

# The Oregon Statesman

"No Favor Shows Us; No Fear Shall Ave"  
From First Statesman, March 23, 1851

THE STATESMAN PUBLISHING COMPANY  
CHARLES A. SPRAGUE, Editor and Publisher

Member of the Associated Press

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## Insurance "Interstate Commerce"

In two decisions the supreme court ruled first that the insurance business is interstate commerce, and second, that, as such is subject to the Sherman anti-trust law. The first decision was unanimous with Mr. Justice Roberts not participating. The second was four to three, with Justices Reed and Roberts not participating. The former case was against a Polish fraternal insurance organization and held it was subject to the Wagner labor relations act. The latter case was one which has held the attention of the insurance fraternity for months, coming up on charges in indictments against 196 stock fire insurance companies and 27 individuals forming the Southeastern Underwriters' association. The decision overruled one of 75 years standing.

That insurance is now interstate in character is hardly to be denied in view of the trend of decisions and the nature of the business. But to make it subject to federal regulation is to precipitate the business into disorder and extreme complication. Chief Justice Stone had this in mind when he said in his dissent that the opinion

"cannot fail to be the occasion for loosing a flood of litigation and legislation, State and national, in order to establish a new boundary between State and national powers, raising questions which cannot be answered for years to come, during which a great business and the regulatory officers of every State must be harassed by all the doubts and difficulties inseparable from an realignment of the distribution of power in our federal system."

"These considerations might well stay a reversal of long-established doctrine which promises so little of advantage and so much of harm."

The insurance business has been under state regulation for many decades. It, along with banking, was the first business to have the hand of government laid on it for control in the public interest. The immediate occasion for regulation was the frequent failure of insurance companies to meet their obligations. This was due to bad operating practices, to bad investments or to vicious rate-cutting. Under state regulations companies are required to maintain proper reserves against their liabilities, and their investments are limited to conservative types. While insurance rates in the so-called board companies are uniform, there is stiff competition from non-board companies and from mutual companies. If it is claimed that insurance rates are too high, it must also be admitted that insurance companies have a splendid record of meeting their loss claims. State regulation has tended in the direction of rate uniformity rather than diversity through competition, on the theory that rate-cutting leads to impairment of company solvency. If now the federal decision upsets the whole structure of insurance and provokes cutthroat competition then in the end the policyholders may suffer.

While the TNEC report of several years ago did disclose some wrong-doing among compa-

nies it was largely the guilt of individual companies and not the general sin of the whole business. And these evils have been pretty well cleaned up. It may be asserted that insurance premiums are too high, or that company profits are too large, but the field is still highly competitive, and some companies are marginal, the same as in other types of business. Moreover federal regulation is no assurance of cost reduction. That hasn't been true of railroads. It is very doubtful if congress will pass laws to establish federal regulation of insurance. While it may not go so far as to pass the pending bill exempting insurance companies from the Sherman act, it will be slow to set up a new regulatory agency. For a long time to come the states will continue to handle insurance regulation, though laws or customs calling for rate uniformity will be banned under the decision of Monday.

## Currency Volume

Says The Dallas Chronicle:  
An article in the current issue of the Reader's Digest reveals that the stupendous sum of five billion dollars in currency is now in circulation in the United States.

We haven't checked up on the Reader's Digest, but it should multiply its nervous shock by just four and one-half times; for according to the Federal Reserve bank of New York the total of currency outstanding is now about \$22 billion.

The Federal Reserve bank however agrees with the comment of the Reader's Digest that one reason why the amount of currency in circulation is so large is that cash is used in transactions instead of checks both in deals on the "black market" and in deals where the seller wishes to evade tax on profits which could be traced through bank checks.

The present volume of currency in circulation is about twice that of World War I, though commodity prices are much lower. Wages are higher and many of the workers prefer the feel of currency to that of a bank deposit slip. It's a paper age, which is all right unless the holders lose faith in the value of all paper.

