

Feds. Foresee Weaker Growth Than Estimated

**BY MARTIN CRUTSINGER AND
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 AP Economics Writers

WASHINGTON — The Federal Reserve sketched a bleaker outlook Wednesday for the economy, which it thinks will grow much more slowly and face higher unemployment than it had estimated in June.

The Fed's gloomier forecast shows that the recovery from the recession has continued to fall short of expectations. Some economists said it makes the Fed more likely to act further to try to boost the economy, though probably not until early next year.

One option would be a program similar to the Fed's \$600 billion in Treasury bond purchases, which it completed in June. Some economists think the Fed could buy mortgage-backed securities instead, which could more directly support the depressed housing market by lowering loan rates.

Speaking at a news conference Wednesday, Chairman Ben Bernanke said that if conditions worsen, the Fed would consider buying more mortgage-backed securities. He declined to specify what would trigger such a move.

"Bernanke did not go out of his way to dampen growing expectations" that another round of purchases is coming, said Dana Saporta, an economist at Credit Suisse. "If anything, he stoked those expectations."

Still, a more aggressive effort to boost the economy would likely face resistance within the Fed. Ian Shepherdson of High Frequency Economics said the economy would have to deteriorate before the Fed would launch another round of purchases.

The Fed now predicts the economy will grow no more than 1.7 percent for 2011. For 2012, it foresees growth of about 2.7 percent. Both forecasts are roughly a half percentage point lower than its June forecast.

The Fed sees unemployment averaging 8.6 percent by the end of next year. In June, it had predicted unemployment would drop next year to as low as 7.8 percent. The rate is now 9.1 percent.

The Fed's gloomier outlook is similar to many private economists' forecasts. Bank of America Merrill Lynch, for example, expects only 1.8 percent economic growth this year and 2.1 percent in 2012.

Those growth rates are far too low to drive down unemployment.

At his news conference, his third this year, Bernanke acknowledged that the pace of growth will likely remain "frustratingly slow."

"We remain prepared to take action as appropriate to make sure the recovery continues," he said.

Even so, the Fed said the economy had improved since nearly stalling in the spring. As a result, it's putting off any new actions so it can gauge the impact of steps it's already taken.

Fed policymakers made the announcement after a two-day meeting.

In a statement, the officials said consumers have stepped up spending. Still, they said the economy continues to face significant risks, including the debt crisis and risk of recession in Europe.

At his news conference, Bernanke cited Europe's debt crisis as a particular concern. He said the crisis could threaten confidence and hold back growth.

The vote on the Fed's policy statement was 9-1. Charles Evans, the president of the Chicago Federal Reserve Bank, dissented. The statement said Evans wanted to take stronger action to try to boost the economy.

The vote was a shift from the previous two Fed meetings, when three members had dissented for the opposite reason: They opposed the Fed's continued efforts to keep rates at super-lows, for fear it could ignite inflation. Those three members, known as inflation "hawks," dropped their opposition this time.

"The view of the hawks is that once the decision has been made by the majority, it just causes confusion if they continue to vote to roll back action that has already been taken," said Paul Ashworth, chief U.S. economist at Capital Economics.

Some analysts said they expected the Fed to take further action to support the economy

at coming meetings, given their expectation that growth will remain sub-par.

"Policymakers are keeping the door open because the unemployment rate remains high, and there are clear downside risks from the economic situation in Europe," said Sal Guatieri, senior economist at BMO Capital Markets.

After their September meeting, the policymakers said they would shuffle the Fed's investment portfolio to try to further reduce long-term interest rates. And in their previous meeting in August, they had said they plan to keep short-term rates near zero until at least mid-2013, unless the economy improved.

The Fed repeated the mid-2013 target in its statement Wednesday. It also said it was continuing its program to rebalance its portfolio to try to lower long-term rates.

The Fed has kept its key short-term interest rate at a record low since December 2008. This is the rate that banks charge on overnight loans. It serves as the benchmark for millions of business and consumer loans.

The Fed noted that growth strengthened over the summer, in part because temporary factors that had weighed on the economy in the spring had eased. Consumers are able to spend a little more because gas prices have declined from their May peak of roughly \$4 a gallon. And auto sales and production have picked up now that supply chains disrupted by the March earthquake in Japan are flowing more freely.

But the Fed said the job market remains weak. And it suggested that the troubles in Europe could hurt U.S. growth.

The Greek prime minister's surprise move to call a referendum on the country's latest rescue plan sparked fears that the debt deal could unravel, that Greece could default on its debt and that the crisis could infect the global financial system.

Even if Europe dodges a financial catastrophe, many economists think it's headed for a recession that would affect the U.S. and global economies. The Fed expressed such concerns after its August meeting.

Still, the Fed remains deeply divided over what, if any, action to take next.

European Leaders Meet To Discuss Bailout Vote

CANNES, France (AP) — Greece's prime minister flew to the chic French resort of Cannes on Wednesday to explain to his furious European colleagues why he was holding a surprise referendum on a bailout deal that took them all months to work out.

