

By Charles A. Sprague

Announcement of the retirement of Franklin T. Griffith as director and chairman of the board of Portland General Electric has brought forth numerous editorial tributes for his contribution to the development of his company and of his community and his leadership in civic affairs.

In the bitter period of financial mismanagement of the companies he headed, caused by the manipulations of midwestern and eastern stockjobbers, Griffith bore the brunt of local resentment, but his reputation for personal integrity stood him in good stead.

Indonesian Fear Renewed Fight, Plan Retreat

BATAVIA, Java, Aug. 20 (AP)—Indonesian leaders prepared today to abandon their capital in anticipation of renewed full-scale war with the Dutch as the Netherlands governor general bitterly charged the Indonesians with a two-year record of "murder, arson and torture."

Members of the Indonesian cabinet met in Jogjakarta with top military leaders, who made no secret of the fact they believe the Dutch will launch a drive soon to capture the interior capital city of the republic.

Dr. Hubertus J. Van Mook, the Dutch governor general of the Netherlands East Indies, announced in a radio broadcast here that Indonesian authority over the rich regions of Sumatra and Madoera occupied by Dutch troops since July 21 would not again be recognized by the Dutch.

The latest Dutch military communique said Dutch troops had suffered 214 casualties since the cease fire order went into effect, including 55 killed and 158 wounded and one missing.

Two Under Kidnap Charge Bound Over

PENDLETON, Ore., Aug. 20 (AP)—Two men charged with kidnaping the Freewater police chief waived preliminary hearing today and were held to the September grand jury.

Donald Duane Hyman, 23, and James McGehee, 24, were held in the county jail in lieu of \$5,000 bail.

At the hearing before Judge Ann Crago, Hyman said they didn't "remember much" about Monday's happenings but denied there had been any kidnaping.

MARSHALL CIRCULATES

QUITANDINHA, Brazil, Aug. 20 (AP)—Prior to his address at the inter-American conference today, Secretary of State Marshall continued his "get acquainted talks" with various foreign ministers, including Ricardo Alfaro of Panama.

Animal Crackers

By WARREN GOODRICH



"Today is your birthday, sonny, and you can have anything you want to eat."

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U. S. Protests Russian Seizure of 3 Soldiers

Europe's Problems Stressed

By Norman Carignan QUINTANDINHA, Brazil, Aug. 20 (AP)—Secretary of State Marshall told the Inter-American conference today that the United States had assumed heavy economic burdens to meet the challenge of political and moral problems in Europe.

He said that continent "now is threatened with starvation and economic chaos" and that "the economic rehabilitation of Europe is vital to the economy of this hemisphere."

Marshall was given thunderous applause. Marshall included an indirect reference to totalitarian states when he declared "we must reject encroachment upon the fundamental rights of the individual with the same determination that we reject any encroachment upon the fundamental rights of the state."

"I am confident that we all agree that the state exists for the man, not the man for the state—and that we abhor any limitations upon the freedom of expression of men throughout the world."

AT&T to Ask 350 Millions For Expansion

NEW YORK, Aug. 20 (AP)—American Telephone and Telegraph Co., the largest industrial empire in the world, plans to borrow more than \$350,000,000 for still further expansion.

Such a deal would make financial history. Only the United States government borrows money on so vast a scale.

The company said it plans to use the money to meet the continuing unprecedented demand for telephone service and to improve existing facilities.

New instruments have been installed for months at a rate of about 25 per minute but more than 2,000,000 persons are still waiting for service.

Since June last year the company has borrowed \$668,067,700, which added to today's proposal would lift total money requirements in less than two years well past the \$1,000,000,000 level.

Ownership of the telephone company is spread among some 710,000 individuals and institutions. They will be asked to approve the latest financing plan at a special stockholders meeting on Oct. 15.

Greek Problem Up to Assembly

LAKE SUCCESS, Aug. 20 (AP)—The United States today placed the explosive Balkan problem before the 45-member United Nations assembly after repeated Soviet vetoes had blocked action in the security council.

The new U. S. move came less than 24 hours after the council admitted its inability to solve the problem which had plagued the U. N. for more than 18 months.

Herschel V. Johnson, deputy U. S. delegate, proposed specifically that the assembly act to halt "threats to the political independence and territorial integrity of Greece."

The tribunal convicted 16 Nazi physicians yesterday on war crimes charges. This morning they were led into the court room one at a time to hear their sentences.