## News Behind The News

By PAUL MALLON  
(Distribution by King Features Syndicate, Inc. Reproduction in whole or in part strictly prohibited.)  
WASHINGTON, June 7 — The splendid success of our first crack into the Nazi west wall must be measured against the prospect that the Germans ordinarily would require two or three days to muster their scattered forces for a counter-attack—and, in that counter-attack the real fight will come.  
The wall itself is about 15 miles deep on an average. Good fortified works run back that far, with minor works even farther back. The depth did not count much under our strategy because we landed a great army by air to squeeze it from the inside as well as the

But the Germans naturally would want to wait to see whether this Normandy landing developed into our real attack before pushing their reserves into the fray. Their armies have been held far back from the coast at strategic road junctions to meet the real battle in any direction presented. It was three days after our easy landing at Salerno that we ran into near annihilation in an ambush.  
There can be no doubt that we achieved a certain amount of tactical surprise. Their radio did not broadcast the news of the invasion until 12:40 a. m., EWT. After our airborne troops actually had landed. If the Germans had not been deceived, they would have spread the alarm the moment our ships left England to journey three or more hours across the channel.  
Furthermore, their radio had broadcast only two days earlier that no invasion should be expected for a month. Up to that time, they had been expecting the blow every day.

Their generals seem to have decided that our daily threats were fakes designed to keep them from reinforcing their troops in Italy. The false Associated Press advance report of invasion seems only to have confused them although you would think it would have served as a warning.  
That we were coming, however, was no surprise to anyone. Indeed, this was the most highly advertised and publicized invasion of all military history, and achieved its deception only in the confusion of over-advertising. Also it was the most fully reported of military actions, though not by General Eisenhower, who communicates were wisely terse and uncommunicative.

Also, we hit at the best spot geographically for continental invasion. You may recall reading in this column April 12:  
"An ideal plan would call for simultaneous invasions of northern France around LeHavre, aimed up the Seine at Paris, and invasion of southern France through the Garonne and Rhone valleys."  
By landing south of the Seine river, we chose the shortest, least hilly route to Paris, and a position which would afford us the protection of the river on our left flank as we moved toward the city.

The nature of the fighting and the form the battle will take, however, will depend largely on the German counter attacks and General Eisenhower's future operations, which no one can surmise in advance.  
Evidences of cracking German manpower have appeared lately in Italy and on the Russian front (where incidentally, the reds have been marking time the past few weeks only to synchronize their efforts with ours, rather than reorganize their forces and supplies as advertised).  
Whether the manpower defect will appear in France and enable us to break them swiftly will not be evident until the real battle develops fully. All the surprises at the outset were in our favor. The Luftwaffe was strangely missing, although it should have been used at the first instant on our ship crossing the channel.

The promised counter air attack on London, or even invasion of Britain, failed to materialize, and there were no immediate reports of vaunted secret weapons or the use of gas.

Chas. Mann Heath, Salem.



Poison 'Gas'

