Confidential Letter Bares Wallace Policy

SHAMS Declares

land and Fred S. Lamport of Sa- clared tonight that "Secretary tem and Representatives Pat Lon- Wallace, by his speech in New ergan and Jack Bain of Portland, York, has sabotaged our ship of members of a legislative interim committee on state institutions, loyalty to his president and the were in Salem Tuesday conferring nation, but he has given aid and with representatives of the Salem long-range planning commission fense for which, in time of war, respecting a proposal to remove he could be shot. sion, met with the legislators.

The planning commission has about with state institutional declared. property. Hundreds of residences holdings so the institutions are ber of the staff give cheerful supfast becoming islands in an urban port of the decision, whether it is urging is that first the peniten- personal views." tiary be removed to a rural dist- The admiral praised Secretary rict where it can acquire plenty of State Byrnes for his policies of land. The penitentiary's hold- with respect to Russia. ings of some 200 acres at the edge of the city, not counting the clared, "to whom the saving of prison annex, could be sold for face is very important. That is residential or industrial property. Why they depend so much on the The proceeds would go quite a iron curtain to hide true condiways toward relocating the in- tions in their country and the rea-

The idea is not new. It has breast-thumping." been discussed in the legislature many times. It becomes more propriated money for additional Restaurant investment at the present institution. The planning commission urges that the state take steps to acquire land elsewhere and start Men to Test building a new and modern plant. Gradually the transfer could be made so that

(Continued on editorial page)

Dash in Front Of Truck Fatal To 4-Year-Old

ALBANY, Sept. 17-Four-yearold Steven Charles Dameron, son of Mrs. Andrew Davenport, was killed instantly at about 10:30 a. m. Tuesday when crushed under the rear wheels of a logging truck in front of his home on the south Santiam highway about three miles west of Estacadia, Walter

reported. Kropp reported that the youngster possibly distracted by a truck approaching from the opposite direction, dashed from behind a parked automobile under the wheels of the vehicle. The driver, Karl Dorsing, swerved his vehicle onto the shoulder of the left side of the road in an attempt

to avoid the accident Mrs. Andrew Davenport immediately thrust her son into a car and drove to the Sweet Home hospital, where it was ascertained that the child had a fractured skull, a broken neck and broken

District Attorney

PORTLAND, Sept. 17.-(AP)-John B. McCourt, 42, chairman of the northwest regional war labor ecutive committee today for district attorney

The committee asked Governor Snell to appoint McCourt to fill more out the four month unexpired

'SQUATTERS' EVACUATING

LONDON, Sept. 17 -(AP)- Britain's communist-led luxury squatters bowed before court and police opposition tonight and began evacuating the plush apartment buildings they commandeered 10 days ago in a revolt against the government's housing pro-

Animal Crackers



"He says he gets dizzy swim-

Sabotage-TO IN Standley

LOS ANGELES, Sept. 17 -(AP)-Admiral William H. Standley, wartime ambassador to Russia, destate-he is not only guilty of discomfort to a virtual enemy, an of-

the state penitentiary to a new Admiral Standley, now retired Plocation J. N. Chamber, chair- and national commander of the A. McClure, engineer, Military Order of the World Wars, Sen. Douglas McKay and this flung the accusation in a speech writer, members of the commis- before the organization's southern California chapter.

"Mr. Wallace should no longer been concerned over the fact that be considered a trusted member the city is pretty well ringed of the team," Admiral Standley

"When decision is taken, true have sprung up beyond the state loyalty required that every memarea. What the commission is or is not in accordance with his

"Russians are orientals," he deson for their braggadocio and

Ruling in Court

NEW YORK, Sept. 17-(AP)-Two hotel and restaurant spokesmen said today a test of OPA's right to roll back meat menu prices to June 30 levels would be taken to the U.'S. emergency court of ap-

The statement was made jointly by George R. Le Sauvage, chairman of the government relations committee of the National Restaurant association, and John L. Hennessy, chairman of the food committee of the American Hotel

Salem restaurant proprietors press-reported news of an OPAordered rollback of menu prices to the level of June 30, 1946.