George Papandreou's pledge to let the Greek people themselves vote has riled financial markets and threatens to derail an entire European debt crisis plan that's not even a week old. Observers called it a "back me or sack me" move to make sure the Greek public will support the severe austerity measures looming ahead.

But a "no" vote in the referendum would have enormous consequences not just for Greece but for the rest of Europe. It could lead to a disorderly Greek default, force Greece out of the 17-nation eurozone, topple many fragile European banks and send the global economy spinning back into recession.

With this in mind, French President Nicolas Sarkozy, German Chancellor Angela Merkel and top European Union officials gathered at the Palais des Festivals, site of Cannes' famous film festival, for private emergency talks ahead of a meeting with Papandreou.

The pressure on Papandreou was mounting. European leaders "will not accept" it if Greece jeopardizes the rescue plan, Luxembourg Prime Minister Jean-Claude Juncker said after the first round of talks.

Occupy Protesters Target Oakland Banks

OAKLAND, Calif. (AP) — Thousands of Wall Street protesters marched in the streets of Oakland on Wednesday as they geared up with labor unions to picket banks, take over foreclosed homes and vacant buildings and disrupt operations at the nation's fifth-busiest port.

The protests marked an escalation from previous demonstrations as they went beyond boisterous rallies at park encampments and took aim at a major hub of commerce — the Port of Oakland. Organizers say they want to halt "the flow of capital" at the port.

The union representing port workers said it cannot ask members to participate in the protests because of clauses in its contract, potentially minimizing any disruptions.

Demonstrators as well as city and business leaders expressed optimism that the widely anticipated "general strike" would be a peaceful event for a city that became a rallying point last week after an Iraq War veteran was injured in clashes between protesters and police.

Embattled Oakland Mayor Jean Quan, who has been criticized for her handling of the protests, said in a statement that she supported the goals of the protest movement that began in New York City a month ago and spread to dozens of cities across the country.

Feds: Bomb Plot Idea From Underground Book

GAINESVILLE, Ga. (AP) — In the violent underground novel "Absolved," right-wing militia members upset about gun control make war against the U.S. government. This week, federal prosecutors accused four elderly Georgia men of plotting to use the book as a script for a real-life wave of terror and assassination involving explosives and the highly lethal poison ricin.

The four suspected militia members allegedly boasted of a "bucket list" of government officials who needed to be "taken out"; talked about scattering ricin from a plane or a car speeding down a highway past major U.S. cities; and scouted IRS and ATF offices, with one man saying, "We'd have to blow the whole building like Timothy McVeigh."

Federal investigators said they had them under surveillance for at least seven months, infiltrating their meetings at a Waffle House, homes and other places, before finally arresting them Tuesday, just days after discovering evidence they were trying to extract ricin from castor beans.

"While many are focused on the threat posed by international violent extremists, this case demonstrates that we must also remain vigilant in protecting our country from citizens within our own borders who threaten our safety and security," said U.S. Attorney Sally Quillian Yates.

The four gray-haired men — Frederick Thomas, 73; Dan Roberts, 67; Ray Adams, 65; and Samuel Crump, 68 — appeared in federal court Wednesday without entering a plea and were jailed for a bail hearing next week. They apparently had trouble hearing the judge, some of them cupping their ears.

OBITUARIES

Mary Wieseler

ST. HELENA, Neb. — Mary Louise Wieseler, age 81 of St. Helena, Nebraska died on Monday, October 31, 2011 at Avera Sacred Heart Hospital in Yankton, SD.

Mass of Christian Burial will be on Friday, November 4, 2011 at 10:30 a.m. at Holy Family (Immaculate Conception) Catholic Church in St. Helena with the Rev. Eric Olsen officiating. Burial will be at St. Mary's Cemetery in St. Helena, NE.

Visitation will be on Thursday at church from 4-8:00 p.m. with a Vigil Service at 7:00 p.m. Visitation will continue on Friday at church one hour prior to services.

Arrangements are under the direction of the Wintz Funeral Home in Hartington.



Wieseler

Pallbearers will be her grandsons, Nick Wieseler, Jason Wieseler, Eric Wieseler, Nathan Haahr, Jeremy Olsen, Austin Wieseler, Jared Nigrin, and Devin Wieseler.

Honorary pallbearers will be all of Mary's grandchildren and great grandchildren.

Mary Louise was born on March 18, 1930 in Wynot, Nebraska to John and Rose (Schulte) Hochstein. She attended Sacred Heart Elementary School in Wynot and attended High School for three years at Nebraska City. She graduated from Mount Marty High School in Yankton, SD. Mary Louise was a piano teacher at Wynot High

School for two years prior to her marriage. Mary Louise married Ralph O. Wieseler on July 6, 1950 in Wynot, NE.

Mary Louise was a member of Holy Family Catholic Church and was active in the Altar Society, its choir, church liturgy committee, and the Catholic Order of Foresters. She loved her flowers, gardening and bird watching, especially her hummingbirds and finches.

