The Babson Report: Beware of Unexpected

By ROGER BABSON "Peace and Prosperity" tould continue to be the ominant theme in 1966. resident Johnson will push nead in attempts to capital-eady made with his Great ociety program. However, nec 1966 will be a Congres-onal election year, he may not the going less easy than was this past year; the Con-ressmen and Senators who or up for re-election will kely think twice be for e ing so generous with the xpayers' money. I, of course, would like othing better than to be impletely optimistic in this orceast, but my more than

To Reach Us By Phone

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60 years of experience in pre-dicting trends has taught me most dangerous when condi-tions are brightest. 1. The health of world lead-ers may well be a prime fac-tor in 1966. These include president de Gaulle, Mao Tse-tung, and even President Johnson.

and even President Johnson.
 Perhaps the biggest threat in 1966 will come from abroad. There is evidence that the coalition leadership in Russia may be centralizing into the hands of a strong-man — something not seen since the Khrushchev ouster. Moreover, Africa could again hold the spotlight in the shift-ing pattern of the "cold war."

I do not look for war with Russi during 1966. Russis during 1966. Russis at the second second

ur patience." 6. I do not foresee all-out

Corrante

war with Red China in 1966. Mao is not yet ready to risk major confrontation. His lag-ging farm and industrial pro-grams still loom as major problems, and the task of ex-bed China's unclear progress is a heavy burden. The foremost task for Red China still is to get a seat in the United Nations. While Southeast Asia is an at-tractive plum, territorial ex-pansion may well have to wait in Red China's timetable, as a peaceful profile on her part would make gaining a seat at the UN essier. UN ad-mission, of course, would uncethereas Ex-volution seat at the UN easier. UN ad-mission, of course, would greatly enhance Red China's prestige in dealings with the Afro-Asian nations.

3238 Sepulveda Blvd., Torrance, California - Sunday, Ja

Victim Tells Police

\$1,000-Ring,

Purse Stolen

In Car Theft

Dress=Herald

singly clear that the bal has swung our way. This ild encourage our leader

should encourage our leaders to step up our commitment in Viet Nam in 1966 in order to force a "peace conference." 9. I foresee no crisis over Cuba in 1966, The agreement Castro has made to allow more Cuban refugees to enter the U.S.A. underscores the problem he has in feeding his people. 10. The Viet Nam situation and the Dominican Republic incident have convinced the Administration that the mili-tary might of our nation must

Second Winter Storm

Leaves Us All Soggy

tary might of c

basis. This means stepped-up defense spending, which should add another prop to

a solution and another prop to the economy.
11. While such de fense spending will focus heavily upon conventional military equipment, our space program will not be neglected.
Having come from behind in the space race, the Administration is not likely to falter and allow Russia to open another wide gap.
12. The increase in defense spending notwithstanding. I forecast that the economy will be hard pressed to match the gats four years. Threats of the past four strikes have been playing an important role in

rather than of vigorous climb. 13. Business capital expen-ditures, which have been a key factor in prolonging the business boom, should remain a strong bolstering influence. However, I predict that they will not provide as much in the way of uptirust for the (Continued on A-3)

UNEQUALED CIRCULATION AND EDITORIAL COVERAGE

ulations from time to time to keep things rolling along. I do look for industrial produc-

do look for industrial produc-tion to edge to a new high. However, I fear the peak will come before midyear and taper off thereafter. On the whole, the business climate in 1966 may well prove to be one of high-level stability rather than of vigorous climb. 13. Business canitel expen-

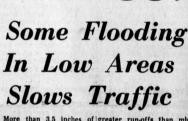
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Theft of a purse containing the h diamond wedding ring set locked



Stotuss Lracycyce. More than 3.5 inches of fain fell in Torrance during steet storm which struck here isteet flooding in several sec-tions of Torrance. Hardest hit were the areas advith streets, and Madrona 247th streets, and Madrona Street and Sepulveda Boule-read Sepulveda Boule-tor and Sepulveda Boule-and Sepulveda Boule-tor and Sepulveda Boule-street and Sepulveda Boule-tor and Sepulveda Boule-street and Sepulveda Boule-street and Sepulveda Boule-street and Sepulveda Boule-and Sepulveda Boule-street and Sepulveda Boule-mer flooded. No estimates boulevard was closed to trai-fic early Wednesday promi-Boulevard was closed to trai-fic early Wednesday morn-Nolac said it might take sev-eral days to clear the reo-way of water and restore-and traffic patterns in the-is due to natural low spots boulevard was closed to trai-tione. The flooding, Nollas said, is due to natural low spots boulevard was closed to trai-tore and traffic patterns in the-tard. The flooding, Nollas said. is due to natural low spots boulevard was closed to trai-tore and the sump is an at-ter and spit take sev-mater and the street seven in op-street and systo clear the reo-tored bet ween Nearelfff Road and Richville Drive. No Boulevards where a small the arge volumes of water. As mall mud slide was re-forde bet ween Nearelfff Road and Richville Drive. No NEW POST ... Gerald L. Russell of 252 W. 227th St. is included in a list of department heads in the Los Angeles District VII offices of the State Divi-sion of Highways to re-ceive new assignments. Russell will head the Traffic Department of Dis-trict VII, covering Los An-geles, Orange and Ventura Counties. He previously was executive assistant, holding the rank of super-

way of water and restore the large volumes of water. normal traffic patterns in the area. The flooding, Nollac said, is due to natural low spots in the area, as well as earlier the saturated sand broke rains which have saturated lose. Bluff Street, site of ma-the ground and resulted in (Conainued on A-2)

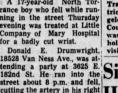
Council, Trustees to Meet ---

Both the Torrance Board of Education and City Council will convene for regular sessions this week. Trustees will begin the new year with a meeting tomorrow at 7:30 p.m., while council-men will start their 1066 sessions Tuesday at 5:30 p.m. Both bodies face routine agendas.

Girod p.m. both pooles face routine agentas. GirJ Falls Out of Car ---An 18-year-old girl suffered minor head in-juries Thursday afternoon when she fell from a car on Crenshaw Boulevard north of Maricopa Street. Beverly A. Westwood of 18245 Van Ness Ave., said she would seek private medical aid. She fell from the car, driven by her sister Patricia, 19, when the passenger door opened as the girls turned left onto Crenshaw. In an earlier accident involving three cars, police arrested Terry Miles of Long Beach on suspicion of drunken driving. Miles, 28, hit a car from the rear at 190th Street and Hawthorne Boulevard.

Torrance Wins Tourney - -

Torrance Wins Tourney ---Torrance High won its third major basketbal tournament title Thursday evening by defeatin Rolling Hills, 83-33, in the final game of th Bishop Montgomery High Invitational Tourna ment. The Tartars previously have won the Pa cific Shores and Beverly Hills tournaments. Ban Johnson, named the most valuable player Thur day, scored 33 points in the final game. The Tar tars will join South High in the Compton Invita tional Tournament, which gets under way to



Signals on

