



**Weather**  
Salem Max. Min. Precip.  
Portland 44 34 00  
San Francisco 54 44 00  
Chicago 32 22 00  
New York 32 15 28  
Willamette river 2 feet. Falling  
Forecast (from U.S. weather bureau, McNary field, Salem): Fair today and tonight with patches of early morning fog. Slightly warmer temperatures, but still below freezing. Highest today 45, low tonight 25.

NINETY-SEVENTH YEAR 14 PAGES The Oregon Statesman, Salem, Oregon, Thursday, February 12, 1948 Price 5c No. 277

## WORLD MARKETS FOLLOW U. S. PRICE DROPS

### Athena Bank Theft Loot Found



By Charles A. Sprague

Within a few days an appeal will be published signed by many distinguished people asking for a suspension of the program for partition of Palestine. The Alsop column in this paper yesterday reported that the Palestine question is under review by the National Security Council and that President Truman will no longer make decisions on this question "on his own." The reasons for the review of policy are given quite clearly in the Alsop column.

Partition, it is now apparent, is leading to open war between Jews and Arabs. In such a development, it is claimed, the Jews would be wiped out by the vastly superior number of Arabs. But war any place in the globe, we know, may precipitate world war, and particularly is this true of the middle east where the stakes of oil are so huge.

Enforcement of partition by the United Nations is yet impossible because it has no police force. The United States doesn't want to send troops in there, and doesn't want Russian troops sent in because Russia is slow to pull out troops from any occupied territory. The lesser powers will likewise be reluctant to furnish troops to do a police job which the British are giving up with confession of failure.

The new petition asks that both sides suspend their hostilities while a fresh examination of the Palestine problem is made. But such an examination holds a minimum of promise because the question has been studied by commissions and governments for years without reaching a solution both sides would agree to. As the Alsop says: "No more difficult task has ever been imposed upon American policy-makers" - or on those of the world it might be added.

So long as agreement seemed impossible partition seemed the only way out. But we all shudder at the prospect of a "blood bath" in the middle east, not only for the victims and their families but for the portent of widening conflict.

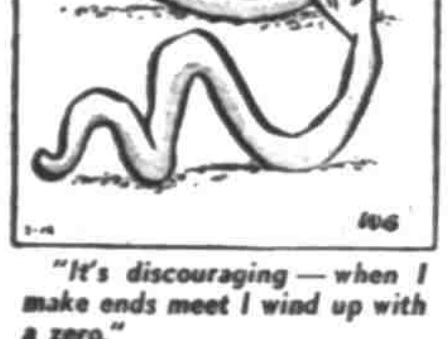
The Palestine situation is one to watch closely not only in Palestine but at Lake Success and in Washington.

### Murray Charged With Violation of T-H Politics Ban

WASHINGTON, Feb. 11 (AP)—Philip Murray and the CIO heads were charged by the government today with violating the Taft-Hartley act ban on union political spending.

Murray said he welcomed the indictment. He said it will test what he called an attempt by congress to curtail the "vitally important freedom of the press."

### Animal Crackers



"It's discouraging — when I make ends meet I wind up with a zero."

### FBI Holds Manager Of Cafe

PORTLAND, Feb. 11 (AP)—The discovery of \$8,500 of coins stolen from the Athena bank and arrest of a man in whose cafe some of the coins were found, were announced today by the FBI.

Six hundred pounds of silver coins, taken by burglars who tunneled into the Athena bank vault a week ago, were recovered. A snow-covered cache in the sagebrush country yielded most of them. The others turned up in the Damsite cafe at Umatilla.

Theodore James Audett, 43-year-old Umatilla county native who managed the Damsite cafe, was arrested in the cafe last night. FBI special agent Howard I. Bobbitt said he was held on a charge of participating in the burglary.

Umatilla county sheriff R. E. Goad, indicated that some one else must have carried out the actual theft of the coins. The sheriff said he was holding a six-foot man weighing about 180 pounds — could not have squeezed through the 15-inch hole which was cut in the bank vault.

A boy, a girl, or a very small man or woman might have crawled through, the sheriff said. He added, however, that no more arrests were expected at this time. Several persons were questioned last night along with Audett, but were released later.

