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KRUPP WAR PLANT EXECUTIVES CONVICTED

DEFIES RUSSIANS — Louise Schroeder, mayor of Berlin, Germany, cast her lot with the Western powers when she defied the Russian Army edict to make her reinstall the pro-Communist police president of Berlin. (NEA Telephoto)

Fern Hobbs Retires After Notable Career

PORTLAND, July 31—(AP)—A 90-pound woman who, as a college student, cleaned up the saloons and gambling joints of the town of Copperfield, Ore., resigned her last job today.

Fern Hobbs, private secretary to Gov. Oswald West in 1913, retired today as secretary to the assistant Business Manager of the Oregon Journal. She had been with the newspaper 23 years.

It was while she was the governor's secretary and a Willamette University law school student that she cleaned up Copperfield. West ordered Miss Hobbs to go to that Baker County town as commander of a state militia detachment.

She proclaimed martial law to Copperfield, and directed the militia to close the saloons and burn up the gambling devices.

In the Day's News

By FRANK JENKINS

THE Russians are reported to be increasing SUBSTANTIALLY their fighter plane strength near Berlin. There are guns, you see, on BOTH sides of the poker table.

• • •

THERE is a lot of wishful talk in the air about another meeting between our side and the Russians to see if we can't iron out our difficulties.

Who's plugging for it?

This writer would say offhand that if the Russians want it it would be a fine project, with perhaps some hope of success. But if we're doing the plugging it's a sign of weakness—and you can be as sure as you ever were of anything that Moscow is watching us like a hawk for any sign of weakening.

• • •

EVERY business man who ever put through a deal knows that if he shows too much interest, if he crowds the dickering TOO HARD, he'll have to pay a high price.

One of the first rules of successful trading is DON'T GET TOO EAGER.

It's better to make no deal at all than to make a bad one.

• • •

THERE is one faintly hopeful note in the foreign news.

A little while back, the mod-

(Continued on Page Four)

The Weather

Fair today and Sunday. Cooler Sunday.

Sunset tonight 8:36.
Sunrise tomorrow 6:03 a.m.

The News-Review

Established 1873 ROSEBURG, OREGON, SATURDAY, JULY 31, 1948 180-48

Ex-Soviet Spy Exposes U. S. Employes' Role

Information Obtained On Secret Data

Elizabeth T. Bentley, At Congressional Inquiry, Names Federal Officials

WASHINGTON, July 31.—(AP)—Lauchlin Currie, one time aide to the late President Roosevelt, and Harry Dexter White, former assistant secretary of the Treasury, were named by ex-Soviet Agent Elizabeth T. Bentley today as two from whom the Russians got secret wartime information.

In a sensation-studded congressional hearing, Miss Bentley ticked off one name after another of government officials she said were sources of "political and military" information gathered by the Soviet spy ring she was in.

Her testimony was under oath to the House Un-American Activities Committee which picked up where a Senate group left off yesterday in hearing the blonde Vassar graduate's story. Startled committee members said they would ask for a special grand jury to look into the question of whether there should be prosecutions.

Miss Bentley swore Currie was not a Communist, but that he "gave us some inside information, on government policies." It was through Currie, she said, that information reached the Russians that the United States was about to "break" the Soviet code. ("Break" means learn to decipher.) This would have permitted the United States to read secret Russian dispatches to the Soviet embassy here. Code "breaking" was one of the greatest wartime secrets.)

White was a member of what she called the "Silvermaster group" and "gave information to Mr. Silvermaster which was relayed on to me" and eventually to the Russians.

She said she referred to N. Gregory Silvermaster and called him a Communist and Russian secret police agent who worked

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BARES TREASON — Elizabeth T. Bentley, above, former Soviet spy, who told a congressional committee today the names of the present and former federal employes who supplied her with secret wartime information to be relayed to the Russian government.

Polio Epidemic Noted In Los Angeles County

LOS ANGELES, July 31—(AP)—Los Angeles county has an infantile paralysis epidemic.

