The Weather

The Oregon Statesman

Earl Long Sworn in as Louisiana Governor

Begin Parleys Over Blockade

Negotiations Expected to Develop Quickly to Settlement

Japanese Held Wearying of 14-Day Deadlock at Tientsin

TOKYO, June 27-(Tuesday)-(P)-Preliminary talks are under way for a settlement of the 14day British-Japanese deadlock at Tientsin, it was said authoritatively today, with actual negotiations expected to develop speedily with agreement upon a "few remaining points.

The British ambassador, Str Robert Leslie Craigie, conferred half an hour yesterday with Foreign Minister Hachiro Arita, on a basis for a settlement.

It was understood one of the points to be ironed out before actual negotiations start centers around the place of the conferences. Japan was understood to be desirous of holding the conferences in Tientsin where she presumably would be represented by her consul general, Shigenori Tashiro, and a high ranking Japanese diplomat sent to assist him.

Britain preferred holding the conversations directly with the foreign office in Tokyo.

TIENTSIN, June 27-(Tuesday) -(A)-Milkmen mysteriously resumed part of their rounds in the blockaded British and French concessions today amid increasing reports that negotiations were under way with Japan to lift the military blockade.

How the milk entered cessions was not revealed, but the shortage eased, particularly in hospitals where patients nave had no milk in recent days.

The food situation was decidedly lean, however, with vegetables, meats, and fish scarce as Japanese patrols kept all but a few provisions from passing barriers into the concessions.

According to reports, which could not be confirmed, Wang Keh-Min, head of the Japanesefostered government at Peiping, has arrived here to attempt to negotiate a settlement through Wen

They asserted the Japanese, growing tired of the two-weeksold deadlock, were seeking a way out of the crisis and turned to their Peiping puppet regime to save face for the local Japanese army authorities.

British military authorities have taken sharp exception to ac-tion of the Japanese soldiery late Monday afternoon in holding up a British military truck seeking to enter the concession with foodtuffs from Chinese areas for the British garrison in the concession.

The Japanese held the British vehicle for one hour while officers

of the two forces argued. The Japanese insisted the British were "not sufficiently identified," while the British recalled the Japanese military declaration when the blockade began that the personnel of the various foreign garrisons and their maintenance would not be interfered with,

Russians Say 25

fare continued on the Manchou-

kuo-Outer Mongolia border.

Tass, official Ressian news agency, said a two-hour battle between 60 Japanere and 50 Soviet-Mongolian planes ended in "rout" of the Japa ese, and that would maintain the British fleet three Soviet-Mongolian planes at its maximum manpower durfailed to return.

The agency said Ja; anese planes 'again violated' the frontier, flying over Russian-dominated territory near Lake Bor, some 470 miles east c. Urga Bator, Outor Mongolian

capital.

Last night, reporting on border warfare since May 11, Tass said 82 planes had been shot down, 59 of them Japanese, and that Japanese-Manchoukuo troops had been driven back after a surprise attack proved temporarily successful.

(The Japanese news agency, Domei, said 131 Soviet w.rplanes had been shot down since May 20.)

Japan, Britain Two Methodist & ors Are Sent To news ches by Conference



Dr. James E. Milligan, left, pastor of the First ME church here since 1934, and Rev. Lynn A. Wood, pastor of Jason Lee Methodist church for the past four years, will leave Salem soon for new pastorates. Dr. Milligan will be succeeded by Dr. J. C. Harrison, district superintendent of the Portland district for the last seven years, and Rev. Wood by S. Raynor Smith. now of Roseburg. The changes were announced at conclusion of the Oregon conference meeting at Forest

Changes Are Made Here In Methodist Churches

Rev. J. Edgar Purdy Is to Succeed Dr. Magin as District Head; Dr. J. C. Harrison Will Be Pastor of First Church

Important changes in the Methodist church pastorates and organization in Salem and in the Salem district were announced by the new Oregon conference bishop, Wallace E. Brown, at the close of the conference at Forest Grove

New Water Setup Sells Bond Issue

Vista Heights Commission Accepts Portland Bid on \$21,500 Buy

The Vista Heights water district south of Salem took another its plans for a suburban water system when the district commis-Shih-Tseng, the Chinese mayor of sion sold at a premium the rethe Japanese-controlled portion of cently-approved \$21,500 issue of

The commission accepted the bid of Tripp & McClearey, Inc., 3 and 31/4 per cent interest. The bonds will mature at the rate of \$1000 a year from 1941 to 1945 \$1500 a year from 1946 to 1952 and \$2000 a year from 1952 to 1955. All but the last six years' maturities will bear the lower in-

Sale of the bonds leaves but one obstacle in the path of constructing the Heights distribution system. That is county court permission to lay the mains along certain roads in the district, according to Chairman W. R. New-

terest rate.