### Zielinski to Vie for County Commissioner

Alfred J. Zielinski, Silverton route 2, filed his declaration of candidacy for the office of Marion county commissioner on the republican ticket in the coming elections with the Marion county clerk Wednesday.

Zielinski, 30, was born in Salem, attended Salem schools and is a veteran of the late World War having served in the 51st field artillery battalion, the 663rd tank destroyer battalion and the 91st infantry division.

He is married and the father of two children. His campaign statement stresses that he will strive to "speed along the completion of the present road and bridge program and repair and maintain the present ones in the county to make them more safe and useful and to restrict excessive load limits, especially during hazard conditions."

### Influenza Closes Portland School

PORTLAND, Feb. 11 (AP)—Influenza, still rampant in the state, forced the closure of another school today.

Whitaker grade school here closed for the rest of the week after half the students and three teachers were absent with flu or respiratory infections. Several schools in this region had closed last week.

### New 'Weatherman' in Salem



Wondering how the weather in Oregon will compare with that of Montana is M. S. Main, right, new manager of the Salem weather bureau at McNary field, shown above checking charts and records with Joseph Schlieski, left, weather observer. Main was stationed with the U. S. weather bureau in Great Falls, Mont., for seven years before being transferred to Salem. He went on duty here Monday. (Photo by Don Hill, Statesman staff photographer.)

### 400 Protest Bus Schedule For Suburbs

Approximately 400 residents of the east Salem area beyond the city limits lodged a strong protest against Oregon Motor Stages bus service in the district with Public Utilities Commissioner George Flagg Wednesday morning.

Dr. Robert Clarke, 480 Morgan ave., presented the petition bearing the 400 names to the PUC with a request that an open meeting be called "to correct this unfair and deplorable condition."

Chief complaint of the east Salem residents is that OMS has established no evening or Sunday service there and that the daytime schedules are "erratic" and do not cover enough of the area, Dr. Clarke said.

"This section had a good transportation service in the Salem Suburban Bus lines, except Sunday and evening hours," the petition read. "When OMS took over the route, they promised good service. They kept this promise for one month. Then on February 1 the new Sunday and evening service was discontinued and routes changed and cut down to where the service is of little value to this community," Dr. Clarke said.

The present service is a "decided detriment to this community both as a means of travel to and from Salem where many of our residents work, shop and attend church, and to the building up of this section and its businesses."

Those streets involved in the petition include Garden road, East State street, Lancaster drive, Morgan avenue and the Fruitland road.

### Home Owner Files Court Suit to Block Installation of Front Street Rail Track

A suit seeking to prevent the installation of an Oregon Electric Railway Co. switch block and spur line at D and North Front streets, was filed in Marion county circuit court Wednesday.

The suit is brought by Bertha B. McMahan, "for herself and on behalf of all other property owners and residents on Front and D streets." It is lodged against the Oregon Electric Company and Terminal Ice & Cold Storage Co., for which the spur is to be built.

### Food Cost Wavers In Salem

Prices of some food items showed signs of slipping in Salem Wednesday, in line with the drop in national commodity markets, but other than offering a few shelf-clearing "specials" most Salem food merchants gave no indication that they expected any prolonged tobogganing.

Items expected to show the most reduction immediately included flour, pancake flour, lard and perhaps fresh pork and smoked meats, and there were indications some kinds of soap would join the downturn by next week.

Many other grocery articles also may be off slightly, some merchants said, but mainly as a result of a weakening noticeable for the past several weeks. Sugar already is off around \$1 per hundredweight since last November, and slight drops also have been noted in salad and cooking oils, some fruits and a few varieties of meat, as well as eggs.

Only a cent or two a pound drop was noted in actual wholesale meat quotations in Salem Wednesday, and some merchants said it was doubtful a major break in prices would be reflected immediately. Wheat products, which soared under impetus of the Marshall plan for European recovery, also showed little signs of weakening more than mildly for the time being. Canned vegetables already are down.