The designation "epidemic" was used in a report by Dr. Sidney B. Clark, acting chief of the state's acute communicable disease service.

Dr. Clark said 427 cases have been reported this month, bringing the year's total to 577. Twenty-seven victims have died.

He emphasized, however, that the ratio of cases per population is not alarming.

Attorney Fred Lindsay Dies at Los Angeles

Attorney Fred Lindsay of Los Angeles died Friday after a short illness at the age of 39, according to a telegram received today from his parents, Mr. and Mrs. Carl Lindsay. He was a graduate of Roseburg High School. The Carl Lindsay's formerly owned and operated the Melrose Store.

Welfare Pay To be Boosted October 1st

PORTLAND, July 31—(AP)—Oregon welfare checks for old age, dependent children and the blind will be increased Oct. 1.

The State Welfare Commission yesterday approved revision of standards to take advantage of federal match money in an effort to offset rising living costs.

The maximum allowable increase under the congressional act is approximately $5 a month for each recipient. The commission said it hoped to be able to match all of the available federal money, but pointed out there was a considerable variation in cases so it was unlikely $5 could be counted on. Details are to be worked out on return of Miss Loa Howard, administrator, who is attending a meeting in the east discussing the match money.

The state's June old-age assistance checks averaged 12th highest in the United States, the commissioner reported. First was Colorado with $60.55. California was second with $57.06 and Washington third with $56.80. Oregon's June average was $43.63. Lowest in the country was Mississippi at $15.77.

Assessed Valuation Of Douglas Heavily Upped

Douglas County's assessed valuation shows an increase from $24,546,020 in 1947 to $39,859,180 in 1948, according to figures announced today from the State Tax Commission, Salem.

An Associated Press dispatch reveals that Oregon's assessed values have hit a new high at nearly a billion and a half dollars. The figure reported by the Tax Commission is $1,401,031,000, an increase of $136,728,002 over that of 1947.

Public utility valuations, fixed by the tax commission, are $221,695,921. Last year the total was $207,090,907.

In each of the state's 36 counties an increase was noted.

Ford Motor Co. Prepares To Increase Car Prices

DETROIT, July 31—(AP)—The Ford Motor Co. plans to increase its passenger car prices within a few days, it was learned today.

The amount of the boost is not determined. General Motors Corp. raised prices on its passenger cars by eight percent a week ago.

The Ford company recently granted its 116,000 CIO production workers a 13-cent an hour wage increase.

Ford raised prices about nine per cent last June 7, when it introduced the new models. The last previous price boost was Aug. 24, 1947.

Former State Senator Clarence Edwards Dies

TILLAMOOK, Ore., July 31—(AP)—A long illness ended in death yesterday for Clarence J. Edwards, 77, former Tillamook County state senator and founder of the Coast Power Company here.

A resident of Tillamook for 38 years, Edwards joined with the late Charles Clough and John Groat in founding the power firm in 1912. It was sold to Mountain States Power Company about a decade later.

The widow, two sons and a daughter survive.

Ohio Strikers Defy Warning Of Governor

DAYTON, O., July 31.—(AP)—CIO unionists, defying Gov. Thomas J. Herbert to call out National Guardsmen, today went ahead with plans to stage another mass meeting outside the Univis Lens Co. plant.

Herbert, making an on-the-scene attempt to solve the violence-torn strike by CIO Electrical Workers, warned he would call out the troops unless assured there would be no demonstration. The plant normally is closed weekends.

"I came here to assure there would be peace in the plant area," Herbert told union leaders. "What it takes to do that will be there. I am giving you people an opportunity to avoid meeting force. The responsibility is yours."

Street fighting broke out yesterday between pickets and nonstrikers when the CIO council called the first mass meeting to protest what it described as "police brutality." More than 120 police were on hand to escort non-strikers into the plant. Officers broke up the melee with tear gas. Estimates of the crowd outside the plant ranged from 6,000 to 10,000.