She is survived by her husband Ralph of Coleridge; eight children and their spouses, Robert and Kathie Wieseler of Yankton, SD; Darrell and Barbara Wieseler of Maskell, NE; Ron and Paulette Wieseler of St. Helena, NE; Shirley and Roger Haahr of Laurel, NE; Carol and John Olsen of Sioux City, IA; Brad and Diane Wieseler of St. Helena, NE; Lois and Joe Nigrin of Blair, NE;

Kenny and Jennifer Wieseler of Wynot, NE; 37 grandchildren; 4 step-grandchildren; 22 great grandchildren; 6 step great grandchildren; one brother Don and Elaine Hochstein of Hartington, NE; two sisters Freda and husband Don Hoss of Lemars, IA; Delores Abbott of Redmond, OR; sister-in-law Sally Hochstein of Wayne, NE.

Mary Louise was preceded in death by her parents; four sisters and five brothers.

Yankton Press & Dakotan
 November 3, 2011

WINTZ
 FUNERAL HOME, INC.

Hartington * Coleridge * Crofton
 203 W. Franklin, PO Box 505
 Hartington, Nebraska 68739

Shawn Gilpin

LIBERTY, Ky. — Patrick Shawn Gilpin, formerly of Yankton, passed away Monday, October 31, 2011 in Liberty, Kentucky, of a heart attack. He was 46.

Born in Casey County on Sunday, March 14, 1965, he is the son of the late Arnold and Bonnie Evelyn Huf-faker Gilpin. He was a self-employed gate salesman. He lived in Yankton from 1995-1997 and was employed by Gurney Seed and Nursery as a landscaper.

He loved fishing and spending time with his son, Justin, throughout the years.

In addition to his parents, he is preceded in death by a brother, Michael Gilpin.

Survivors include a son, Justin Meyers of Yankton, South Dakota; brother, Greg and Donna Gilpin of Liberty; and sister, Kim (Ronald) Dehart of Liberty, and several nieces and nephews.

Graveside services were held 3:00 p.m. Wednesday, November 2, 2011 at Oak Grove Contown Cemetery, Liberty, Kentucky, with Bro. Clifford DeHart officiating.

Funeral arrangements entrusted to McKinney-Brown



Gilpin

Funeral Home with guestbook available at
www.mckinneybrown.com.

Yankton Press & Dakotan
 November 3, 2011

Eleanor Schuur

SIoux CITY, Iowa — Eleanor D. Schuur, 84, of Sioux City, passed away October 31, 2011 at a local nursing home.

Services will be held 11:00 a.m. Saturday, November 5, at Third Presbyterian Church with Rev. Steve Jewett officiating. Luncheon will be immediately following the service at the Church. Burial will be at Memorial Park Cemetery at a later date.

Eleanor was born October 4, 1927 in Lesterville, South Dakota, daughter of Julius and Bertha (Orth) Frank. She moved to Sioux City in 1956. Eleanor married Henry Schuur on October 31, 1949. She was a member of the Morning-side Pinochle Club and the Harmony Belles Bowling Team.

Survivors include her husband Henry Schuur who is currently residing at Countryside Assisted Living, two sons Thomas E. Schuur of



Schuur

Omaha, Nebraska, and David H. Schuur of Maryland, one brother Norman Frank of Arizona, and two sisters Irene Nohava of Hudson, South Dakota, and Mildred Branaugh of Yankton, South Dakota, eight grandchildren, and 11 great grandchildren, and a special friend Marilyn Russell.

Eleanor was preceded in death by her parents, her son Jack Lee Schuur, two daughters KathleenAnn Dibble, and Debra Jo Bowden, three brothers Merle Frank, Lee Beard, Vernard Frank, and one sister Ruby Bartikowsky.

Memorials may be directed to Eleanor's family.

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Olivia Schnabel

MENNO — Olivia Schnabel, 94, of Menno died early Wednesday, Nov. 2, 2011, at the Menno-Olivet Care Center, Menno.

Funeral services are at 10:30 a.m. Saturday at Zion Reformed Church, Menno, with the Rev. Maynard Koerner officiating. Burial will

be in the Zion Reformed (Kassel) Cemetery, rural Menno.

Visitations are 5-8 p.m. Friday at Aisenbrey-Opahl-Kostel Memorial Chapel, Menno, and then one hour prior to the service at the church.

Carolyn Livingston

ELK POINT — Carolyn Livingston, 85, of Elk Point died Wednesday, Nov. 2, 2011, at Prairie Estates Care Center.

Funeral arrangements are pending with Kober Funeral Home, Elk Point.

Marjorie Kalstad

ELK POINT — Marjorie F. "Midge" Kalstad, 95, of Elk Point died Sunday, Oct. 30, 2011, at Prairie Estates Care Center.

Funeral service is at 10 a.m. Friday at Immanuel Lutheran Church, Elk Point, with burial to follow at Elk Point Cemetery.

Visitation and prayer service will begin at 7 p.m. tonight (Thursday) at Kober Funeral Home, Elk Point.

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