

RUSSIANS DOWN U.S. TRANSPORT PLANE

Alaska Statehood Bill Signed By Ike; Vote Now Needed

WASHINGTON (AP) — Statehood for Alaska now is up to the Alaskans themselves. And President Eisenhower almost forgot it.

He signed the Alaskan statehood bill Monday and commented: "Okay, now that's 49 states."

But he quickly corrected himself and said, "No, maybe we don't do that until the plebiscite."

That was a reference to a provision in the bill requiring all Alaskans to vote whether they accept immediate statehood or not.

Eisenhower urged Congress anew to admit Hawaii as a state during this session.

He personally believes that Hawaii is qualified for statehood equally with Alaska, he said.

Conditions are "Must" Although there is some opposition within the territory, leading Republicans and Democrats have predicted Alaska will accept Congress' terms overwhelmingly in elections this fall.

To extend the Union within eye range of the Russian mainland, Alaskans must vote to accept immediate statehood, to approve proposed state boundaries which encompass all the area now within the territory, and agree to permit the President of the United States at any future date to withdraw certain areas of the proposed state and place them under exclusive federal control.

Rejection of any of these three propositions would defeat statehood. The date of the election is yet to be set.

WASHINGTON (AP) — Legalized gambling to finance the costs of statehood would be "an abysmal mistake" for Alaskans, Sen. Neuberger (D-Ore.) said Monday. Gambling could result in exploitation of the Indian and Eskimo population, Neuberger warned.

"We want no Klondike saloons or gambling casinos as the symbols of the great new state of Alaska," he said.

Beirut Bomb Leaves 30 Casualties, Wreckage

BEIRUT, Lebanon (AP) — An incendiary bomb exploded in Beirut's leading 5-and-10-cent store today, killing or wounding at least 30 persons.

Flames quickly whipped through the building, evidently trapping some of the occupants. At least 100 salesgirls are usually employed in the store, which was doing a bustling business when the bomb went off at 10 a.m.

The bomb was in a soft drink delivery truck parked in front of the building. The truck was demolished. The blast shook buildings throughout the area and shattered glass for blocks.

It was the worst act of terrorism in Beirut since a bomb exploded in a crowded streetcar May 26, killing six and wounding 20 persons.

The bombings are the work of extremists among the Lebanese rebels trying to enforce a general strike called in an effort to paralyze the government.

The explosion occurred a few days after the relative quiet in downtown Beirut. Shopkeepers had begun to ignore the general strike order and the bombing probably was intended as a warning to them.

In The Day's News

By FRANK JENKINS

Western Hemisphere note:

Our neighbor across the Rio Grande held a presidential election Sunday. There were four candidates. The generally anticipated winner (no election returns are available as this is written) is Adolfo Lopez Mateos. He is the candidate of Mexico's dominant party, which has lost an election in 40 years.

He is an attorney who worked up through a succession of congressional and diplomatic posts to become minister of labor under President Cortines; the incumbent who is retiring.

Mateos' principal opponent is Luis Alvarez, who is the candidate of Mexico's principal opposition party. He is a successful textile industrialist from the border state of Chihuahua. He was born in Jauregui, went to high school in El Paso and attended the University of Texas.

He is expected to come in second.

(Continued on Page 4 Col. 3)

The Weather

AIRPORT RECORDS

Fair tonight and Wednesday except for night and morning cloudiness. Continued cool.

Highest temp. last 24 hours 82

Lowest temp. last 24 hours 58

Highest temp. any July 101

Lowest temp. any July 40

Precip. last 24 hours 0

Precip. from July 1 48

Precip. from Sept. 1 45.04

Excess from Sept. 1 14.98

Sunset tonight, 7:55 p.m.

Sunrise tomorrow, 4:41 a.m.

Established 1873

10 Pages

ROSEBURG, OREGON TUESDAY, JULY 8, 1958

★ ★ 158-58

PRICE 5c

Crackdown On Narcotics Ring Starts

Alleged Mafia Chief, Co-Pusher Arrested On U. S. Indictments

NEW YORK (AP) — Vito Genovese, reputed head of the Mafia, was arrested last night by Treasury Department narcotics agents.

