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Walton friends sought Probe of Hearst contacts pressed

By WAYNE THOMPSON
 of The Oregonian staff

Two close friends of Portland Trail Blazer basketball star Bill Walton rented a Pennsylvania farmhouse last summer which allegedly was used as a refuge for fugitive newspaper heiress Patricia Hearst and two Symbionese Liberation Army companions, it was learned Friday.

Jack Scott and his wife Micki, who have lived with Walton in his \$100,000 West Linn A-frame home off and on since November, are sought by federal authorities for their alleged involvement in the Hearst case.

Walton, questioned by Federal Bureau of Investigation agents in San Francisco Wednesday, professed no knowledge of the Hearst case or the whereabouts of the Scotts, who were last seen in Portland about three weeks ago, according to Walton's neighbors.

Scott, former athletic director at Oberlin College in Ohio and the organizer of a movement for radical athletes, is believed to have had contact with Miss Hearst following a May 17 police siege of a Los Angeles house in which six SLA members were killed.

A person claiming to be Jack Scott called a New York Times reporter, Henry Weinstein, in San Francisco Friday and said his lawyer was discussing his situation with federal authorities.

"It's not by accident that no one has been harmed since last June, either the individuals in question or any unrelated parties," the caller told Weinstein.

"You can get medals for killing people, but if you save lives some people will call you a criminal," the caller said.

Weinstein and Scott met in San Francisco three weeks ago at a rally of the United Farm Workers.

Weinstein said Scott's statement apparently was alluding to the May 17 Los Angeles gun battle and added that the caller implied he knew something of Miss Hearst's activities.

Weinstein wrote that Scott's apparent role in the case was disclosed by Walton during the FBI interview Wednesday, but Walton's attorney, Charles Garry, who is also Scott's attorney,

said Walton was ignorant of any alleged involvement by Scott in the Hearst case.

Garry, whose clients include the Black Panther party and other West Coast radicals, was with Walton Friday morning in San Rafael where Garry was defending the San Quentin "Six" in a hearing at the Marin County Courthouse. Garry told reporters later he was dubious of the call to the New York Times.

Meanwhile, in San Francisco, U.S. Atty. James L. Browning Jr. said the federal grand jury that has been investigating the Hearst case would convene next Thursday to consider new leads.

Garry said Friday that Scott's father, John J. Scott, a Las Vegas apartment manager, had been subpoenaed to testify. The elder Scott's attorney, Doron Weinberg of San Francisco, said "He is believed by the government to have seen Patty after the shootout."

Weinberg said the elder Scott saw his son in Las Vegas about a week ago.

Meanwhile, in South Canaan, Pa., a New York City fireman, Timothy J. O'Sullivan, said he rented his country home in the Pocono foothills to Scott's wife Micki during July, August and September for \$2,000.

O'Sullivan said a woman identifying herself as Micki Scott answered his New York Times advertisement by telephone and that he went to her New York apartment a few days later where the woman called "Mick" gave him a check.

O'Sullivan said the woman said she wanted the South Canaan farm home because she, her husband and a secretary were seeking privacy to work. He said he saw the woman again at the home last July when he visited the place.

In San Francisco, Walton, who told reporters Friday he had seen Garry on tax matters, accompanied Garry and members of the Black Panthers Friday night to a party to celebrate Garry's birthday.

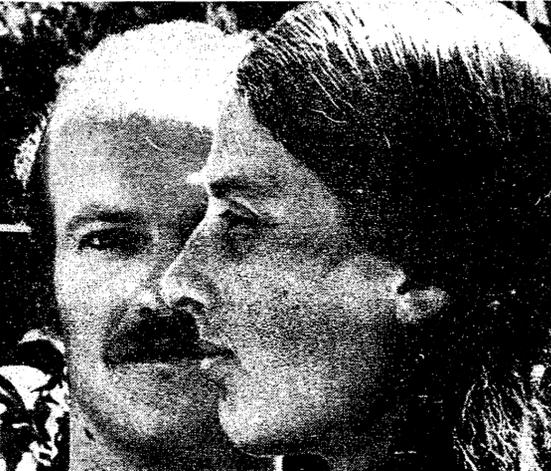
The Oregonian learned from an informed source, meanwhile, that Scott had leased a vehicle, description unknown, in Pennsylvania last fall and still owed money on the lease. A vehicle was used, reportedly, in transporting Miss Hearst and her SLA companions from the farmhouse.