How far food prices have risen is shown in a comparison between lists of February, 1940, and the current month. Taking a general average (difficult to estimate because of quality differentiations and also because the offerings of merchants vary with their own particular supply of specific items), here is what a rough comparison shows:

1940	1948
Sugar, lb.	5c 9c
Coffee, lb.	25c 50c
Canned corn	10c 18c
Margarine	15c 40c
Butter	40c 92c
Milk	11c 19c
Eggs	32 70c
Soap	5c 11c
Canned milk	7c 14c
Cooking oils, pt.	20c 42c
Salt	7 1/2c 9 1/2c
Pancake flour	17c 33c
Lard, lb.	12 1/2c 30c
Pork roast, lb.	12 1/2c 30c
Pork steak	15c 55c
Link sausage	19c 65c
Ground beef	13c 45c
Smelt	6c 26c
Pot roast	18c 50c

### Police Force Vacancy Filled, Man Promoted

All existing vacancies in the Salem police department were filled Wednesday by Chief Frank Minto when a patrolman was promoted to the detective division and a former patrolman was rehired on the force.

Leonard Skinner, formerly patrolman on the day shift, was assigned to the detective division on the 2 to 10 p.m. shift, filling the remaining vacancy in that division. Joseph Schutz, who resigned last September 1, was rehired as a patrolman on the 10 p.m. to 6 a.m. shift. City Recorder Alfred Mundt said Wednesday night.

Both Skinner and Schutz joined the force May 1, 1946, and both served with the marine corps during World War II before joining the force.

Minto had made no announcement of the changes Wednesday. Mundt said that he had not been informed of Skinner's promotion, and Capt. Stanley Friese said confirmation of the change would have to come from Chief Minto. Skinner is the fourth member of the detective division.

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### Slump Pays \$200,000 To Chicago Speculator

WASHINGTON, Feb. 11 (AP)—A "leading speculator" who made a killing of \$200,000 or more when grain prices slumped was named today as E. T. Maynard of Chicago.

His identity was disclosed to congress by Secretary of Agriculture Anderson, who had indicated that Maynard sold 1,000,000 bushels of wheat short, but had withheld his name.

Both senate and house investigators demanded it. Rep. Anderson (R-Minn.) contended that the size of the operation indicated possible use of inside information, but this Anderson and Maynard stoutly denied.

Senator O'Daniel (D - Tex.), often a critic of administration policies, once more demanded that Anderson resign. He blamed government grain purchasing operations for consumer price rises.

In Chicago, Maynard said the formula for his quick cleanup is as simple as this: "All you had to do to know prices were going down was to read the newspapers."

Anderson asserted that Maynard "had no information from us" and that "no corruption" was involved in his trading. He said Maynard had shown an uncanny ability to scent out market movements, and added: "We wish we had him on our staff."

### Church Challenges Aired at Conclave

Dr. Hamblin Re-Elected President

By Winston H. Taylor  
Staff Writer, The Statesman

The challenges to Christianity today — extension of the church to more people, making its persons as good as its product, erosion of the line between church and state, raising the proper sense of values — were emphasized Wednesday at closing sessions of the Oregon Council of Churches annual conference here. The conference theme was "Christ's Call Today."

The council re-elected Dr. Chester W. Hamblin of Salem First Presbyterian church as president. Dr. Ralph Walker of Portland was elected representative to the World Council of Churches conference in Amsterdam next August.

During the past three days, more than 500 ministers and laymen from over the state, representing at least 15 denominations, participated in the sessions. The Oregon Council of Church Women, which opened its meeting Tuesday night and joined in most Wednesday sessions, will close today. The program will be featured by installation at First Presbyterian church at 10 a.m. of new officers elected Wednesday, including Mrs. Ralph Mort of Portland as president, succeeding Mrs. Max Reeher of Hillsboro.

Dr. Walker, pastor of First Baptist church, Portland, in the closing sermon Wednesday evening recalled the Oregon pioneer spirit, which led ministers to come with the settlers, rather than follow after. Because some of the century-old churches are quarreling among themselves, he declared, only 22 per cent of the state's population are church members. The commission of the council is to lead in gaining "togetherness," he reminded, expressing wonder and some despair at the church's approach to "those who work with their hands."

He warned of the encroachment of "statism" through proposed federal aid to education, including sectarian schools.

In addressing the laymen's banquet at First Methodist church, Circuit Judge Arlie G. Walker of McMinnville urged the importance of gaining proper sense of values and of basing a person's happiness on service. "It is not enough to be good; you need to be good for something."

