SEEMS to me

United States currency is regarded as the most "solid" currency in the world though it is no longer convertible into gold. In fact, the price of gold here, \$35 an ounce in terms of our currency is the established world price. But there are places where gold commands a higher price. That is in the areas of weak currencies where men of wealth are eager to convert currency into something of more durable value.

This fact was brought to public attention in a news story from Manila a few days ago, which told that the finance secretary of the island government was stopping a prospective flight of flying boats due to carry 377,000 ounces of gold from the Philippines to Macao, a Portuguesegoverned island near Canton, China.

The price in Macao was said to be \$51 an ounce, the buyers of the gold being merchants from China where trade in gold is prohibited.

Macao is but one of the active grey or black markets in gold. In India quotations have run to \$82 an ounce, in Palestine to \$86 and in Egypt to \$68. In the Philippines the domestic market for much-criticized cargo plane fails gold has been running to \$45.50 to fly. an ounce.

price of gold in terms of their investigating subcommittee. "My own currency and require it to reputation is rolled up in it. be sold to their own governments. They forbid export or im- it is a failure, I would leave this port trading in gold. But there country and never come back. are cases like Macao where no And I mean that." controls are imposed; and there Flight Not Guaranteed is bootleg trading. The price Hughes said he could merely reflects the willingness of buyers to buy, and since gold trading is (Continued on editorial page)

**Demos Refuse** To Step Down; **Rap Wallace** 

officers refused flatly today to demand of Democratic National call a new election.

Byron G. Carney, Milwaukie, company. Absent, however, was at a meeting Hughes' publicity man John W. lected chairman



Hughes to Leave U.S. Damages If Cargo Plane Flops In Area Says Military Called Him 'Stuck Up'

noon.

into the doldrums.

**Association Holds** 

**Conclave in Salem** 

Parade, Game

**On Mt. Angel** 

**Fete Finale** 

WASHINGTON, Aug. 9 .- (P)-Howard Hughes told senate investigators today he began spending for entertainment when he got confidential word that army officers considered him a "stuck up" rich man who wouldn't "kow tow."

Also, the millionaire plane designer, manufacturer and flier solemnly testified that he would leave the country for good if his giant,

"I put the sweat of my life in-Most countries control the to this thing," Hughes told a war "I have stated several times if

Hughes said he could not guarantee the plane would fly or that it would be a success, that he only hoped it would. But he said the criticism of the project and of the money spent on it was "unjusti-

> fied." The subcommittee is investigating the wartime contract the government gave Hughes and indusaerial cargo craft - the world's biggest plane. It also is looking into Hughes' contract during the war for photographic reconnaissance planes. None Delivered

None of either was delivered PORTLAND, Aug. 9-(AP)-Dem- while the fighting was on. The ocratic state central committee committee wants to know why. Hughes gave another installstep down from their posts, and ment on his story today, along the former chairman rejected the, with a lecture on aeranautics.

Today's installment went again Committeeman Lew Wallace to into expense accounts for enter-Griffith for their work in buildtainment charged to Hughes' ing the first flax plants, one of



than ever experienced before in the midwest area." There were no immediate re-

ports of serious damage or of casualties.

The quake occurred in an area within 200 miles from Chicago, starting shortly before 10 p.m. (EST), and continued several minutes.

Quake reports were received from Michigan, Ohio, Illinois, Wisconsin and Indiana.

MT. ANGEL-A children's parade at 1 o'clock and a baseball The Rev. Alphonse Schmitt, S. game between the Mt. Angel nine J., Loyola university seismologist of the Willamette Valley baseball at Chicago, said, "The active cenleague and the Valsetz team, of ter might have been in Ohio." He said the quake was recordthe Oregon State league and finalists in the state semi-pro tour- ed as starting at 9:47:22 (EST) nament, will wind up the Mt. Anand tremors continued three to trialist Henry J. Kaiser for the gel Flax Festival Sunday after- four minutes before it "completely ended."

"It was capable of small dam-Speeches" by ex-governor age," he said.