It marked the fifth day in a row that several hundred employes returned to work under police protection. The company was struck 87 days ago in a wage dispute.

The Montgomery County CIO council, representing 30,000 unionists in this area, last night asked all second and third shift workers—including those belonging to the AFL and Railroad Brotherhoods—to attend an "emergency mass meeting" Monday morning across the street from the Univis plant.

Boy Bicyclist Suffers Broken Leg in Collision

Floyd Slack, 10-year-old Winston youth, sustained a broken leg Thursday morning when he collided with a car while riding his bicycle out of a side road in that community. The car was being driven by Mrs. R. H. Parkinson, Harbor City, Calif.

Deputy Sheriff Dick Baker, who investigated the case, said that Mrs. Parkinson stopped at the scene of the accident, but went on after the boy had been cared for. Baker said he discussed the case with Mrs. Parkinson later at Canyonville. The boy was hospitalized for treatment. No arrest was made, he said.

Communist Expected To Head Hungarian Govt.

BUDAPEST, Hungary, July 31 (AP)—Parliament is expected to name a pro-Communist socialist as president of Hungary when it convenes Monday to name a successor to Zoltan Tildy.

Tildy resigned yesterday a few hours after the Interior Ministry announced that his son-in-law, Dr. Victor Csornoky, had been arrested on unspecified charges of spying and treason.

His resignation paved the way for the Communists to tighten their grip on Hungary. Tildy was the first president of the Hungarian republic which was proclaimed in 1946.

ALLIES GIVEN RUN-AROUND

Envoys Told Molotov On Vacation in Ruse to Delay Parley on Berlin Blockade

(By the Associated Press)

Envoys of the western powers have made contact with one official of the Soviet foreign ministry, presumably to discuss the Berlin crisis. The British foreign office said British Envoy Frank Roberts conferred last night in Moscow with Soviet Deputy Foreign Minister Zorin.

U. S. Ambassador Walter Bedell Smith sought an appointment yesterday with Soviet Foreign Minister Molotov to discuss four-power negotiations over Berlin and Germany. Smith was told Molotov was out of town on "vacation."

The Social Demokrat, official organ of Berlin's Socialist party, expressed skepticism over reports that Molotov was absent from Moscow on vacation.

"It is a delaying action by the Kremlin," the newspaper said. "Moscow is talking in riddles about Molotov's absence. It looks like an intended affront to the Western Powers."

The United States meantime made plans to step up its Berlin air lift amid rumors that the Russians may try to close one or more of the three lanes American and British planes use to fly supplies to the blockaded city.

Military Air Transport Command headquarters in Washington said last night it is suspending its regular American transcontinental service over two routes to make 28 large transports available for the air lift.

Blackmail Acknowledged

Russian-controlled newspapers in the city virtually acknowledged today that Moscow is practicing political blackmail with the blockade.

The National Zeitung predicted that if the Western Powers begin negotiations with Moscow "the formula might well be: for the Western Powers to withdraw their currency from Berlin in exchange for the restoration of transport."

Meanwhile the Russians offered new bait to win over 2,075,000 Germans of the blockaded Western sectors and thus extend Communist control over the entire city.

This time the Communist-controlled German economic commission of the Russian zone offered raw materials and power to industries in the Western sectors which the blockade has crippled or forced to shut down.

The provision was that finished products must be delivered to the commission for sale in the Russian zone or in the Soviet-dominated Eastern European countries. If they could work this the Communists would achieve what they have long sought—an economic strangehold over all Berlin and the city's virtual incorporation into the Soviet zone.

Non-Communist newspaper immediately denounced the new Soviet gesture as "another trick."

Access Road To Dairy Area Considered

Members of the Douglas County Court will go to Reedsport Tuesday to meet with residents of the area living north of Lakeside who want an access road into their farm and dairy land.