Canada Raids Firing Farms Of Doukhobors

VANCOUVER, B. C., Aug. 20 (CP)—New violence, bringing with it destruction of homes and community buildings by fire, tonight brought hundreds of Doukhobors from the rich timberlands of the Kootenays to their farms and orchards to guard against a flaming menace—night raiders.

An exodus of Doukhobors from lumber mills started during the day, forcing one mill to close, following a call from their home districts to return at once to protect property.

Raiding parties, one led by a nude woman, have terrorized the Doukhobor communities. The cause of the recent outbreak remains a secret of the Doukhobors. They give no clue to authorities, seeking to run down incendiaries.

Police, however, have made three arrests, one a woman, charging arson in the destruction of a farm home.

1,000 Pickers Required Here In Late Hops

One thousand hop pickers are needed beginning today by hop growers in the Salem area, according to Mrs. Gladys Turnbull, farm labor assistant at the Salem farm labor office.

Mrs. Turnbull said a survey Wednesday showed that as the early hop harvest ends, and with the late hop harvest expected to begin this week, growers within a 10-mile radius of Salem can provide free cabins, wood, lights, water and transportation for as many pickers as can apply immediately at the farm labor office.

Most of the picking is expected to last a month, Mrs. Turnbull said, centering in the Mission Bottom area. Restaurants are in operation on the grounds of the larger hop growers.

Information centers in the seven western states have been advised of the hop picker shortage in this area. Mrs. Turnbull said, but added that she did not feel that workers gathered from outside the Salem area would be enough to take care of the immediate need.

Peach pickers are still needed, and an increased demand for blackberry pickers has kept the farm labor office busy trying to provide enough workers for the ten crops which are now under harvest.

Men interested in the onion harvest, which involves heavy lifting and hauling operations, are advised to contact the labor office, since the harvest will begin soon. Transportation to all yards is furnished at the farm labor office daily between 6 and 7 a.m.

Search Futile For Airplane

SPOKANE, Aug. 20 (AP)—Plane search today over the St. Maries, Idaho, area failed to reveal any trace of Mr. and Mrs. Paul C. Lund and their two children who disappeared Aug. 3 on a flight from Roseburg, Ore., to Shelby, Mont.

Roy Schreck, of the Mannaer-Schreck air service, said 10 more planes would participate in the search tomorrow.

The Roseburg city council, of which Lund is a member, and city residents have raised more than \$1,000 to help finance the search. The missing plane was last seen at Kennewick where it refueled.

PRINTERS URGE MERGER CLEVELAND, Aug. 20 (AP)—The AFL International Typographical union today called for "immediate" steps to unite the AFL, the CIO and the railroad brotherhoods into one labor organization and urged defeat of legislators who voted for the Taft-Hartley labor act.

Britain Rations Dollars in U. S. Loan; Truman to Ask More Foreign Aid Funds

Predicts High Surplus, Admits Budget Sliced

By Douglas E. Cornell WASHINGTON, Aug. 20 (AP)—President Truman conceded to the republican-controlled congress today a trimming of \$1,500,000,000 from his requests for government expenses this fiscal year.

But, he added, that is not the whole story. Foreseeable expenses, to be met before next June 30, will bring the year's total up to \$37,000,000,000, he estimated, and this will be only \$528,000,000 less than he asked.

This word came in an annual budget review in which the president made it clear he will ask for more money for foreign aid when congress comes back to work in January.

Opposes Tax Lowering His review also predicted that continued high taxes, plus full employment and good incomes throughout the country will give the U. S. treasury its highest surplus in history this year. He indicated that he still is opposed to lowering taxes.

And he announced he has ordered all government agencies to keep their next budgets below the ones under which they now operate. In some instances he has established certain definite limitations.

The chief executive was unable to say at this time how much the bill will be for further international assistance. With the totals subject to change because of that uncertainty, he predicted that in the current fiscal year ending next June 30:

- 1. The government will spend an even \$37,000,000,000. 2. Uncle Sam's income will be \$41,667,000,000. This is \$3,937,000,000 higher than the January calculation. The revision is based on a "continuance of employment, prices, and incomes close to their present levels throughout the fiscal year." Bigger individual income tax collections account for \$1,100,000,000 of the increase. 3. The treasury will show a surplus of \$4,667,000,000—largest ever tallied—next June 30. The \$258,000,000,000 national debt may be reduced to \$253,000,000,000. In view of unsettled world conditions and inflationary trends Mr. Truman said it would be "reckless" to fail to have a substantial surplus.