Also seized as the government began a major crackdown on underworld bigshots was Vincent L. Gigante, a lower-echelon hoodlum acquitted last May of the attempted murder of racketeer kingpin Frank Costello.

Genovese and Gigante were arrested on the basis of a scaled federal grand jury indictment charging a narcotics conspiracy.

U. S. Atty. Paul W. Williams, in announcing the arrests, said the identities of others named in the indictment would become known when the indictment was opened today.

"The arrest of Genovese is one of the most important arrests ever made in this field," Williams said.

"Our investigation disclosed that Genovese was the hub around which this entire conspiracy revolved, and Gigante was one of his proteges and a rising star."

Long Record of Arrests Genovese has long been known to be at or near the top of the Mafia, the worldwide syndicate spawned in Sicily many years ago.

His record of arrests goes back to 1917 and includes one for homicide, which was dismissed after the death of two witnesses.

The Senate Rackets Committee has heard testimony that Genovese ruled the New York underworld and was worth at least \$30 million dollars.

He invoked the Fifth Amendment more than 150 times when called before the committee. One question he refused to answer was whether he was a member of the Mafia.

Mafia's Hand Also Seen In Restaurants Racket

WASHINGTON (AP) — Senate rackets probes plunged today into hearings on Chicago's racket-ridden restaurant industry, against the background of an old San Francisco murder.

Chairman John L. McClellan (D-Ark.) lined up big-time gangsters, the operators of some plush Chicago dining spots and labor union officials as major witnesses.

With this new set of hearings the committee seeks to portray in detail what it charged in last week's preliminary hearings — that a highly organized criminal syndicate under discipline of the Mafia Black Hand mob is gaining dangerous power over legitimate industries and labor unions from coast to coast.

There will be testimony about the still unsolved 1947 slaying of Nick De John, a Chicago racketeer who had moved into Dallas and San Francisco, allegedly financed by loans from "the syndicate."

De John's body was found in the trunk of his car, parked in a San Francisco residential area. He had been garroted with wire, allegedly because he failed to pay back his loans.

2½-TON ORGAN STOLEN

PASADENA, Calif. (AP) — A thief took a 2½-ton pipe organ from a vacant home where Louis Schlierbach had stored it. Schlierbach said it was worth \$5,000.

Soil Bank Pay Upped

Contract Under Revised Program Due Here Soon For Farmers' Signature

Oregon farmers planning to enter the 1959 Soil Bank Reserve Program may receive an annual payment of \$16 an acre compared to \$12 paid under 1958-59 contracts, it was announced today by J. F. Bonebrake, chairman of the State Agricultural Stabilization and Conservation Committee.

He said these tentative plans now being reviewed in preparation for setting up next year's soil bank plan. National average rental payment will be upped from \$10 to \$12.50 an acre.

County and individual farm payment rates will be determined by ASC committees as in the past, primarily on a basis of relative productivity, rental rates and agricultural land values, Bonebrake announced.

Other terms of the proposed 1959 crop year regulations are:

1. The full payment will be earned by putting into the conservation reserve those lands which have been in soil bank "base crops" (grains and row crops) during the past two years. Lower payments may be earned by putting in "non

McDougald Hit Hands AL 4-3 All-Star Victory

BALTIMORE (AP) — The American League All-Star, rallying from an early deficit, defeated the National League 4-3 in the 25th All-Star game Tuesday. Pinch-hitter Gil McDougald of the New York Yankees thrilled 48,829 spectators in Memorial Stadium by driving home the deciding run with a sixth-inning single.

National 210 000 000—3 4 2
American 110 011 000—4 9 2

Spahn, Friend (4), Jackson (6) Farrell (7) and Crandall; Turley, Narveski (2), Wynn (6), O'Dell (7) and Triandos, Berra (7). W — Wynn, L — Friend.

Laughing Burglar Jack Frank Bliss Placed On Trial

Jack Frank Bliss, 44, labeled by police as Roseburg's "laughing burglar," went on trial this morning in circuit court to fight for his right to freedom.