Charles A. Sprague, of Salem, and By comparison, it was "a small Father Alcuin, formerly of Mt. earthquake," Father Schmitt said. Angel, featured Saturday's pro-In Cincinnati, the Xavier unigram. Both Sprague and Father versity seismograph recorded Alcuin decried the present tend-"minor earth shocks of three to ency to let the flax industry go four minutes" duration, starting at 9:47:25 p.m. The report was Sprague gave a brief resume of made by the Rev. Victor C. the flax history in Oregon, pay-Stechschulte, S. J. He said the ing special tribute to former govshocks centered either in northernor Charles Martin and E. J. west Ohio or southern Michigan.



Quonset Hut Houses Salem Toymaking Firm

72 Hours **Trip** Time

Weather

Portland San Francisco

Chicago New York

Salem

Max.

74

Mirt.

55

54 71

Precip.

3

.00

SEATTLE, Aug. 10-(P)-Globe - Girdling Willam Odom took off from Elmendorf field at Anchorage, Alaska at 12:47 a. m. Monday, Pacific standard time, for Chicago on the last leg of his around - the - world flight, Northwest Airlines was in-informed by its Anchorage headquarters. He was headed non-stop for the field from which his record-seeking flight started.

ANCHORAGE, Alaska, Aug. 9 Pilot William Odom landed here tonight after a non-stop flight of approximately 3,500 miles from Tokyo in slightly more than 11 hours.

His Bombshell came down at 11:33 p. m. Pacific Standard Time (2:33 a. m. Eastern Standard Time).

The elapsed time for the Tokyo-Anchorage flight was 11 hours 17 minutes, an average speed of better than 300 miles an hour.

It brought his total elapsed time to 61 hours 30 minutes for an estimated 16,500 miles.

#### Into Homestretch Odom, heading into the home

**Treasure Hunt** takeoff.

BERLIN, Aug. 9 -(AP)- The vanshing jewels of German royalty placed in the plane. He didn't lured American investigators on a \$2,000,000 treasure hunt tonight through a bizarre maze that already has involved a dozen nationalities in Berlin's underworld and promises to lead to an inter-

national incident. German Prince Ferdinand von Schoenalch-Carolath told inter-to operations headquarters to viewers he and his wife had submitted to truth serum tests to check on 'Awfully Tired' satisfy investigators of the accur-He appeared in good physical acy of his story that the jewels shape but said "I'm awfully tired." belonging to his mother, Princess He said he had had to fly by Hermine, the late widow of Germanual control all the way from many's last kaiser, had myster-India after his automatic pilot iously disappeared from a trunk was broken in India. in the house of an American friend where he had kept \$5,000,-

stretch in his dask for a new record, said he would take off as soon as his plane could be refueled and prepared for the A lunch was prepared for him, as ordered ahead by radio, and

want to take time to eat it on the field. A large crowd was at Elmendorf field to see him swoop in low over the field, bank and

swing back onto the runway Odom jumped immediately from the plane to aid the ground crew

weather reports.

Wallace contends was invalid, Meyer who has told in previous lashed back today by calling appearance of spending \$164,000 Wallace a "republocrat." in entertaining wartime officials

committee chairman, said he mittee is seeking elaboration from would not call a new election to Meyer. replace the May 17 one in which only 38 votes were cast and Walonly 38 votes were cast and Wal-lace's proxies thrown out. Wallace 1,000 Masons demanded a new election after being notified by the attorney-general's office that 76 members At Ceremony being notified by the attorneyare needed for a quorum and that proxy votes must be admitted.

can't see any sense in it," said Aiken. "Carney has been recognized in Wasihngton, D.C., (by the democratic national committee). I wouldn't ask anybody to come in again and spend their money just to humor Wallace."

Carney declared in a prepared statement that Wallace's proxies were ruled out by the credentials committee because some of them were not valid. He charged that Wallace "as usual, is working with his republican friends to rule or ruin the Oregon democratic organization.

# **Porch Collapses As Pigeon Alights**

OLIVET, Mich., Aug. 9-(AP)-A pigeon, unaware of its own strength, landed on a porch at Mather hall, the Olivet college science building. The porch collapsed.

School officials said the rickety structure had been closed off in preparation for its rebuilding. The surprised bird fled.

#### **PAIR ON GLOBAL TRIP**

PRESQUE ISLE, Me., Aug. 9 .-(AP)-The first leg of a round the was completed here tonight when former army pilots Clifford V. Evans and George Truman made unscheduled overnight halts to gather weather data.