Bids for construction of the system will be called as soon as arrangements for the necessary right-of-way along the roads can

be completed, Newmyer said. While no decision has been made as the district's source of water, the large well operated by the Salem Supply company, formerly the Blake gravel plant,

likely to be selected.

Rev. J. Edgar Purdy, who has been pastor at Yakima, years ago he was pastor at Bend and later spent several years as field secretary for Willamette uni- half." the office of vice-president of the university. Mr. Purdy, known to be intensely interested in Christian Seattle West Mr. Burgunder, fortian education, succeeds Dr. Louis Magin, who has been district su-

> who goes to Roseburg as pastor. been district superintendent in the Portland district for seven years, will come to Salem as First church pastor, succeeding Dr. James E. Milligan who goes to Bellingham. Wash. Br. Milton A. Marcy, well known in Salem, succeeds Dr. Harrison as the Portland district

Rev. Lynn A. Wood, who has (Turn to page 2, column 1)

Air Tour to Stop

ROSEBURG, June 26-(AP)-The executive committe of 1939 Northwest Air Tours, Inc., headed by Dr. Paul W. Sharp, Klamath Falls, planned a tentative itinerary embracing nine Oregon cit-

Plans call for visits to Albany in an Aug. 5, Portland Aug. 6, Prine-cases. ville Aug. 1, The Dalles Aug. 8, Eugene Aug. 9, Salem Aug. 10, Roseburg Aug. 11, Medford Aug. 12 and Klamath Falls Aug. 13. Dr. Sharp said more than 100 airplanes were expected to participate. Shows at each stop will be headlines by Tex Rankin, Portland stunt flier, and Art Davis and his trio of Canadian stunt pilots. Carl Curlee, secretary of the Albany chamber of commerce, was

Jap Planes Down Fear of Crisis in August Increased by Fleet Order | Rex Putnam, State Superintendent of public instruction. J. A. Yeager, Umatilla county, will preside. The major task of the confer-

LONDON, June 26-(A)-Fears | against treatment of Britons in of a new European crisis during the late summer or early fall were given further impetus tonight by admiralty orders which

ing the month of August, These orders were made public as Prime Minister Chamber lain indicated fresh instructions would be rushed to british diplo mats in Moscow in an effort to speed conclusion of the proposed British-French-Sovet Russian

mutual assistance pact. In contrast with the European developments there was a note of optimism in the far eastern crisis, which Chamberlain told the house of commons he had "some reason to hope" would be settled peacefully.

There were reports, which the Jomes, said 131 Soviet w-rplanes and 151 Soviet w-rplanes and long office would neither deay nor confirm, that Fritain and the national particular of the shrine in readiness to move with a full compliment a month of the free reports and Japan already had agreed to other differences and Japan already had agreed to fift the blockard, agreed to lift the blockard are reports and Japan already had agreed to fift the blockard are reports and Japan already had agreed to fift the blockard are reports and Japan had served the man harvest reports and Japan had served the man have the start of the negotiations.

PORTLAND, Ore, June 26-(P) Charles E. Wells, Hillsboro, was elected president of the Oregon laces and the start of the negotiations. Sir Robert Lesile Craige, British and Joe Murch, all the start of the negotiations at Telephone ansociation of the cablest, meanwhile, met to Japan, acalled and Joe Murch, all the start of the negotiations at the foreign office would neither deay nor confirm, that a full compliment a month part of the first sourning. Their cannot be the man to the first sourning the first sourni There were reports, which the

Regarding the European situ-

ation, Chamberlain agreed with a questioner in the house of commons that delays in the pact negotiations already encountered possibly were increasing war

The admiralty's orders con cerning the fleet made no mention of a possible new crisis, but they advanced the summer leave period from August to July and abandoned the customary navy week celebration, normally held

It was announced the changes were made "preparatory to car-rying out of exercises in August." Informed quarters pointed out this also would make possible mobilisation of the fleet if developments warranted.

Jurors Picked To Hear Trial

Be Allowed to Help

Defendant's Father Has Large Part in Legal Skirmishing

PHOENIX, Ariz., June 26.-(AP)-Selection of a jury to try Robert Burgunder for murder proceeded to trial over repeated protests that his defense was unprepared.

tion in college as a debator, insist ed that he be permitted to direct his own defense, but an attorney his father had retained was again appointed to defend his after twice withdrawing from the case.