This area in the vicinity of Eel Lake, accessible at the present time only by boat on Tenmile Lake, is one of the last Douglas County areas remaining to be opened up, according to members of the Court.

There are two possible exits for the area, which contains rich dairy land. One is north to connect with the Scofield road and terminating at Reedsport, but, according to the Court, this road would involve difficult construction over a mountainous area at a high cost.

The second route would be a cooperative program with Coos County, requiring each to construct about three and a half to four miles of County road. Part of this is already constructed by logging operators, so would mean only that the two counties would make the necessary connecting links, and take over the private roads for necessary reconstruction and maintenance.

The latter route would cut south of Eel Lake and join with Highway 101. Its cost, according to members of the court, would be roughly $5,000, compared with an estimated $50,000 for the northerly route.

Shanghai Cracks Down On Traffic in Nylons

SHANGHAI, July 31—(AP)—Beginning tomorrow the sale of nylons in Shanghai will be outlawed.

The ban was thought up long ago when China's austerity program was started but it was not enforced.

The government ordered it into effect tomorrow. Women wearing nylons will not be molested but they will not be able to buy any more of them here.

VACATION PAY-OFF

OKLAHOMA CITY, July 31—(AP)—Who says vacations don't do any good?

Policeman J. C. Farris got back yesterday, looked at a secret service "wanted" sign, stepped out on the sidewalks a few moments later and picked the man up.

He was wanted for forging a treasury check.

Superforts Reach Ceylon, Philippines Next Stop

COLOMBO, Ceylon, July 31.—(AP)—Two B-29s on a round-the-world trip arrived here today from Aden.

A sister B-29 crashed near Aden earlier this week, killing five crewmen. Six still are missing. One survived.

The planes are scheduled to leave here tomorrow on the next hop to Clark Field, Philippine Islands.

Eleven Face Penalties For Exploitation of Slave Labor, Plundering Seized Countries

NUERNBERG, Germany, July 31.—(AP)—Alfried Krupp von Bohlen und Halbach, who was convicted on two war crimes counts, was sentenced today to 12 years in prison.

Judge H. C. Anderson of Jackson, Tenn., who presided over the three-man court, sentenced the other 10 convicted directors to terms ranging from 12 years to two years and 10 months.

NUERNBERG, Germany, July 31.—(AP)—A U. S. military court today convicted Alfried Krupp von Bohlen und Halbach and 10 other directors of the Krupp munitions works on two war crimes counts—exploitation of slave labor and plundering of occupied countries.

A 50,000-word judgment said the directors of the Ruhr gun plant, backbone of the German war machine since the days of Bismarck, committed crimes even in excess of Hitler's orders.

Of the 12 defendants, only Karl Heinrich Pfirsch, 71, dean of the board and a gun industrialist since 1901, was acquitted on all counts. The judgment was handed down by a tribunal consisting of H. C. Anderson of Jackson, Tenn.; Edward J. Daly of Hartford, Conn., and William J. Wilkin of Seattle, Wash.

Krupp, 41, took over the billion-dollar enterprise from his father, ailing Gustav Krupp, and his mother, Bertha for whom the "Big Bertha" guns of World War I were named. He was convicted of exploiting slave labor, starving and mistreating concentration camp workers and using prisoners of war to make German guns.

Personnel of Culprits

Others convicted on this count were:

Ewald O. Loeser, 60, finance and administration chief.

Eduard Houdremont, 52, Luxembourg-born metallurgist.

Erich Mueller, 56, designer of the "Gustav" gun which battered Stalingrad.

Friedrich W. Janssen, 61, head of the Krupp Berlin office.

Max Otto Ihn, 58, personnel chief.

Karl F. Eberhardt, 54, head of machine sales and war materiel.

Heinrich L. Korschan, 53, director of the Bertha works in Breslau.

Friedrich von Buelow, 59, liaison man with the Gestapo.

Werner H. Lehmann, 44, labor procurement official.