**Animal Crackers** By WARREN GOODRICH Chicago Sun Syndicate

"She's tired of chewing her ... that's bubble gum.

in entertaining wartime officials Henry Aiken, Heppner, former and their companions. The comtations.

Approximately 1000 Masons attended an "under-the-stars" ceremony atop Bald mountain in the Eola hills Saturday night. The ceremony was sponsored by Salem Masonic lodge 4, AF and AM. Principal speaker for the occasion was Grand Master of the

Masons of Oregon Walter Ransom, Eugene. He was accompanied by 12 members of his official family who assisted in the ceremonies. Exemplification of the Master

Masons degree was carried out in full regalia by members of Salem Masonic lodge 4 by conferring the degree upon one of its members. The area was under surveilance of lodge members and the Oregon mounted posse while the ceremonies were carried out.

Masons from lodges throughout the state were represented at the meeting.

# **Film Export Ban** Stuns Hollywood; **Economies Due**

HOLLYWOOD, Aug. 9. - (AP) -Movie land was stunned, and wary, today over losing the British market for its productions.

Consequences of action in New York by the motion picture assoworld flight in two light planes ciation directors, halting all shipment of U.S. films to England in retaliation against a British-imposed 75 per cent tax on imported pictures were endless.

It cut off revenue which amounted to \$68,000,000 last year in Hollywood's best foreign market. Cuts in top stars' salaries were

possible. Lesser employes may be laid off in large number. Production schedules undoubtedly will have to be revised. There may be increases in American boxoffice prices. Reciprocal agreements between British and American producers and exchange of talent probably will be upset.

## **Multnomah County to** Start \$2 Million Project

PORTLAND, Aug. 9. - (AP) - A \$2,000,000 county building pro-gram probably will start in Multnomah county in October. Architects are drawing plans

for a new juvenile court and home and a new tuberculosis pavilion at the county farm.

**BODIES OF 8 AIRMEN FOUND** TRIESTE, Aug. 9.-(AP)-A Flying trade, crop experts scanned eight United States airmen has been discovered in 45 feet of water off Lignana, near here. The plane is presumed to be one shot down during the war.

which was at Mt. Angel. He blamed the present condition of Stevenson's the industry more on the tendency **Bail Raised** of growers to turn to more profitable crops than on foreign impor-

Father Alcuin urged more work Fremont Russell Stevenson toward informing people about the charged with assault with intent flax industry, suggesting projects to kill in connection with Thursin the schools. "In time of war," day night's shooting of John Snyhe said "others realized the im- der, took until Monday at 10 a, m. portance of flax, but in time of to enter his plea, when he appeared in Marion county district peace, we are the only ones." Other speakers were Father court Saturday.

Snyder, a resident of the hotel Damian Jentges, Mt. Angel pastor, who gave the address of at 265 N. Commercial st. which welcome; Dean Wm. Schoenfeld of Stevenson operated, remained in "very serious" condition early to-Oregon State college; Miss Alene Philips, secretary to Gov. Earl day at a Portland hospital, where Snell and who represented him; he was taken following the shooting. Mayor Robert Elfstrom of Salem,

On the motion of the district Senator Howard C. Belton, Canattorney, Stevenson's bail was by; County Judge Grant Murphy; raised from \$3,000 to \$5,000. Circuit Judge George R. Duncan, King Bing Wm. Dyer, jr.; and

#### Fred Klein, president of the Mt. Saalfeld to Head Angel Flax Growers association. (Additional details on page 2.) **Service Officers Collection Agency**

PORTLAND, Aug. 9-(AP)-Election of H. C. Saalfeld, Salem, as chairman of the county service officers' association, a new organization to coordinate aid to veter-

ans, was announced today. Adolph Rebe, Portland, was The Salem man was elected by elected president of the Collection county veterans' service officers Agencies association of Oregon, in Oregon, at a three-day school succeeding Chris Seeley of Salem, here to discuss veterans' regulaat the organization's annual tions and benefits. meeting held at the Marion hotel

Saturday. Seventy-five delegates

attended the conference. France to Air Germany Other officers named include: Views to U.S., British Con Dillon, Eugene, vice-presi-

dent; George Schuele, Portland, WASHINGTON, Aug. 9 - (AP) treasurer; and Loring Greer, Salem, reelected secretary. Schuele The United States agreed today to was named delegate to the na- an early American-British meettional association meeting. ing with France to receive and Claude Murphy, state real esstudy French views on the Anglotate commissioner, spoke to the American plan for increasing in-

group on various phases of the dustrial production in western new law enacted by the 1947 leg- Germany The American action is considislature dealing with credit asso-

ciations. Murphy's office issues the ered a diplomatic triumph for licenses. The new advisory board, French Foreign Minister Bidault created by the legislature, was who protested against the industry plan last month also present.