In other developments, the San Francisco Chronicle reported that the FBI had secured records of telephone calls made from Walton's West Linn home to the South Canaan farmhouse during the time that Miss Hearst was alleged to be staying in the farmhouse. An informed source said the FBI believed the phone calls were made by Jack Scott or his wife Micki.

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TIME FOR TALKING — Bill Walton (right), Portland Trail Blazer center conferred Thursday with his attorney, Charles Garry, in the Marin County Courthouse in San Rafael, Calif. Walton, 22, was questioned by the FBI about missing Patty Hearst. Walton's injured left foot is still in a cast.



JACK SCOTT AND MICKI MCGEE

Viet Cong claim Ban Me Thuot

By GEORGE ESPER

SAIGON, South Vietnam (AP) — The Viet Cong claimed Friday that Communist-led forces have taken control of Ban Me Thuot, the central highlands provincial capital where thousands of civilians, including nine Americans, have been trapped by raging battles.

Heavy South Vietnamese losses were reported, but the fate of the Americans — including Mrs. Betty Mitchell of Bly, Ore. — was not known because radio contact had been lost with them for two days.

South Vietnamese officials and Western military analysts acknowledged that North Vietnamese forces controlled large parts of Ban Me Thuot, 155 miles northeast of Saigon, but said that government forces were still in and around it.

In other Indochina developments: —Cambodian insurgent gunners slacked off their shelling of Phnom Penh airport to the lowest level in almost two weeks and the U.S. civilian

airlift resumed full operations after a one-day suspension. But Australia and other nations began closing their embassies in the Cambodian capital, fearing a Communist-led onslaught is in sight.

—North Vietnam's foreign minister, Nguyen Duy Trih, said in a letter to Sen. Edward M. Kennedy that his government has information about Americans missing in action in Vietnam but tied release of the information to implementation of the cease-fire, a Senate staff aide said. He said the letter was dated Jan. 21 and was in reply to one Kennedy, D-Mass., wrote to him Dec. 18 seeking information about the nearly 1,000 Americans listed as missing in Vietnam.

In South Vietnam, a new threat arose to the provincial capital of Tay Ninh city, 55 miles northwest of Saigon. Tank-led North Vietnamese forces overran two government outposts near the Cambodian border south of Tay Ninh in what South Vietnamese officers said

was preparation for an attack on the city itself, should Hanoi exercise that option.

They were the second and third positions around Tay Ninh to fall this week. Tri Tam, a district capital to the east, fell two days ago. The city was isolated Tuesday when North Vietnamese forces cut Highway 22 connecting Saigon with Tay Ninh, but field reports said a South Vietnamese counterattack drove the North Vietnamese from three hamlets along the highway and reopened it.

The Viet Cong delegation in Saigon and a Viet Cong radio broadcast said their forces seized "complete control of Ban Me Thuot City" and its subsectors three days ago.

The Viet Cong said that South Vietnamese forces "quickly disintegrated," sustaining heavy losses. Thousands of South Vietnamese troops were captured and hundreds of vehicles and dozens of artillery guns were destroyed, the Viet Cong said.

Additional details on Page A2.

Decision labels psychic surgery 'pure fakery'

By ANN SULLIVAN
 of The Oregonian staff

Psychic surgery is "pure and unmitigated fakery," an administrative law judge for the Federal Trade Commission has ruled.

Judge Daniel Hanscom, who heard two weeks of testimony in Seattle last September on FTC complaints against four travel agencies and seven individuals, has recommended to the five FTC commissioners an order that would require the firms to stop promoting trips to the Philippines and stop misrepresentations about psychic surgery.