Hans Gustaf Kupke, 63, head of the foreign worker camps and experimental firing ranges.

Krupp, Loeser, Houdremont, Mueller, Janssen and Eberhardt were convicted of plundering Nazi-occupied lands.

The judgment said Krupp employed almost 12,000 foreign slaves and 2,500 prisoners of war in 100 factories in the Ruhr. It said many died from the conditions and the hard work.

Conditions were so bad, the court noted, that even the Germany Army high command complained to the Krupps. Workers were given no protection from bombing raids, were fed starvation diets and were made to live in "ash bins, dog kennels, old baking ovens and self-made huts," the court declared.

In barbed wire camps set up by the Krupps "the inmates fought for a dry spot on which to sleep at night and those who lost were forced to stand on their feet all night," the judgment continued.

The court said that by 1944 children as young as six were being used as laborers. It added that the Krupps were powerful enough to balk at any Nazi orders on the subject of slave labor.

"The guilty were not acting under compulsion or coercion exerted by the Reich authorities," the court said. "Upon the facts found, we conclude beyond a reasonable doubt that the defendants are guilty."

GOP Leaders Brand Truman Plan Tax Hike

WASHINGTON, July 31—(AP)—Republicans injected income taxes into the bitter cost of living debate today, saying President Truman's special session program would mean doubled tax payments.

Congress itself took a week-end siesta from its heated disputes over who's to blame for high prices and what to do about them and the poll tax controversy. Senator Taft said maybe it will go home for good a week from today.

GOP leaders, meanwhile, scheduled strategy conferences—including talks with Gov. Thomas E. Dewey's campaign manager—which may bring a decision on how far the Republicans will go toward meeting Mr. Truman's demands for anti-inflation powers.

New restraints on bank credit and installment buying appeared likely limits to what the Republicans may concede. But the GOP answer was still "no" to the president's request for some price and wage controls, revived rationing and a long range housing bill.

Opposition Stand Aired

Republican opposition was pointed up anew last night by House Speaker Martin, who told a radio audience:

"This Congress will never rubber-stamp left-wing schemes for more spending, and more government control of everything in America."

Martin said that if all Mr. Truman's program were enacted it "would mean doubling the income taxes." That, he said, "would sink America."

Senator Millikin also brought the tax question into the anti-inflation picture.

The chairman of the Senate Finance Committee said in a radio talk last night that Mr. Truman is disregarding "the people's demand for further tax reduction" and has asked for an excess profits levy on business opposed by "some of the brainiest leaders of his party."

Millikin said the Republican party will carry out its promises to make further tax reductions "as fast and as often as surpluses are available for that purpose and for debt reduction."

Taft, who heads the GOP policy committee, interrupted the "educational" campaign the Southern Democrats are conducting against anti-poll tax bill to lash out at Mr. Truman's anti-inflation plan.

He said, in effect, that Mr. Truman is only fooling and

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Canadian Runaway Youth Arrested Here

A 14-year-old juvenile missing from Vancouver, B. C., was arrested in Roseburg Friday night, reports Chief of Police Calvin Baird.

The youth, picked up by city police on an after hours charge, finally admitted after an hour or more of questioning that he entered this country from Canada by going first to Point Barrow on the Canadian coast. He walked along the beach to where fishermen were preparing nets, then caught a ride with them by boat to Anacortes, Wash., said Baird.

By so doing the boy not only crossed the international line, but beat the customs authorities as well, according to the chief.

The youth, missing from Vancouver since July 21, is being detained in the county jail.

Tot Electrocuted When She Reaches for Toy

PORTLAND, July 31—(AP)—A three-year-old's love for her toy sand bucket led to her death yesterday.

Joan Rickard, 3, dropped the bucket behind the electric clothes drier in the home of her mother, Mrs. Pauline Briggs. Joan ran to retrieve it, and touched a live wire.

She was killed outright. The coroner said the wire's insulation was apparently defective.