In the absence of direct notification from OPA, most local restaurateurs agreed gloomily that the order will mean they must either operate at a loss or close meat and other prices as principal reason they cannot turn a

profit at June 30 meal prices. A large Salem delegation is ex pecting to attend a meeting of the Associated Restaurants of Oregon Friday at 8 p.m. in Hotel Benson, Portland, where discussion of action to counteract the OPA ruling is scheduled.

McCourt Urged for Greeks Ponder **Martial Law**

ATHENS, Sept. 17 - (AP) - An. authoritative source said today board and former state represen- martial law might be clamped tative, was recommended by the down throughout Greece because Multnomah-county republican ex- of mounting violence in the northeast where the gendarmerie is batthan 10,000 strong.

term of Thomas B. Handley, who has considered application of mar- est. died yesterday. The committee tial law first in the areas affected will formally chose its nominee by the renewed leftist activity, for the November ballot next and then, if necessary, throughout the entire country.

The Oregon Statesman NINETY-SIXTH YEAR 10 PAGES

AFL Seamen To Return to Ships For Sale

The National Maritime union (CIO) restored a spark of life to America's prostrate shipping industry yesterday by lifting its ban on the sailing of AFL-

manned ships and those flying

Shortening of the CIO picket lines in the 13th day of the nation's costliest maritime strike meant that the number of idle seamen soon would simmer down from the peak figure of a half

million to about 90,000. Although the Association of American Railroads did not immediately lift its embargo on rail shipments to the country's strike-stunned seaports, a spokesman said an increasing number of permits were being

issued for cargoes which could be handled by vessels freed from the impasse. NMU headquarters said Cur-

ran's directive was nationwide, covering the Pacific as well as the Atlantic and gulf coasts. The peace gesture by Curran, however, was accompanied by a

reaffirmation of his union's determination to prolong its strike indefinitely, if necessary, to win wage equality with the AFL seamen. The differential now is \$5 a

month on the west coast, \$10 on the Atlantic and gulf coasts. Negotiations with ship owners have collapsed on the east coast and have not started at all on the

Snell Approves

State Employes

A state employes' salary and

state civil service commission to-

day had the preliminary approval

of Gov. Earl Snell, who has or-

final action is taken. Hearing

Under the plan, pay increases

would affect primarily state work-

ers in the lowest pay brackets.

Minimum salaries in those brack-

ets and maximum rates attainable

through annual increases both are

The commission advised the

governor that, in accordance with

the mandate of the new civil serv-

ice law, it had given primary con-

sideration to rates being paid for

In applying the data received

from private industry the com-

mission disregarded the lowest 25

of salary rates reported in the be-

Studies made by the state bud-

get division on the application of

the proposed scales indicate the

initial cost to the general fund

Most American cities remained

in the grip of a serious meat

shortage yesterday but a steady

increase in livestock marketings

gave hope that some relief may

When OPA controls were put

back on livestock and retail meat

prices earlier this month, receipts

of all livestock dropped to about

the first two days of this week

HARTFORD, Conn., Sept. 17

(P)-Lieutenant Governor Wilbert

Snow, gray-haired, 62-year-old

English professor and poet, won

the democratic nomination for

governor today after a last ditch

battle put on by Chester Bowles,

wartime OPA head, and three

Bowles made a close race of it.

will be \$286,684 and for self-sup-

porting funds \$482,316.

Cattle Sales

dates are not yet set.

raised in the plan.

dustry.

to exist.

Rich Gold Vein Found on Southern Oregon Border

LAKEVIEW, Ore., Sept. 17 -(AP)- A rich gold vein in the Seattle representative of the fed-Gold Shore Mining company mine near Pine Creek, Ore., on the Oregon-California border a few miles west of Nevada, was reported today by Wellman Smith. Smith, who had spent the summer searching for the vein known

discovered the most valuable vein of gold in the high grade district. He said the Colorado Assaying company of Denver estimated the vein run from samples at \$835.80

The Gold Shore Mining com-George Cline of Alturas, Calif., Pay Schedule pany originally was worked by who spent 20 years searching for the vein. He died not knowing that he had missed it by only 15 feet, Smith said.

The ledge discovered by Smith is 18 inches wide, he said, and has been prospected for a length of 20 feet and to a depth of 25 feet, with gold-bearing ore still running strong.