**Corn Prices Hit Fabulous Levels As Sun Parches Midwest Fields** 

CHICAGO, Aug. 9-(P)-A sizz- formances of their sacred green ling sun beating down on parched | corn dance for tonight and tomormid-western corn fields today row. The dance - a traditional caused apprehension over the crop supplication for rain to keep corn outlook and sent prices soaring to green-was first held yesterday. While Nebraska state agriculnew historical peaks.

From one end of the main corn tural statisticians said Nebraska belt to the other all reports were the same—"King Corn," most im-development, with more moisture portant of American feed crops, and cooler weather badly needed, already was in trouble and soon the weather bureau held little would be in more if rains do not hope of a break in a heat wave sending temperatures up around come soon. As prices jumped to fabulous 100 degrees.

levels on the Chicago board of In Chicago, center of the cash corn trading country, a car of Fortress containing the bodies of weather bureau forecasts of con- corn sold at \$2.49 a bushel, which tinued clear skies and high tem- compared with a \$2.361/2 peak peratures from Indiana to Ne- established in August, 1917. All braska, heart of the corn belt. but the extreme lowest quality

In Macy, Nebraska, the Omaha corn sold above that former re-Indians scheduled repeat per- cord high.

100 M 10 12



Another Salem industry just getting started is Ballantyne and Heitz Co., makers of Bal-Toys. Shown in top photo at work in their quonset hut factory at 2736 N. River rd., are, left to right. Don Ballantyne at the band saw, Mrs. Kenneth Seeley asembling magazine racks, and Charles Heitz at the router. Partners in designing, producing and selling, Don Ballantyne, left, and Charles Heitz, right, are veterans who are working to realize wartime dreams of their own business. They are discussing the kid-appeal of this rubber-band pistol which they plan to make and market in kit form. (Photos by Don Dill, Statesman staff photographer.) (Story on page 4.)

### Eastern Oregon to **Frozen Food Get Crop Insurance** PORTLAND, Aug. 9.-(AP)-Only Bank Mortgage

five Oregon counties - - Morrow, Foreclosed Umatilla, Sherman, Gilliam, and Union - - will be included in the wheat crop insurance program Sale of the unfinished building next year.

of the Salem Frozen Food bank, Murl E. Cummings, state direcand its land, in the 500 block of tor of the federal crop insurance South Commercial street, was corporation, said insurance in 15 made by Marion county sheriff other Oregon counties, including Saturday morning to Oregon Muall the Willamette valley, will end tual Savings bank of Portland, in with the 1947 harvest. execution of judgment on mortgage foreclosure. Sale price was

**Cloudburst Halts** Santa Fe Trains

SAN BERNARDINO, Calif. Aug. 9 .- (AP)-A terrific desert taliated with a suit to cancel the cloudburst struck the Needles. Calif., area about 200 miles east of here today, sending embankments cascading over the Santa Fe's main line and washing out

sections of transcontinental highway No. 66. Rail traffic was interrupted, the Santa Fe announced. The original

> The bank's plans for the structure were not disclosed.

**Alcohol Treats Asthma**, **High Blood Pressure** 

### Indonese Advise U. N. **Of 'Mop-Up'** Operation

BATAVIA, Java, Aug. 9 - (AP) The Indonesian republic advised

the U.N. security council today that the republican troops were up and preventative operations" because the Dutch were "continuaim of extending their territory." and boats last night. 000 of the German royal treasure. A woman emissary, he said, had 'risked her neck" to smuggle the jewels from his mother's apartment at Frankfurt-on-Oder in the Russian zone, where she died Thursday, into the American sector of Berlin.

# **Attlee Facing** Facing Crisis

LONDON, Aug. 9 .- (AP)-Prime Minister Attlee, accused by the conservatives of seeking "totalitarian powers" to deal with Britain's economic crisis, faced a new conflict within his own labor par- apples. ty tonight over the government's

nationalization program. Persistent but unconfirmed reports that some cabinet members

were opposed to carrying out flight. plans to nationalize the steel industry during the crisis were followed by the calling of a special private meeting of labor members of parliament for Monday.