The youth, however, gained permission from Judge Arthur T. La Prade to question personally and cross-examine witnesses.

Howard C. Speakman on the bench when C. T. McKinney, defense counsel, filed an affidavit of bias who last week told Burgunder he could not conduct his own defense. ted by Judge La Prade. Burgunder States

He Has Evidence "Previous to Judge Speakman's order," Burgunder told the court. 'I had every intention of defending myself. I have the evidence which I desired to have presented and I have the method in which I wish to do it. Since his order was given, I have had no opportunity to form any of these things, or to valley news editor for most of because Mr. McKinney and I have never agreed. . . I am by no means ready to go to trial on my own be-

on the manner of his defense. "I am not ready," Burgunder

with his father. "If the court in-Dr. J. C. Harrison, who has sists I go to trial against my wishes, I must ask the court to appoint an attorney, without which Judge La Prade appointed Mc Kinney when young Burgunder declared himself without funds.

At Nine Airports is divorced from his father, made her first court room appearance. at the afternoon session.

Burgunder was placed on trial for the slaying of Jack Peterson. one of two automobile salesmen he is accused of luring to the desert and shooting as they lay bound Trial for the slaying of Ellis Koury is set for July 5 in another division of court. McKinney failed in an attempt to consolidate the

County Education Chiefs Meet Here

ing, continuing until Thursday

Featured speakers will include Governor Charles A. Sprague and

Health, new legislation, supervision, institutes and other topics will be discussed.

the new law providing for reorganization of school districts in huge columns of smoke and fire all counties of the state except into a cloudless Arctic sky today those organised as county units.

Snite Back Home After Pilgrimage

Prederick B. Suite, jr., 29, re turned today from a pilgrimage to the shrine in Lourdes, France-certain he had "received some spiritual help."

Quits Statesman After 12 Years



C. GENEVIEVE MORGAN

Genevieve Morgan **Takes State Post**

Statesman Valley Editor Accepts Farm Bureau Publicity Job

Appointment of Miss C. Genevieve Morgan of Salem as publicity director and public relations officer for the state agricultural department was announced Monday. She will assume her new duties July 10, succeeding Richard Barss, who has held the position

Miss Morgan has been a member of the news staff of The Oreman's news service from Willamette valley communities to its present proportions. Through her work in this department she holds a wide acquaintanceship throughout the valley.

Changes in The Statesman's news staff necessitated by Miss Morgan's departure went into effect Monday as she is on vacation. Ralph C. Curtis, managing editor, will be in charge of the valley news department, Stephen C. Mergler will be city editor, taking over duties which Curtis formerly

Neutrality Bill Is Being Worked on

WASHINGTON, June 26-(AP)-The house leadership was said by a reliable source today to the administration's neutrality bill, leaving, however, its most important provision-repeal of the embargo on arms shipments to nations at war.

Speaker Bankhead, Leader Rayburn -(Tex) and democratic members of the house foreign affairs committee met with the democratic steering committee for nearly three hours this af-

Afterwards, Rayburn said "we agreed to secrecy and I'11 keepothers who attended said that it was agreed not to I eas for enactment of some portions of the bill, including the section which would permit the president to define "areas of combat operafrom all parts of Oregon will ships and citizens might be bar-

> This section has been criticized as giving the president power declare waters surrounding one side of a war were a forbidden area while leaving the waters surrounding the other side open to United States com

Volcano Flaring As Whites Leave

PERRYVLLE, Alaska, June 26 (A)-Mount Veniaminof belched as Perryville's last white residents fled aboard the government mo-torship North Star.

Mr. and Mrs. A. D. Johnson. government school teachers and radio operators, were the last whites to go. Only 10 natives remained here, the others having fled shortly after Veniaminof started erupting May 23. Smoke billowed 20,000 to 25

000 feet in the air, with flashes of fire soaring 10,000 feet as the vol-cano erupted at five to 10 minute

FDR Stripped Of Devaluing **Dollar Power**

Amended Money Bill Not Popular at Treasury, White House

Silver Senators Manage to Specify 77 Cent Silver Price

WASHINGTON, June 26-(AP) Hard-money republicans from the east and silverites and currency expansionists from the west merged into a strange senate alliance today to riddle the administration's monetary bill with amendments highly unpopular at the White House and treasury.