Smith is now sinking a shaft has three tons of ore ready to ship and expects to take out another three or four tons before bad

Balkan Border Probe Favored

LAKE SUCCESS, N. Y., Sept. 17. - (AP) - An authoritative source their doors. All cited still-rising said tonight the United States likely would suggest to the United Nations security council tomorrow that the council name a fact-find- per cent and highest 25 per cent ing group to investigate border incidents along the entire northern border of Greece.

The council is considering soviet Ukrainian charges that the Greek government has instigated incidents along the Albanian-Greek frontier. The soviet Ukraine also has complained that the present Greek government is menace to the peace of the Bal-

Forest Closures Lifted by Rogeers

Four additional forest closures, ordered early in the 1946 fire season, were lifted by State Forester Nels Rogers Tuesday. These intling leftist bands estimated at clude the Douglas, Lane, Coos and Linn Fire Patrol association lands The informant said the cabinet and the Willamette national for-

> Rogers indicated that virtually all of the closures would be eliminated prior to the opening of the

Colton Man Elected President of **Turkey Improvement Group**

A. R. Potts of Colton was elected president of the Oregon Turkey Improvement association at its annual meeting held at the Salem chamber of commerce Tuesday, closing with a dinner meeting at the Marion hotel. Approximately 200 were in attendance.

Potts, replacing C. R. Dear, Inchosen from seven directors, four of whom were elected at the afternoon session. These were Stephen Adelman, Yamhill; and John Sayer, Brownsville, re-elected; Bill OSC, and E. L. Peterson, state di-Chase, Aurora; and W. A. Schwed- rector of agriculture, were banler, Portland. Holders are C. H. quet speakers. Simpson stressed tense, excited delegates at the Doyle, St. Paul; R. R. Borovicka, the benefits of publicity, Brandt state convention. Snow polled Scio; and Potts. Noel Bennion, told of the turkey research work 525 votes, 99 less than the neces-Corvallis, was made secretary, reat the college, and Peterson reason majority, but leader after. Corvallis, was made secretary, re-

placing Adelman. a committee to study the expan- spring, recommending that turkey sion of the association to include growers protect themselves on market producers as well as breed- grain. He added that the protein ers, and the establishment of dis- situation, which "is bad, will be tricts each to elect a director to more difficult before it is better." form the central board. Appointed to the committee were Frank Sparks, Grants Pass; Gordon Ry- Parker, replacing the recent Huals, Cottage Grove; W. A. Schwed- bert Cosby as head of the pouller, Portland. Also favored was try department, OSC, was introcollection of 1/2 cent a bird by duced.

for the purpose of advertising tur-

Panel discussion highlighted the day's meeting, with some gloom shown by breeders, although the In Connecticut general opinion expressed indicated that the turkey industry was settling down with the elimination of fly-by-night producers, and that the efficient producer would still have a sound industry. The nadependence, who presided, was tional slogan, "Eat More Turkey," was stressed by all speakers.

ber of commerce; P. M. Brandt, ported that while the grain situa- leader immediately swung to him Finding favor with the turkey tion was good right now he exbreeders was the appointment of pected to see it get tight again by

Fred Cockell of Milwaukie was master of ceremonies. Dr. J. E.

Salem, Oregon, Wednesday Morning, September 18, 1946

Nearly 1300 Camp Adair buildings, which once housed some of the outstanding American army combat divisions, are on sale to-

Although the war assets administration yesterday announced the sale on a regular priority basis, representatives of the League of Seven Cities continued hopeful for the success of their efforts to have at least part of the camp set aside, as is, to house veterans of this area.

Mayor Cliff Knodell of Albany, chairman of the league's committee acting in the Adair housing plan, said Tuesday that the league's official "letter of intent" asking WAA to "freeze" the sale pending action on the request to develop a housing colony at the camp site, was mailed to Seattle WAA headquarters Monday.