Navy Uses Everything To Sink Ship

PEARL HARBOR, July 31.—(AP)—The tough old battlewagon Nevada is gone. The Navy finally sank her yesterday after four and a half days of trying.

The 32-year old ship had been used twice in 1946 to see if an atomic bomb could sink her at Bikini. It couldn't.

This week they towed her out to sea again. New and still secret explosives were put aboard and touched off. The Nevada's deck and side plates buckled, three holes were ripped in her sides but she wouldn't go down.

Destroyers pecked at her. Rocket-firing planes blazed away. Planes loosed radar-guided bombs, which missed. The U. S. S. Nevada still rode the waves.

The great battleship Iowa turned her 16-inch rifles on the veteran of two world wars. A salvo smacked her. The Nevada belched smoke and defiance. Three cruisers scored hits with no more luck.

At last they called up the torpedo bombers. Several torpedoes hit the Nevada and she rolled with the punch. Then came one which smashed her amidship.

The Nevada could take no more. She rolled over slowly and sank in water five miles deep.

Levity Fact Rant

By L. F. Retzenstein

The Russians now hint they may try to close the air corridors to Berlin. Just let 'em do that and see how quick the Allies will report them to the terrifying United Nations—or swat them with staggering feather-pillow diplomatic notes.

History Written as Truman, Dewey Speak on Program at International Airport Fete

NEW YORK, July 31.—(AP)—Under a canopy of the nation's air might, President Truman and his Republican rival for the presidency, Gov. Thomas E. Dewey, join today in opening the world's largest airport.

In doing so, they write a new page in modern American political history.

The occasion is the president's formal dedication of the huge New York International Airport at Idlewild, Queens, and an aerial pageant billed as the nation's mightiest peacetime airshow.

The show will be witnessed by an expected 100,000 spectators, members of the president's cabinet, a large congressional delegation and representatives of 30 foreign nations.

The history-making get-together between Mr. Truman and Gov. Dewey will be the first time on record that presidential candidates of the two major parties have met publicly and made speeches on the same program during a campaign.

The Navy and Air Force are providing their newest, biggest, and deadliest planes—1,000 strong—for a precision show the military men say will be their greatest feat since the war.

The speeches of the president and Dewey are to be broadcast over all major networks, but are not expected to be political.

Meanwhile, military planes of nearly every type—assembled from bases throughout the country—will rendezvous over the Atlantic off the lower New Jersey coast.

As the dedication ceremony ends, the giant air armada begins its flight over the new airport. The sky-borne parade—moving at about 300 miles an hour—will last 35 minutes.

Three Keys To World Peace

President Truman dedicating the airport, described it as a token of American confidence in "lasting peace."

But, the great display of military planes at the dedication ceremony, Mr. Truman said, is "convincing evidence of our determination to remain strong in the cause of peace."

Mr. Truman said three requirements must be met to bring about "world peace with liberty for all."

First, he said, is confidence, combined with firmness and courage among the peace-loving peoples; the second mutual trust and understanding, and the third, is world economic recovery.

"In all these ways—in restoring confidence, in encouraging

(Continued on Page Seven)

MIXED VERDICT ENDS TRIAL OF FARBEN OFFICIALS—I. G. Farben chemical trust directors sit in dock at Nuernberg, Germany, during 11-month trial which ended with verdict that none of 24 on trial were guilty of backing Hitler's war of conquest but that 13 of them were guilty of looting industries in subjugated countries. In dock (left to right) front, are: Karl Krauch, Farben chairman, not guilty; Herman Schmitz, guilty of looting; Georg Von Schnitzler, guilty; Fritz Gajewski, innocent, and Heinrich Haerlein, innocent. Rear (left to right) are: Paul Harfliger, Max Ilgner and Friedrich Jaehne, all guilty of looting. The thirteen convicted were sentenced to prison terms ranging from 18 months to eight years. (AP Wirephoto)