When the confusion of a hectic day's session had subsided and Senator Barkley (D, Ky.), the democratic leader, had wiped the last drop of perspiration from his brow after three merciless defeats, this unusual coalition had:

Stripped the monetary bill of all authorization for a further devaluation of the dollar by President Roosevelt.

Added an amendment to require that the treasury pay 77.57 cents an ounce for the product of the western silver mines, giving the silver bloc a stunning victory in its fight for an increase over the present rate of 64.64 cents.

Written in a provision forbidding any continuation of the administration's policy of buying foreign silver.

About all that remained of the 000,000 international exchange stabilization fund.

In this drastically altered form the bill was passed on a voice vote late in the day.

It was not a "deal" that brought all this about, both easterners and westerners explained. It was, they said, just "a loose understanding," of which no one was entirely certain until the votes were taken.

The silver-state senators were of course, delighted. For a week they had been filibustering, threatening the enactment of bills urgently wanted by the administration. Their aim was to force the treasury to increase the sil-

With tolay's developments, the filibuster halted-but possibly on-

ly temporarily. Agents of the house and senate must now try to strike a compromise on the changes made by the senate. Realizing that the silver price amendment could be thrown out in that process, the Farmer Is Killed silverites spoke words of ominous warning.

"They won't bring the bill back without the silver price in it, or they will be here from now on." said Senator McCarran (D, Nev.). "We haven't carried this fight on and won to have it legislated out

"Tornado" Strikes

SALEM HEIGHTS, June 26

—A minor tornado hit the hayfield at the P. F. Stolzheise farm Monday noon. Hay which had been raked into rows was picked up by the violent wind, carried four or five blocks away and a hay rack was overturned. No other farm in the neigh-

borhood was reported disturbed

Huey Long's Kin Takes His Place



Sarl K. Long, brother of Huey Long, who was yesterday sworn in as governor of Louisiana as political scandals, involving alleged embezzlement of state university funds by its president, rapidly approached a cli-

Japan Puts Ban **On Swatow Port**

Third-Power Ships Denied Right to Discharge Cargo There

HONGKONG, June 26-(A)-Japnese naval authorities announced today they had forbidden thirdpower vessels to discharge either passengers or cargo at Swatow original bill was its authority for and even to approach the wharves the treasury to continue for two there during the period of military

> China, was captured by the Jan- discovered in university affairs. anese last Wednesday. The British are the only third-power nationals regularly operating and controling wharves there.

The new Japanese order, accord ing to Japanese reports, followed entry into Swatow harbor today of two British vessels. Japanese naval authorities ordered them not to approach the wharves and soon afterward the vessels left Swatow. Previously, after the Japanese

er vessels entering Swatow would be searched, British naval authorities here replied their warships would continue escorting British vessels into Swatow harbor.

However, the first British vessels entering Swatow after last week's capture failed to accomplish anything beyond establishing an entry precedent, and as a result Hongkong shippers were discouraged from making either passenger or cargo baskings to the

By Falling Beam

FOREST GROVE, Ore., June 26 (P)-Pem Patton, 68, Washington county farmer, died Saturday of injuries suffered when he backed his topless truck into his barn. The vehicle grazed a beam, causing a 2-inch plank resting on rafters 24 feet above, to fall. It struck him on the head.

Heights Hayfield 18 Killed, 40 Hurt

In Peruvian Ouake LIMA, Peru, June 26-(P)-Reports from the eastern slope of the Andes told of continuing earthquakes teday, with at least 18 killed and 40 injured in shocks that started Friday night, Pomacanchis, prosperous little mountain town, was a heap of

Rescue Crew Saves Miners Trapped in Flooding Cave

KEETLEY, Utah, June 26-(P)- the mine and gone home."
Rescue crews cut through tons of "We began investigating earth and rock today and freed then we found the blockade.' ten entrapper miners who for nine hours had retreated step by step tunnel and attacked the mass of from water that threatened to submerge them.