11 Marines' Bodies Found

LONGMIRE, Rainier National Park, Aug. 20 (AP)—In the face of mountain experts' warnings of high altitude rock slides and crevasses, a navy search party laid plans tonight for a hazardous attempt to recover from Mount Rainier's 10,000-foot level the bodies of 11 marines that were found in the crumpled nose of a marine transport plane two days ago.

Twenty-one other marines' bodies remain to be found on treacherous South Tahoma glacier, where the transport crashed last December 10 on a San Diego-Seattle flight.

Stock Entries Attain Record

Livestock entries for the Oregon state fair closed late Wednesday with a record number of entrants, Leo Spitzbart, fair manager, announced.

The farm machinery area was being filled Wednesday by commercial firms erecting their respective displays, expected to comprise the largest in the history of the Oregon fair.

SEA SEARCH CONTINUES HONOLULU, Aug. 20 (AP)—Vice Adm. John Hall said today he believed Ambassador George Atcheson, jr., "went down with his plane" off Hawaii but he ordered the search for bodies continued. Hall, who is directing air-sea search efforts, said he expected to call off the hunt within another 48 hours.

Ventilation Tower Doomed



Another downtown Salem landmark soon to be gone is the ventilation tower of the underground rest rooms on the northeast corner of State and High streets, as work of widening High street progresses. Shown at the left with an air hammer is Leslie Walker, Salem route 3, as William Neal, 995 S. 14th st., points with his hammer while the two discuss the work. (Photo by Don Dill, Statesman staff photographer.)

Light Frost Appears; Relief Misses Midwest

Although Salem's low reading of 42 degrees Wednesday morning wasn't as low as some recorded in a general drop of temperatures throughout the state, an early morning frost, first to be reported here since spring, was noticed by Mrs. Lauren Stettler on her farm near Chemawa.

Mrs. Stettler said the frost formed only in a low spot on the farm and was not general, but nipped tomatoes, summer squash and cucumbers. It was the first time in many years that a frost has been reported in this area in August.

Bend was the chilliest spot in the state Wednesday morning with a low of 33 degrees. Portland had 46 degrees with a low-temperature predicted for today. The Salem weather bureau said the temperature was expected to reach no lower than 45 here this morning.

By the Associated Press Midwesterners, tired of the query, "Is it hot enough for you?" were told today that promised cold air relief had shifted its direction and would skip most of the parched fields and fevered brows of the nation's breadbasket area.

Ever since Sunday, the sun has worn a nimbus of brass, the corn in the fields has drooped visibly, and tempers have risen along with temperatures. But the midwesterners had been looking forward to Thursday or Friday, when they were told, a cool air mass would mercifully descend from Canada.

Grain prices on the Chicago board of trade moved upward as the weather forecast, unfavorable to crops, was issued. Wednesday afternoon temperatures included 100 at Lincoln, Neb., and Pierre S. D., 99 at Sioux City, Ia., 98 at Kansas City and Chicago, and 96 at North Platte, Neb.

In the east, temperatures were not high and cool weather had pushed south of New York.

A tropical storm with 50-mile-an-hour winds continued westward across the lower area of the Gulf of Mexico, and headed toward the Mexican coast.

Convertibility Suspended in Modified Terms

WASHINGTON, Aug. 20 (AP)—In an extraordinary emergency measure, Britain imposed tight rationing today over the dollars she has left for world trade—a step taken with United States approval to avert economic chaos.

Simultaneously, Sir Sifrid Eady, chief of a British financial mission here, discussed modification of additional terms of the dwindling \$3,750,000,000 loan, disclosed at a news conference that Britain:

- 1. May have to cut imports for home consumption even beyond the drastic restrictions which already have been announced. 2. Already has notified the United States of its intention to make another withdrawal from the \$850,000,000 remaining of the loan. He declined to disclose the exact amount but said a reporter's speculation it would be in the neighborhood of \$150,000,000 to \$200,000,000 had "about hit it." 3. Will have to rewrite 25 to 30 trade agreements with other countries containing clauses calling for exchange of pounds into dollars. The rationing of Britain's remaining dollars was put into effect by suspending temporarily the dollars-for-pounds free convertibility program—one of the conditions of the big loan designed to increase the flow of trade.