The FTC had originally sought restitution of money paid out by thousands of Northwest residents and other travelers to the Philippines but withdrew that request before the opinion was handed down in Washington this week. A news conference in Seattle announced the findings.

That does not preclude any of the individuals from seeking court restitution themselves, said Gregory Colvin in Seattle Friday. He was one of the FTC attorneys pressing the case against Travel King Inc., its successor, Rumble

Travel and Tours, Inc., Bellevue and Seattle, and two firms in San Francisco. Phil-Am Travel Agency Inc. and Gem Travel Service Inc.

Under a federal act sponsored by Sen. Warren Magnuson, D-Wash., and Sen. Frank Moss, D-Utah, FTC orders of this kind are potentially applicable to all travel agencies who may offer tours of this kind. The act gives FTC power to go into federal court for assessment of monetary penalties against such promotion.

"Bluntly," said Hanscom, "the surgical operations of psychic surgeons, faith healers, spiritual or spirit healers or magnetic healers with the bare hands are simply phony. The elusion of opening the human body with the bare hands and the removal of diseased tissue is created by a variety of crooked devices, clever sleight of hand... commonly employed by magicians."

Hanscom said there is no surgery at all, that the blood is not human, and tissue cleverly taken from animals is made to appear to come from wounds that are not there.

He said such representations "have

the tendency and capacity to cause seriously ill persons to travel long distances at great expense and to waste their time and money in the false belief that they will undergo an actual surgical operation."

Hanscom added that the representations have "the tendency and capacity to worsen the condition of the sick and even to cause the deaths by interruption of normal medical care."

The deaths are not theoretical possibilities, he declared.

Among evidence at the Seattle trial were cases of a man with a wasting neurological-muscular disorder called "Lou Gehrig's disease" who died from pulmonary embolism when blood clots were moved out of veins into the lungs by manipulation, and two children whose regular cancer treatments were abandoned in favor of fatal trips to the Philippines by hopeful parents.

Hanscom's opinion is not a final decision of the commission, although it is expected to be. It can be appealed, stayed or docketed for review, said William Erleben, regional FTC director in Seattle.

Finance panel approves tax bill with larger cuts

WASHINGTON (AP) — The Senate Finance Committee approved a \$29.2 billion tax-cut bill Friday that goes far beyond the one-shot antirecession reduction requested by President Ford.

The package, which is expected to go to the full Senate for its approval starting on Tuesday, included \$21.2 billion in 1974-75 tax cuts for individuals and \$8 billion for business.

Unlike the House, which passed a \$19.9 billion package for 1974-75, the Senate panel approved a series of tax reductions that are designed to be a permanent part of the tax code.

The committee, on two close votes, agreed to separate the issue of repealing the oil depletion allowance from the tax-cut bill. But the depletion question is expected to cause a heated fight on the Senate floor, as oil-state senators seek to protect the \$2.5-billion-a-year tax break for the petroleum industry.

The \$29.2 billion total of the committee bill is nearly double the \$16 billion President Ford requested. The committee's suggested tax cut for individuals is \$5 billion above the House figure; the total for business is \$4.3 billion higher.

The committee accepted the House method of providing a quick rebate to all taxpayers in an effort to stimulate the economy. The panel approved \$8.1 billion in rebates to individuals, with each taxpayer assured a minimum of \$100.

The maximum rebate would be \$200. The Treasury expects to mail the rebate checks in May.

Before the committee voted 16 to 2 to approve the bill, with Republican Sens. Carl T. Curtis of Nebraska and Paul Fannin of Arizona voting no, it approved amendments to:

—Provide an extra \$40 across-the-board reduction for individuals on 1975 taxes.

—Repeal the excise tax on buses and trucks.

—Provide what amounts to a \$1 billion tax credit for corporations that suffered operating losses in recent years. Chief among the beneficiaries of this provision are Chrysler Corp., which would be eligible for an immediate \$150-million tax rebate; Lockheed, eligible for \$65 million, and Pan American World Airways, \$40 million.

This relief was provided by allowing corporations to carry back their losses over an eight-year period, instead of the current three years. Thus, Pan Am, for example, could offset its big losses in 1970 and 1971 against its profitable years.