A conviction would result in a charge of being a habitual criminal. The charge stems from previous crimes in which he has been involved in past years.

The Roseburg father is cited in an information with burglary not in a dwelling. Specifically, the state alleges he broke into Latham's Wholesale warehouse last Feb. 28.

The state charges he took a number of small items of little apparent value to himself.

Dist. Atty. Avery W. Thompson told jurors this morning that extensive psychological tests have indicated Bliss suffers from a psychosis. But the D.A. said Bliss is not insane.

Defense attorney William Jones will contend Bliss was insane at the time of the warehouse burglary. Thompson will press the case on grounds Bliss was conscious of right and wrong at the time of his alleged criminal actions, the attorneys indicated.

Both the state and the defense spent the morning selecting a jury as the trial got under way in the court of Judge Charles S. Woodrich.

Glendale Girl Severely Injured In Auto Plunge

An 18-year-old Glendale girl was reported in good condition at Josephine General Hospital in Grants Pass this morning after she was involved in a one-car smashup Monday night.

Treated for compound fracture of the right arm and other injuries was Lenora (Nonie) Smith, daughter of Mrs. William Sparks, Glendale.

She was driving a small foreign car on Glendale Road about two miles east of Glendale when she lost control of the vehicle on a curve. The mishap occurred about 10 p.m., reported Correspondent Mrs. Gerald Fox.

The car spun off the curve, plunged off a 30-degree bank and broadsided into a utility pole. Miss Smith was pinned in the car until she was freed by passersby.

Glendale Police Chief Eugene Loney theorized the girl probably swung too wide on the curve and the light car skidded on loose roadside gravel.

The accident was discovered by Mrs. Julia Bunn, Glendale, who flagged down other motorists. First aid was given on the spot by a Glendale physician.

To Preserve Scenic Value

To preserve the scenic value of the falls, Jim Vaughn, Game Commission regional supervisor, points out, the swimway will be a covered concrete affair which is to be masked with native rock to blend with surrounding scenery.

Steve Ferche Construction Co. was awarded the contract to build the swimway which is to cost \$97,000. Ferche, according to Vaughn, has stated that he already has done preliminary work at the site.

The opposition to the project has been brought to the attention of the governor by state Reps. Al Ege and W. O. (Bud) Kelsay. Both Douglas legislators say they have taken no stand on the question but have informed the governor's office of the efforts of the committee to halt work.

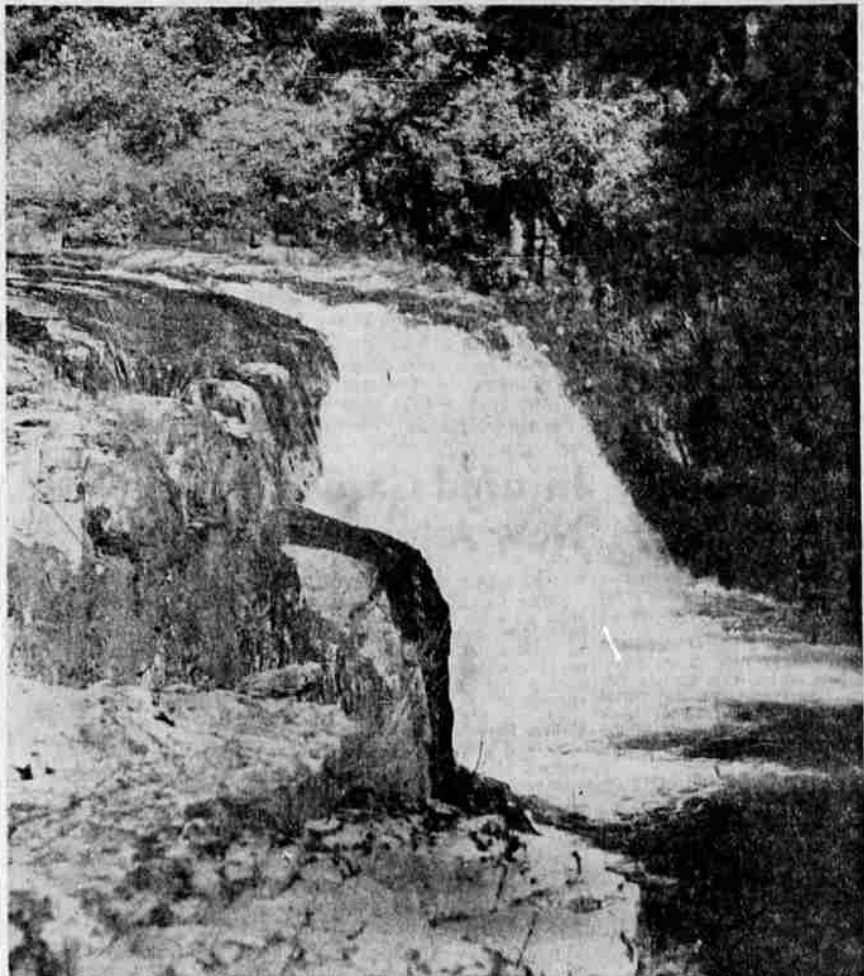
Knudsen names as members of his committee Ben Serafin, Glide; Joe DeBernardi, Glide; Frank Moore, Steamboat; F. L. Crittenden, Roseburg; Mr. and Mrs. Perkins.