Spanish Blast Toll at 150 Known Dead

CADIZ, Spain, Thursday, Aug. 21 (AP)—The provincial health board announced today that the known dead in the Cadiz arsenal explosion totaled 150 and that about 30 bodies still had not been recovered from the ruins.

It appeared, however, that complete figures on the casualties from Monday night's explosion would not be tallied soon, if ever. Mayor Francisco Sanchez Cossio estimated the death toll probably would reach 200, with 4,000 injured.

Many of the seriously injured who died in hospitals in neighboring cities had not been counted in the official list of 168. The bodies of many others had been taken away by friends or relatives.

The first mass funeral services, attended by top government officials, were held at noon today for 113 victims killed in the explosion Monday night which shook down many structures and set fires causing other large loss of life.

U.S. Boosts Atomic Lead

BERKELEY, Calif., Aug. 20 (AP)—Five men responsible for America's atomic future reported today that United States superiority in the field of atomic energy has increased, "but it will take a lot of hard work to stay there."

The five members of the atomic energy commission met newsmen at the conclusion of a three-day series of conferences with University of California scientists.

Chairman David Lilienthal measured his words with care as he explained "this commission considers it to be its duty that this country should be preeminent in the field of atomic energy and, if at all possible, to widen its leadership."

Asked if he believes the commission has thus far succeeded, he replied with a flat "yes."

Two From NW Held In Korea

SEOUL, Aug. 20 (AP)—Lt. Gen. John R. Hodge, gravely concerned today because Russia is holding three U. S. soldiers in North Korea, said today he had made two strong protests and repeatedly demanded an explanation. But the Russians have ignored all of his communications.

Intelligence officers said furthermore that since the three men were seized Aug. 12 the Russians have replied to daily queries from the U. S. liaison officer at soviet headquarters at Pyongyang in this fashion: "No information."

"No information," General Korotkov (Russian commander in North Korea) is handling the case himself. The three soldiers were on an official detail, inspecting telephone lines connecting U. S. headquarters at Seoul with Pyongyang. They were seized at the village of Yohyon-Ni, just inside the Russian zone.

It was the first time the Russians have held American soldiers in Korea. A Russian soldier occasionally wanders across into the U. S. zone, but the Americans in that case notify soviet headquarters and the soldier is returned.

The three hostages, whom the Russians said they were holding for investigation, were announced as T. 5th Gr. Tommy F. Pugsley, Renton, Wash.; Pfc. John D. Hopfe, Seattle, and Pfc. Gerold K. Geffen, Port Chester, N. Y.

First news of the detentions came from Korean police, who notified U. S. headquarters at Kaesong, 40 miles northwest of Seoul, and added that the Russians wanted one U. S. officer and one interpreter to come to Yohyon-Ni to pick them up.

Instead of releasing the men, the Russians simply told the officer they were held for investigation. (Pugsley wrote his mother, Mrs. Thomas H. Pugsley of Renton, Wash., on August 4 that he was leaving for patrol duty and that his mail would be censored because "we're the only ones who know what's going on.")

Rock Blasting Slated Friday Along Santiam

The blasting away of a three-quarter mile section of a rock mountain on the construction bed of the new North Santiam river highway is expected to take place about 7 o'clock Friday night.

Marion County Judge Grant Murphy said Wednesday the huge blast would blow away the face of the solid rock bluff, between Sardine creek and Little Sweden, which averages about 75 feet in height. He received his information Wednesday from Lynn Hill, chief engineer in charge of construction on the road.

A detour road, consisting of planks laid over railroad tracks at the foot of the rock wall, is in readiness to route traffic around the blast area.

One-way traffic will be the rule on the eight-foot wide emergency road, Murphy said. Traffic will also have to wait twice daily when a logging train moves over the tracks.

Three Markets Sign Contract

Three more Salem meat retailers added their names Wednesday to the list of local markets signing wage-boosting union contracts with Salem meat cutters local 297, and negotiations are to continue today.

Signing Wednesday were Walker, Etzel and Terry Randall markets. Steen Bros., Hoffman and Schreder markets had signed Tuesday. The contracts call for \$65 for a 48-hour week, representing an increase of \$10 per week, according to H. E. Barker, of the meat cutters' union.

H. E. Carlson, Portland, representing several other markets who have not signed contracts, will meet with Barker this afternoon. A Wednesday meeting of the two was postponed.

Our Senators Lost 4-1 Won 4-3