Deadline Sept. 30 Mayor Knodell also disclosed his committee will meet with a eral public housing administration next Tuesday at the camp or one of the seven cities nearby He expressed the opinion that to exist somewhere along the mountainside, said he believed he had ample time remains to press the issue inasmuch as the WAA sale announcement specifies that ... fers to buy may reach the Portland WAA office between tember 21 and 30. Moreover, the Albany mayor pointed out, first priority in the sale goes to government agencies, such as the

During the 10-day "offer period" WAA will have a representative at the Camp Adair resiwage schedule prepared by the dent engineer's office to answer all inquiries, it was announced. Heretofore Camp Adair has been closed to visitors. dered a series of hearings before

To Dismantle Buildings Left Priorities which follow in order are: RFC for resale to small aterials sold by FPHA to vet-

The 1270 buildings for sale were clubs, bowling alley, etc.). 11 infirmaries and 294 miscellaneous buildings.

lief that, as an employer, the state Slavs Fear should not be in the position of paying its employes minimum or sub-marginal wages nor should it Trieste Plan attempt to compete with the highest salaries which might be found

PARIS, Sept. 17-(AP)-Yugoslav delegate Ales Bebler charged today that the western powers were guided by power politics in peace conference proposals for the boundaries of the free zone of Trieste. a bridgehead there for future ac-

tion against Yugoslavia commission adopted without dissent or discussion an article requiring Russian forces to evacuate Bulgaria within 90 days of the date the treaty takes effect, and sped through seven other articles of the Bulgarian treaty.

The military commission adopted provisions for division of surplus Italian fleet units among the Russia and agreed on demilitariz- ed during the pre-campaign. ation of the Italian frontiers.

20 per cent of normal. However, LESSON IN GRAVITATION

Seven-year-old Terry Meisinger, 1630 N. 20th st., forgot to duck when he threw a broken milk bot-

Elected



PHILADELPHIA, Sept. 17.-The Rt. Rev. Henry Knox Sherill, D. D., bishop of Massachusetts, was elected new presiding bishop of the protestant Episcopal church in the USA at the church's convention here today. (AP Wirephoto).

Rent Control Area to Extend To West Salem

Federal rent control will extend beyond Marion county to include the corporate limits of West Salem, it was announced officially Tuesday by the Portland headquarters of the office of price administration.

Extension into West Salem was business; state and local govern- the only additional area mentionments; non-profit institutions, ed in the OPA announcement Buildings not taken by priority which followed its recent decision groups will be dismantled and the to establish federal rent control here. OPA control is effective October 1.

The federal rent control office listed as 299 administration, rec- for this area will be located in the reational and warehouse types, Salem armory at Liberty and Fer-410 barracks, 188 mess halls, 20 ry streets, in the offices now ocmotor repair shops, 36 service cupied by the selective service units (barber shop, gas station, board, OPA disclosed yesterday, postoffice, etc.), 12 recreational Details of the staff and of the regservice units (theatres, service istration of renters are not yet

complete. Volunteer local workers will be required to assist a small paid staff in the original registration. OPA indicated. An "area rent representative' will be appointed to take charge of the Salem office.

Chest Drive Started Rolling

President Loyal Warner handed a and were attempting to establish penny to A. C. Haag, pre-campaign chairman, during the precampaign kickoff breakfast at the While the debate on Trieste con-tinued, the Bulgarian political step toward the raising of the Chest's \$80,085 goal was taken. More than \$0 chest workers at-

tended the program at which Dr. Charles Durden was featured Pre-campaign workers started their fund-raising jobs yesterday,

hoping to raise half of the quota before the regular campaign opens October 1. Only potential givers United States, Britain, France and of large donations will be contact-

BIBLE ADDITION DENIED

Application by the Salem Bible institute and academy for construction of a \$60,000 addition at West Salem has been denied by tle into the air Tuesday. A gash the civilian production administrain his head was treated by first tion at Washington, D.C., the Associated Press reports.

Rep. Norblad Tells Republicans **Democratic Party Badly Split**

Still-rampant bureaucracy and a badly split democratic party floor nominations of 32 delegates were scored last night by Rep. Walter Norblad as he addressed the Marion County Republican hall. receiving 455 votes from the 1246

Despite the astronomic national debt, Norblad, averred, the federal government persists in outright grants to well-to-do cities and states for non-essential projects and despite the administration's claim to bureau reductions, federal employment in Washington, D. C., itself continues to rise, the speaker added.