—Approve a package of tax breaks for small business, by allowing a greater credit for buying used machinery and by reducing the corporate income-tax rate for such operations.

The committee voted to slash by 4 per cent the tax rate on the first \$4,000 of taxable income in 1975 and 1976 in an effort to offset the effects of inflation on the tax bills of families making \$20,000 or less.

This would mean a \$40 cut in the liability of every tax return.

Officer plays cabbie, kills youth in holdup try

By SPENCER HEINZ
 of The Oregonian staff

A 17-year-old youth was shot to death early Friday in North Portland by a policeman who disguised himself as a taxi driver to thwart a suspected armed robbery, the Portland Police Bureau said.

Dead is Rickie Johnson, 17, a junior at Washington High School and the son of Oscar and Murlean Johnson, 404 N. Fremont St. The state medical examiner, Dr. William Brady, said the youth died from a single bullet wound in the back of his head.

His companion, a 17-year-old juvenile, was taken into custody on two counts of first-degree robbery, police said.

Sgt. Thomas Potter, police public information officer, said the incident occurred in a vacant home at 3973 N. Gantenbein Ave., where a Radio cab driver had been robbed at gunpoint 48 hours earlier.

In that robbery, which occurred about 1 a.m. Wednesday, the cab driver responded to a request to deliver food from the Pagoda Restaurant to the residence. Two men robbed the driver at gunpoint when he entered the home, Potter said.

When the same cab driver received a similar order at 1 a.m. Friday, he became suspicious and called the police.

Potter said detectives surrounded the residence while North Precinct Patrolman Kenneth Sanford, 28, a seven-year veteran of the force, donned the cab driver's uniform and drove to the home in the taxi.

Potter said Sanford carried a cardboard carton similar to a restaurant food-delivery box. A hole in the back of the carton enabled him to insert his hand in it and hold his police revolver, Potter said.

When Sanford entered the living room, he was approached by the victim, who allegedly demanded, "Give me all your money or I'll blow your head off," Potter said.

The officer exposed his .38-caliber revolver, Potter said, and warned, "Police. Drop it."

Potter said the suspect made a sudden movement while allegedly continuing to

grasp a .32-caliber automatic pistol. "The officer fired two shots, one striking the subject, the other striking the wall," Potter said.

A third shot was fired over the head of the second suspect, apparently unarmed, as he allegedly ran from the home. Detectives apprehended the juvenile in the yard, Potter said.

The victim did not fire his weapon and died at the scene, police said.

Ex-governor found guilty of extortion

OKLAHOMA CITY (AP) — Former Oklahoma Gov. David Hall, an ex-prosecutor who was elected on a law-and-order platform in 1970, was convicted Friday on four counts of extortion and conspiracy to bribe a public official.

The federal court jury also convicted Dallas financier W.W. (Doc) Taylor on three counts of attempted bribery.

After a three-week trial, the jury of five men and seven women deliberated almost 16 hours over a three-day period before finding Hall and Taylor guilty on all charges.

Hall and Taylor were convicted on three counts each of conspiring to bribe Secretary of State John Rogers to use his influence as chairman of the board administering the state retirement fund to swing a \$10-million investment to a Dallas firm Taylor owns.

Hall also was convicted on one count of extortion for demanding \$50,000 from Taylor for Hall's influence as governor on the board.

Hall faces a maximum sentence of 35 years in prison and \$40,000 in fines. The maximum sentence for Taylor is 15 years in prison and \$30,000 in fines.

Hall, a 45-year-old Democrat who has been the target of federal grand jury investigations since shortly after he took office, was still smiling and predicting an eventual victory Friday evening.

"I've directed my attorney to file a motion for a new trial and to appeal the verdict in this case," he said.

"I'm not guilty and I'm surprised the verdict was guilty. I'm very surprised," he said.

Hall contended during the trial that he was framed.

U.S. Atty. William R. Burkett, a former Republican state chairman, who spearheaded the frequent grand jury investigations of the Hall administration, said he was pleased with the verdict, but "this is not something you can rejoice over."

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