scholars.

3. Granting export licenses Egypt needs to buy road building and other commercial equipment on the American market.

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## Stock Market Rise Highest of Year

NEW YORK (AP)—The stock market staged its biggest advance in almost four months Wednesday, more than erasing the declines of the past two days.

Numerous pivotal stocks rose 1 to 3 points carrying the market to new high ground for 1958.

Rails, steels, oils, aircrafts and metals were among the better performers.

The market was helped by several favorable developments. Brokers liked the news that employment took a turn for the better this month. Around midday, rails were bolstered by a Senate subcommittee's proposals for an eight-point program to help the industry.

## Sputnik Records Height

LONDON (AP)—Sputnik I showed the earth's atmosphere extends to twice the height scientists hitherto have supposed, a Soviet scientist said Wednesday.

Moscow radio quoted Prof. Yakov Alpert as saying the atmosphere extends to a height of 1,243 to 1,864 miles. Yakov addressed a meeting of Soviet Scientists.

## Lion Anticipates Warm Weather

The Nittany Lion is now limping along campus with a foot injury which he received last night when "one of the many floaters at Carnival stepped on my poor delicate paw."

"They didn't even ask me to participate in the event and they had the audacity to trample all over me," he continued.

However he is anticipating today's predicted warmer weather and clear skies, together with Awards Night where he hopes to be interviewed along with the Miss Penn State finalists.

"I may even become the first Mr. Penn State when I appear in my Jamaicas and my suntan," he concluded.



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