These are among reasons listed republicanism in the nation." president will be elected in 1948 representatives in 1946.

and alternates to represent the organization at the state repub- them for a few days. club in chamber of commerce lican convention in Portland Oc-LeFor, Lawrence Osterman, Peery Buren, Sol Schlessinger, W. W. Rosebraugh, Charles Treacy, R. W. Land, Grant Murphy, Mrs. Denver Young, Charles Bollinger, Mrs. Helen Ficke, Mr. and Mrs. Robert M. Fischer, Chris Kowitz, Ed Rogers, Mrs. Doris Woodburn, Henry Werner, Mrs. Joseph Devby the junior Oregon congress- ers, sr., Mrs. Walter Spaulding, man for a "definite swing toward W. W. McKinney, Mrs. Florence M. Wright, Mrs. Ralph Moody, Norblad predicted a republican Dr. E. E. Boring and Eric Allen. phreys and Jess Cumler.

Tells Truman, Risk Appeasement Label To Assure Security

Columnist Brings to Light Epistle to President Stating Secretary's Views

WASHINGTON, Sept. 17 .- (AP)-A letter from Secretary Wallace to President Truman urging a sweeping overhaul of U. S. foreign and military policy, junking of the Baruch-Acheson atomic control plan and more conciliatory treatment of Russia was made public tonight with the president making last-minute efforts to head it off.

A perhaps historic mixup on high levels of government accompanied the latest episode in an international drama touched off by Wallace's speech last Thursday decrying what he termed the policy

"get tough with Russia." The letter, it was explained, was written July 23 in response to presidential request for cabinet members' views on foreign policy. The commerce department said that it was "filched" from the files and came into the hands of a columnist.

Wallace took the matter up with Presidential Secretary Charles G. Ross, and they agreed it probably would be a good idea to make it public inasmuch as the columnist was distributing it. Ross told Wallace to go ahead and mimeograph it for the press: Then Ross got in touch with the president and was told Mr. Tru-

man did not wish to give his approval to the release of the letter, lest it be understood abroad that he was approving its contents. But it was too late to head it off. The commerce department did not name the columnist who obtained the letter but Drew Pearson, columnist and radio com-

mentator, issued a statement saying: "Unless Secretary Wallace retracts the statement Indicating that 'filched' from the commerce department files his Russian letter to President Truman I shall be compelled to bring suit against him

Truman Invited Stalin for U.S. Visit

The letter revealed officially for the first time that Mr. Truman eviously had invited Premier Stalin to visit the United States. And it disclosed that Wallace prepared a memorandum last March for Ambassador W. Bedell Smith to take to Moscow suggesting trade discussions. Whether the president gave it to Smith was

The 3600-word letter went far beyond Wallace's controversyridden speech in New York of last Thursday in expressing anxiety over "the present trend toward conflict" and the secretary's convictions that drastic changes in the American attitude toward Russia are necessary to stop it.

In writing it, Wallace recalled to the president at the outset that "I checked with you about this last Thursday and you suggested after cabinet meeting on Friday that you would like to have my

views." The letter was dated the following Thursday, Thus it seemed clear that Mr. Truman had the opportunity to familiar with the views of his commerce secretary when Wallace checked his New York speech with him before delivery, Mr. Truman told his news conference last Thursday that he approved the whole speech and, when asked whether it did not conflict with the foreign policy line followed by Secretary of State Byrnes, replied that it was exactly in line. But on Saturday the chief executive explained that

his approval went only to Wallace's right to deliver the speech As an upshot of the resulting storm, Undersecretary of State William L. Clayton today challenged the wisdom and prudence of personal foreign policy statements by government officials. He told his news conference that he assumes such speeches in future will be cleared with the state department. Later he had an unberuided

conference with Mr. Truman. Wallace, who already has served notice that he expects to speak further on the subject, is to see the president tomorrow. point of view what Russia believes to be essential to her own secur-

ity," judged "against the background of what we ourselves and the British have 'insisted upon," and continued: "We should be prepared, even at the expense of risking epithets of appeasement, to agree to reasonable Russian guarantees of se-

Wallace argued that "we should not act as if we too feit that we were threatened in today's world," adding that "any talk on our part about the need for strengthening our defenses further is bound to appear hypocritical to other nations."