## Today's Radio Programs

- KSLM-MBS-THURSDAY-1300 Kc.**
- 6:30-It's the Truth.
  - 6:45-News.
  - 7:00-News.
  - 7:15-Rise and Shine.
  - 7:30-Shady Valley.
  - 7:45-Today's Top Trades.
  - 8:00-Good Ship Grace.
  - 8:30-News.
  - 8:45-Orchestra.
  - 8:55-Boake Carter.
  - 9:00-Boake Carter.
  - 9:15-Pastor's Call.
  - 9:30-Midland USA.
  - 9:45-Amazing Jennifer Logan.
  - 10:00-Hardy News.
  - 10:15-Jack Berch.
  - 10:30-Let's Be Charming.
  - 10:45-American Woman's Jury.
  - 11:00-Cedric Foster.
  - 11:15-US Navy.
  - 11:30-Skyline Serenade.
  - 11:45-Around Town.
  - 12:00-Organalities.
  - 12:15-News.
  - 12:30-Hillbilly Serenade.
  - 12:45-Nashville Varieties.
  - 12:55-Spotlight on Rhythm.
  - 1:00-News.
  - 1:05-Spotlight on Rhythm.
  - 1:15-News.
  - 1:30-National Conference for Christians and Jews.
  - 2:00-News.
  - 2:05-Broadway Band Wagon.
  - 2:15-Don Lee Newswheel.
  - 2:30-News.
  - 2:35-News.
  - 2:40-News.
  - 2:45-News.
  - 2:50-News.
  - 2:55-News.
  - 3:00-News.
  - 3:05-News.
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  - 5:55-News.
  - 6:00-News.
- KOAC-THURSDAY-300 Kc.**
- 12:00-News.
  - 12:15-The Homemaker's Hour.
  - 12:30-Allen Roth.
  - 12:45-Concert Hall.
  - 1:00-News.
  - 1:15-News Farm Hour.
  - 1:30-News.
  - 1:45-News.
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  - 6:00-News.
- KEX-EN-THURSDAY-1150 Kc.**
- 7:00-Musical Clock.
  - 7:15-National Farm & Home.
  - 7:30-Home Agriculture.
  - 7:45-Home Harmonies.
  - 7:55-Top of the Morning.
  - 8:10-News.
  - 8:15-James Abbe Observes.
  - 8:30-The Listening Post.
  - 8:45-Breakfast Club.
  - 9:00-Christmas Science Program.
  - 9:15-Voice of Experience.
  - 9:30-Breakfast at Sardi's.
  - 10:00-News.
  - 10:15-Sweet River.
  - 10:30-My True Story.
  - 10:45-Ready To Be Seated.
  - 11:00-Baukage Talking.
  - 11:15-The Mystery Chef.
  - 11:30-Ladies Be Seated.
  - 11:45-Songs by Morton Downey.
  - 12:00-Hollywood Star Time.
  - 12:15-News.
  - 12:30-Sam Hayes.
  - 1:00-Radio Parade.
  - 1:15-Blue Newswheel Review.
  - 1:30-News.
  - 1:45-Baby Institute.
  - 2:00-Labor News.
  - 2:15-Christmas Organist.
  - 2:30-Grace Elliott.
  - 2:45-News.
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- KOW-NBC-THURSDAY-55 Kc.**
- 5:30-Labor News.
  - 5:45-News.
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## The Safety Valve

BRITISH RULE  
To the Editor:  
This is as good an opportunity as any to explain to you, the people of the United States of America, exactly what is slowly creeping upon you.

Your complete modern system of New Deal administration is not American in any manner or form. It is the same system now used in Great Britain. The only difference is that the American people have not yet been completely subdued. If our constitutional law can be violated to the extent where your representatives in congress and the senate lose their power to enforce your wishes and to protect you, your mouth will be permanently shut and sealed just as you will find upon investigation that it is in Britain. It is entirely up to you.

China is the only other nation in the world that will repay us for lend-lease or other aid. When Madam Chiang visited the United States to ask our aid in building a republic exactly like ours, with the honest, kindly friendship and future assistance to us, should we need it, and a sincerity that no other nationality in Europe possesses, she was given a direct rebuff by Roosevelt and his aids and sent on her way.

The other countries of Europe will soft soap us into loaning our material to them until they are on their feet again, then we can go chase ourselves. Wake up, you people of the United States of America!

Chas. Mann Heath, Salem.

## Germans Far from Defeated Declares Writer Larry Allen

By LARRY ALLEN

(Associated Press war correspondent just repatriated aboard the Gripsholm)

NEW YORK, June 7-(AP)—During eight months as a Hitler prisoner of war I have been Germany from inside and outside her prison camps, have traveled through fortified areas and over her railways from Brenner pass to the Polish corridor, and am convinced that she still expects to win the war.

She is counting upon stopping the allied invasion, forcing a stalemate and an eventual negotiated peace which to every German would mean victory.