(Continued on Page 2 Col. 7)

Coquille Logger Fined, Sentenced For Driving

A Coquille logger, 39-year-old Aubrey Orien Johnson, pleaded guilty today before District Judge Warren A. Woodruff to driving with a suspended operator's license, was fined \$100 and costs and sentenced to 30 days in jail.

He was arrested June 11 on Highway 99 just south of Roseburg by state police. In March of this year Johnson had his license suspended after a drunk driving conviction in Coquille, according to State Motor Vehicle Department records.



STEAMBOAT FALLS — This quiet spot on one of Douglas County's scenic streams is creating an uproar which is echoing in the Capitol Building in Salem. Opposition to construction of a fish swimway at the falls has formed and a group is appealing to Gov. Robert Holmes to halt the project until hearings are held. (Dorrell Maddox)

Steamboat Fishway Plan Opposition Being Heard

On the day construction of a fish swimway at Steamboat Falls was authorized to start—Monday—concentrated opposition started in Roseburg.

Led by Alan Knudsen, the opposition group is carrying its contention to Gov. Robert Holmes in Salem. The group, which calls itself the "Save Steamboat Falls Committee," is asking the governor to halt construction until the matter is more fully explored.

Knudsen claims the present plan would destroy the scenic value of Steamboat Falls. Oregon Game Commission officials, on the other hand, maintain they will have done everything possible to keep the fish swimway from being an eyesore and to preserve the beauty of the Northern Douglas County spot.

The fish ladder is deemed necessary by game officials to allow steelhead to migrate up Steamboat Creek to spawn.

While the fishway was in the planning stage, the Commission held a hearing and "show-me" trip to the site. Protestants were invited to appear at the Commission meeting in Portland, but none appeared.

Goulding, 67, held the witness stand for two days last week in Harris' subcommittee inquiry into alleged federal favoritism to Goldfine because of Goldfine's friendship with President Eisenhower's top aide Sherman Adams.

The Boston Textile and real estate millionaire returned Sunday night promising to tell the congressmen at last, about \$77,000 worth of uncashed checks. Then the fireworks began.

Goulding aides caught the subcommittee's top investigator, Baron I. Shacklette, eavesdropping from an adjacent hotel room early yesterday morning. Shacklette was found with a microphone and recording machine.

Douglas Logging Leads

Only County In Oregon With 1957 Production Over Billion Board Feet

Douglas County had the distinction last year of being the only county in the state with a log production figure of more than one billion board feet.

The fact was announced today by D. L. Phipps, state forester in Salem.

The Douglas County figure of 1,315,878 board feet was nearly 250 million board feet higher than second-place Lane County's figure. Lane contributed 969,738 board feet.