Disassociate Loan from Politics

While criticizing extensively in general terms various policies being followed by the state department, Wallace singled out at least

two for specific assault: 1. That Russia discuss her trade relations with other nations as a precondition for obtaining an American loan. Wallace contended that the question "should be approached on economic and commercial grounds and should be disassociated as much as possible from the current misunderstandings which flow from the basic direcences between their system and ours."

2. The American stand for internationalization of the Danube and the Dardanelles, Wallace wrote that "we would be horrified and angered by any Russian counterproposal that would involve also the internationalization and disarming of Suez or Panama" and that "to the Russians these seem to be identical situations." Wallace's criticism of the plan which the administration pre-

sented to the United Nations for controlling atomic energy was the first to be uttered by any government official. The plan was offered by Bernard M. Baruch and Mr. Truman has said several times that he stands squarely behind it. It is based on a report from a state department committee headed by Undersecretary Dean Acheson. The commerce secretary found "a fatal defect" in the provisions requiring other nations to enter into binding commitments not to

conduct research into the military uses of atomic energy and to disclose their uranium and thorium resources while the United States retains the right to withhold its technical knowledge of atomic energy until the international control and inspection system is working to our satisfaction." He proposed, instead of what he called the "step-by-step" idea of the administration plan, "an agreement which will commit us to disclosing information and destroying our bombs at a specified

time or in terms of specified actions by other countries, rather than

Labor Office **Issues Call for Prune Pickers**

at our unfettered discretion.'

Prune pickers are in demand the prune harvest began, accord- ent. ing to the Salem farm labor office which announced Tuesday that 10 of the 39 farmers calling for prune pickers left without a sin-The club approved unanimously gle man. Rains have caused the prunes to fall to the ground. Last week prune picking was retarded taking when canneries stopped taking prunes to fall to the ground. Last

one hop growers is attempting Seized by U.S. tober 4-5. Delegates are: Leonard to harvest 18 acres of hops with Judson, Dr. O. A. Olson, Adam but six pickers, and other growers are working with but 25 per cent of their needed crews, the farm labor officials reported. Bean picking will be finished

today, the farm labor office said, but the demand for prune and hop pickers will continue for another 10 days to two weeks.

NORBLAD SCHEDULES TALK

Congressman Walter Norblad will speak at 8 p.m. Thursday, which is was licensed-coastwise Alternates are: Herman Lanke, September 26, at a meeting of trade. and said he held high hopes for W. W. Chadwick, Steve Ander- the Marion county federated vetelection of a republican house of son, Ross Coppock, Harry Hum- erans, Chairman Don Goode said were still aboard, but their depar-

Sen. Cordon to Address C. of C.

Sen. Guy Cordon will address the Salem Chamber of Commerce at its first members' luncheon meeting of the season next Monday neon at the chamber's dining hall. Reps. Walter Norblad and this week for the first time since Homer Angell also will be pres-Other special guests will include

members of the Willamette basin

and Willamette valley project

LONG BEACH, Calif., Sept. 17. (A)-The U. S. justice department taking Tony Cornero Stralla's word for it that his gambling ship Bunker Hill is on the high seas, sent some 70 coast guard bluejackets aboard the vessel today and seized it under the admiralty laws and towed it to Los Angeles, U. S. Attorney James M. Carter said condemnation proceedings would be instituted on grounds that the craft is engaged in operations other than that for

An estimated 250 to 300 patrons ture ashore was not impeded.



ming round and round."

cattle receipts have climbed to about 55 per cent of a year ago and sheep receipts are almost equal with last year. By Lillie L. Madsen packers at the time of slaughter Farm Editor, The Statesman **Bowles Beaten**

keys, poults and eggs.

David Simpson, Milwaukie, past president of the Portland cham-

as the result was announced. The Weather

other candidates.

Willamette river -3.5 feet.
FORECAST (from U.S. weather buresu. McNary field, Salem): Partly cloudy this morning; almost clearing by noon. Highest temperature 73. Low-est 45.