Her warlords tell the German people and those of Nazi-satellite countries that:

1. Germany has at least 4,000,000 crack troops in the west, backed by powerful fortifications.
2. She has saved a minimum of 5000 fighter aircraft alone to meet the invasion, deliberately letting the allies believe there is a shortage.
3. Her bombed-out war factories are being rebuilt in new locations by captive workers as fast as they are smashed.
4. Communications systems, great, fast electrified railways, are virtually intact except in the Berlin and northern French districts.
5. The high command claims 800 divisions — roughly about 8,000,000 men — are ready in both east and west; that eastern front losses are small because of ordered, strategic withdrawals.
6. German internal food supply and civilian morale, despite heavy allied bombings, is surprisingly good.
7. Lastly, but not leastly, Germany says the allies are morally weak! She particularly singles out the American as an "I want to go home" soldier.

There was considerable sabotage in Germany in 1941 and 1942. Today, it is virtually non-existent, because of Himmler's Gestapo and the Wehrmacht police.

German officers smile at allied reports of thousands of tons of bombs dropped, and at claims that communications to the eastern front have been disrupted.

They don't deny the bombings, but say the results are something else. A few weeks ago I was transferred from a prison camp near Poznan, in Poland, to Stuttgart. Then taken to Marseilles, liberated and boarded a repatriation ship.

In the great railway terminal at Pas de Calais, but results were not observed.

The Germans said new airborne landings were made at Coutances and Lessay, across the Cherbourg peninsula from the main allied assault positions but only 25 miles from the nearest of these holdings. Between two and five new allied divisions have been landed since Tuesday from air and sea and "very strong paratroop forces continue to drop," Berlin reports said.

The German radio conceded that allied air-borne troops which were astride the main highway leading from Cherbourg down the peninsula toward Paris had linked up with forces from the coast.

The radio reported allied tanks had plunged through the Atlantic wall in a drive southeast upon Bayeux from Abromanches on the coast. Caen was "burning like a blazing torch," these accounts said.

DNB asserted the German air force had swung into action and was directing uninterrupted machine gun fire at British and American landing units lying offshore between Cherbourg and Le Havre.

In a potential preliminary to a full-scale counter-attack, Field Marshal Gen. Carl Rudolf Gerd von Rundstedt reportedly was pitting his own air-borne troops against those of the allies.

A heavy stream of comment from the German radio, however, reflected Nazi speculation over the possibility of landings elsewhere. The allies were said to be waging "highly mobile and aggressive" warfare.

Marshal Erwin Rommel, German field commander, was reported rushing up reserves of the Seventh and 15th armies and battles were declared rapidly increasing to a grand scale.

## Shrine Group Plans Meeting

Planning general procedure for activities of the new Salem Shrine club and preparing for the first meeting of the club to be held Saturday night, June 24, at the Masonic temple, the general advisory committee of the club met Wednesday noon at the Marion hotel.

In the group were Herman M. Johnston, president; Walter Lansing, rajah; Lewis Gilbertson, secretary; Clare P. Davis, treasurer; Gov. Earl Snell, State Treasurer; Leslie Scott, Secretary of State; Robert S. Farrell, Jr., Frank G. Jewett, Walter Winslow, Milton Meyers, Dr. O. A. Olson, Gilbert Madison and Harry Levy.

## Stevens

A Lifetime Gift  
The gift of flatware in sterling silver, will grow more beautiful with use through the years. Buy one piece or a complete set. Several patterns to choose from. Credit if desired.



## TUNE IN



Tonight at 7:15

## LOWELL THOMAS



with his early evening NEWS!

## KSLM

DON LEE-MUTUAL

SOLE Portland - EAST Astoria  
KING Salem - NEW Marshfield Falls  
KING Seaside - KING Seaside  
KING Cannon Beach - KING Cannon Beach  
KING Eugene - KING Grants Pass  
KING Medford - KING Medford