Shortly after midnight a motorman in the New Park Mining company's Star of Utah tunnel in between us a said Provost. miles east of Salt Lake City startheard the mer

Nearly 100 men gathered in the Earl Giles related how the cave-The ten crawled to safety in dammed the tunnel, causing

through a single, jagged hole that fellow miners worked long hours to blast through the solid barrier. In dammed the tunnel, causing water to collect along the floor and slowly swell up the sides. The men moved back slowly and took and slowly swell up the sides. The men moved back slowly and took positions as high in the tunnel as "There was water waist high between us and the blockade," said Provost. "Later, when we heard the men digging, we felt re-

Leche Resigns As University **Scandal Grows**

State University Prexy Sought After Mystery Disappearance

Embezzling of \$100,000 Is Formally Charged **Against Teacher**

BATON ROUGE, La., June 26. -(AP)-Earl K. Long was sworn in as governor of Louisiana at 7:15 p. m. tonight after Governor Richard W. Leche stepped down as a climax to a day of swiftly moving developments obscured by mystery, scandal and embezzlement

Leche, as chief executive, accepted his own resignation by proclamation effective at 7 p. m. and Long was sworn in immediately in hastily arranged ceremonies at the governor's mansion.

Long, who served as lieutenant governor under Leche, took over the chief executive's post in an electric atmosphere of confusion and uncertainty which shook the old strongly entrenched political dynasty of his brother, Huey P. Long, to its very foundations,

The atmosphere was by no means cleared with the political changeover which occurred only a few minutes after formal charges of embezzlement of \$100,000 of funds of Louisiana State university were filed in district court here against President James Monroe Smith, who vanished soon after he resigned his post late yesterday, and is still missing. No Trace Found

Of Dr. Smith State police late today advised Leche they were without clues to the whereabouts of Dr. Smith, who was last seen at dusk last night just before Leche announced "fi Swatow, a leading port of south | nancial irregularities" had been

> Governor Leche, thus creating & new sensation in the swift-moving political drama here as Leche called off his announced resignation and said he would retain control pending investigation. Late today the university board of supervisors met with Leche to go over auditors' reports which

informed persons said showed un-

authorized issue of university

after turning in his resignation to

bonds that might total up to \$750,-The mystery of Smith's disap-

Tie-up of Bay Is Due to End Today

(Turn to page 2, column 5)

Union Reach Basis of Arbitration SAN FRANCISCO, June 26-(P)-Waterfront employers and the ship clerks union at last agreed tonight on a basis of arbitration for the latest dispute

Employers and Ship Clerk

which had crippled shipping here since June 17. They predicted a completely re-opened port by p.m. tomorrow. Dr. Louis Bloch, member of the maritime labor board, announced a tentative agreement, approved by the Dock Checkers Employers association, had been reached at dinner time. The un-

ion ratified it at a rank and file meeting a few hours later.
It was understood the plan called for submitting all ise es, except one about the Alameda Encinal terminal dispute, to arbitration by Dean Wayne L. Morse of the University of Oregon law

sion of all issues to the arhitrator, and union leaders at first stood pat for submitting only the current dispute about wheth-er 10 dock checkers would work

on a daily or monthly basis.

Federal Arbitrator Morse is here and ready to begin arbitration sessions at once. A slight delay was forecast in resumption of loading at docks where ships have been tied up because Dean Morse must first rule on the hasis under which the 10 mer will no healt to work. go back to work.

A few hours earlier, longshore

leaders prepared to picket every dock on the half fozen ba wa-terfronts if a back-to-work agree-ment were not reached tonight. Salem Guardsmen To Return Today

Ulah's rich metals area some 35 miles east of Salt Lake City started to the surface with a load of ore. He found that a cave-in had blocked the tunnel, nearly half a mile from its entrance.

"He came back and told us, and we just stood around," related a Darrell Provost. "We were world ried but none of us was excited. After all there wasn't much we could do."

After all there wasn't much we could do."

Is a fine to the surface some 35 mile from digging, we felt relieved, because we were sure they would get us out all right. There was plenty of air."

Rescue crews cut through the hole, and released the water. Quickly the men crawled through the hole, "Mighty glad to be free again,"

The men were Earl Giles, Cussell Horrocks and Joe Murdock, all of Hever and Joe Murdock, all of Hever infantry, with three officers and infantry with the infantry with

Of Burgunder

Youth Insists That He Own Defense

at a snail's pace today after the 22-year-old collegian was ordered Burgunder, who gained recogni-

Judge La Prade replaced Judge and prejudice against the jurist This order of the court was vaca-

told the court after the discussion

Father's Part Is Important Throughout the involved legal skirmishing, the defendant's father took an important, though unofficial part, advising McKinney careful record of the proceedings. The collegian's mother, Mrs. Ruth Burgunder, Alhambra, Calif., who

gather here today for their an-nual conference. The sessions will be held in the state library build-

ence will be consideration of reports bearing upon the duties of county school superintendents.

Special interest centers around

NEW YORK, June 26.-(P)-

Treasury Silver Price Boosted