One political writer said leftist intellectuals and trade union members would demand a direct "yes" or "no" answer on steel from Attlee.

# 111 Degrees in South Dakota

By the Associated Press.

ed last year. The contractors, C. M. Corkum company, obtained a lien One hundred degree plus heat on the property, and Gabriel rereturned to a wide area of the sun-reared midwest Saturday and lien, alleging failure to comply weather forecasters said no "real relief" in rain or substantially Marion county circuit Judge cooler air was in sight.

George Duncan found in favor of The new heat wave worked Gabriel and the lien was set westward from Montana and the aside. "The Corkum company ansouthern great plains states bringticipates an appeal to higher ing temperatures in excess of 100 courts and consequently the mortdegrees to South Dakota, Misgage foreclosure sale was consumsouri, Nebraska and western Iowa. Temperatures up to 100 degrees were forecast for the Great

Lakes area by Monday. Pierre, S. D., was one of the hottest places on the weather map with a 111 degree reading. Kansas City had 106 degrees.

NAVY SHRINKAGE NOTED

#### RUBBER STRIKE NEAR

NEW YORK, Aug. 9-(AP)- Suc-AKRON, O., Aug. 9 -(AP)- The CIO-United Rubber Workers nocessful treatment of some cases of high blood pressure and chronic asthma by injecting alcohol into tified the B. F. Goodrich Co. tonerve cells alongside the spine is day that unless it agrees to company-wide bargaining a strike of reported by Dr. Lawrence V. Lindroth of Christ hospital, Jer- 21,000 employes in the company's sey City, N. J., in the American seven plants would be started Journal of Surgery. August 14.

#### SALMON START RUN

WASHINGTON, Aug. 9 - (AP) ASTORIA, Aug. 9.-(AP)-Astoria "compelled to undertake mopping canneries operated at full tilt to- Two years after the end of the day, as chinook salmon began war, the navy reported today, its fleet of combatant ships has running in the Columbia river. The August run boosted the riv- shrunk from nearly 1300 to 285 ing military operations with the er fishing fleet to about a thous- in full operation and 21 in reduced status

\$54,682.72, the full amount of

Construction of the storage

plant, by William C. Gabriel, halt-

with contract agreements.

judgment and costs.

"I'll be in Chicago between 11 and 12 Sunday, Chicago time," he predicted, which would give him a total elapsed time on the trip between 71 and 72 hours. This compares to the time of 78 hours and 55 minutes he set in the same plane recently on a round-theworld jaunt with his sponsor, Mil-

ton Reynolds. "The trip over the Pocific was very monotonous," he added, "I thought I'd never get here."

20-Mile Tail Wind

Odom'said he had a tail wind of about 20 miles an hour boosting him along the route from Tokyo.

The lunch that was fixed at his advance order included a pot of weak tea "with plenty of sugar." turkey and ham sandwiches "without crusts, three oranges and three

Odom, 27, saved time by short ground stops and by flying direct from Calcutta to Tokyo, skipping the Shanghai stop of the previous

He appeared more tense and nervous than tired, but said, "I'm getting pretty sleepy.

He started taking stay-awake drugs on the Pacific hop. He does not smoke.



WASHINGTON, Aug. 9.-(AP)-The red tape surrounding sale of war surpluses to veterans starting their own businesses or getting established professionally

was slashed today. Pre-sale certification restrictions, under which a veteran's right to buy had to be established first before he could get any surplus equipment, were abolished by the war assets administration.

Veterans anxious to buy surplus goods henceforth will need only two documents, WAA said, a discharge certificate, and a simple statement insuring integrity.

#### **17 DIE IN TRAIN WRECK**

DONCASTER, England, Aug. 9 (P)- Two London and Northeastern railway trains, crowded with weekend holiday seekers, crashed outside Doncaster station today and company officials said 17 persons were killed and nearly 50 injured.



inated to clear title only," Gabriel said Saturday.

bound trains through Parker and Wickenburg, Ariz., but it was la-ter learned that a tunnel mouth on this branch sector had been

blocked by a slide, and it was be-

lieved rail traffic would be suspended until this was cleared. away.

plan was to detour east and west