Total log production in the state showed a drop of nearly 2 billion feet under that of 1956, noted Phipps.

The total 1957 production was 7,563,339,000 board feet. In 1956, the figure was 9,333,819,000.

Phipps said last year's production was the lowest annual output since 1948, when the cut was 6.9 billion board feet.

The forestry official said the lumber recession also was reflected in the number of logging permits issued by his office. The 1957 total was 10,881 as against 13,395 for the previous year and a high of more than 16,000 for 1954.

Phipps pointed out that figures

Truth Told Of Disaster In Armenia

Craft, Bearing 9 Men, Blasted When Forced Off Course By Storms

WASHINGTON (AP) — The U. S. Air Force said Tuesday two Russian jet fighters shot down the American transport plane which crash-landed in Soviet Armenia June 27.

Five of the nine airmen parachuted. Four others rode the burning plane to the crash landing.

The Air Force said the Red fighters made another firing attack on the crippled transport as it was heading in for its landing.

The nine men were released by Russian authorities to American officials Monday, returning to their home station at Tehran.

The Russian version of the incident was that the USAG transport was compelled to land after it had flown into Russian territory and that the plane burned on the ground.

Weather Caused Error Tuesday's Air Force announcement said the American fliers reported they were intercepted by the MIGs and set afire at 15,000 feet altitude.

"A combination of extensive thunderstorms, instrument flight conditions and unreported high winds had caused inadvertent crossing of the Soviet frontier," the statement said, thus conceding the plane had strayed into Russian territory.

"Five crew members were forced to parachute to safety," (Continued on Page 2 Col. 1)

Cold War Defeat Could Follow Aid Cut, Congress Told

WASHINGTON (AP) — The administration told Congress Tuesday that unless it restores a House cut of \$325,000,000 in money for overseas economic development loans, the United States "could lose the cold war by default."

Under Secretary of State C. Douglas Dillon suggested, in effect, that Congress might consider scrapping the fund entirely if it refuses the \$25 million dollars President Eisenhower asked for the Development Loan Fund.

"This reduction raises a question not merely as to the scale of US operations," he told the Senate Appropriations Committee, "but as to whether there should be a Fund at all."

"It would deprive the Fund of any real prospect of achieving the purpose which Congress intended the Fund to fulfill."

Dillon spoke at a closed session of the committee as the administration opened its fight to restore total cuts of \$397,500,000. The House made below authorized spending previously approved by Congress in the recently-enacted foreign aid bill.

That authorization bill set ceilings for foreign aid. The pending bill will provide the actual money.

Injured Sherman Youth Released From Hospital

Five-year-old Matthew Sherman of 573 Clover Lane, Roseburg, was released from a local hospital today where he was taken Monday for treatment of head lacerations after being hit by a Winchester motorist driving a pickup.

Hospital attendants said the boy's condition was "good this morning." A dozen stitches were taken in his scalp after the accident around noon Monday on Highway 99B just south of the S & S Salvage lot.

Driver of the car was identified as Walter Leon Stockton, who was pulling a trailer when his pickup hit the youngster.

According to police, the boy was playing with several others by the side of the road and ran from a ditch in front of the oncoming vehicle. No charges were filed against the driver.

J. D. Snyder Forfeits Bail On Traffic Charge

Bail of \$100 was forfeited Monday in district court by John David Snyder of Oakland, booked for driving 105 miles an hour on Highway 99.

He was cited June 29 by state police just north of Roseburg, where he was clocked at the excessive speed. The charge was violation of Oregon's basic speed law.

Judge Warren A. Woodruff said he set bail so high because Motor Vehicle Department records show Snyder was cited June 6 of this year for a basic rule violation and forfeited bail in a Sutherland court.

Levy Fact Rant

By L. F. Reizenstein

In the background of clamor for ouster of Adams as Eisenhower's top aide is publicity of the fact that many members of Congress and various federal officials have at one time or another during their careers accepted gifts of an allegedly prohibited character.

"Let him who is without sin cast the first stone."