He realized, said Judge Walker, that as a judge he is starting from the wrong end when boys reach his court. "If the community begins in the home and church, he reminded his audience that he recently sent two 16-year-old boys to the state penitentiary, then declared that such a thing should not happen — "Oregon should be ashamed of having no intermediate place for the segregation of youngsters in serious trouble."

Church people were called by Judge Walker "the most privileged of all groups to live in America."

### Declines In Grain Continue

CHICAGO, Feb. 11 (AP)—Major commodities continued their marathon price plunge today. Reversations were felt in markets around the world.

A new crash in grain, which gave the Chicago board of trade the sharpest weekly price drop in its history, appears to have broken the back of inflation in the view of many market analysts.

New rail goods price cuts were announced in some cities. Temporary price rallies took hold in several commodities, but in many cases they were bumped rudely aside by skidding values. The decline, however, was not as severe as the yesterday nor as widespread.

Wheat for May delivery again plunged the permissible 10 cents daily limit in all United States markets. The cereal closed at \$2.37 a bushel in Chicago today — 49 1/2 cents below last Tuesday and 69 1/2 cents below the Jan. 16 peak for this year.

Many other commodities continued on the price skids, but New York stocks showed some recovery after an early dip.

Security markets slumped in London, Moscow, Sydney and Copenhagen, but stocks later recovered virtually all their losses in London.

The Swiss National bank asserted in its annual statement published in Bern today that there is "every indication" the world business cycle has passed its peak. Swiss industry already is feeling the effects of a break in the seller's market abroad, the statement said.

As prices continued their swift fall, prices of major commodities rolled back in the price picture. A survey of AFL and CIO union leaders showed they generally regard current price drops as not enough to cause them to reduce their wage demands. However, a spokesman for the AFL meat cutters union in Chicago, said the commodity price slump "undoubtedly will" affect labor's wage demands.

Senator Lucas (D-III) said that if the commodity market price slump continues it might "eliminate all possibility" of income tax cuts this year. A protracted slump, he said, would cut national income and tax receipts.

Food chains announced new retail price cuts in New York and Detroit. At Cleveland, Duker's Famous Foods division of the Glidden Co., announced a three cents a pound cut to wholesalers in the price of margarine. Flour prices declined again at Minneapolis, 100 good price cuts since dropping 25 cents down to \$5.85.

Russians Watching  
MOSCOW, Feb. 11 (AP)—Russians are watching the price declines on British and American commodity and stock markets with intense interest.

Soviet commentators have been predicting that an economic crash was on the way, especially in the United States.

Both the home and foreign language broadcasts by the Soviet radio are giving much attention to the situation. Soviet commentators have declared that when the crash comes in the United States, American business men would be so concerned with their own affairs they would lose interest in Europe.

Saltonstall Says New Ideas Needed In Government  
PORTLAND, Ore., Feb. 11 (AP)—Senator Saltonstall (R-Mass.) told a republican party audience tonight that "new men and new ideas" are needed in nearly every department of the federal government.

He spoke at a Lincoln birthday anniversary banquet sponsored by Oregon republicans.

Saltonstall insisted that the republicans must recognize the "rightful concern" of the federal government in public health, education, housing and civil rights.

He endorsed the European Recovery program and said "the risk of going ahead and doing something about European recovery is a far better risk than doing nothing."

Einstein to Receive '48 One World Award  
NEW YORK, Feb. 11 (AP)—Professor Albert Einstein has been designated to receive the One World award for 1948, the award committee announced today.

The citation states that Einstein "recognized that scientists, like every man, are involved in mankind, and that they can't avoid taking a stand on the great moral issues of the time."

Banks, Offices to Close Today Due to Holiday  
Salem's banks and most city, county and state offices will be closed all day today in observance of Lincoln's birthday.

Businesses, schools and most downtown offices will remain open today and no citywide program in celebration of the patriotic birthday is planned.

Search for Ship Proves Fruitless  
SEATTLE, Feb. 11 (AP)—Fears for the safety of a Seattle fishing vessel were allayed tonight but an air search for another such vessel from Warrenton, Ore., the Rose Ann, proved fruitless.

A radiophone conversation between the Rose Ann and a fish company in Anacortes was intercepted tonight.

The Rose Ann, out of Warrenton, Ore., has been unreported since gale winds swept the northwest coast early Sunday, causing several vessels to report they were in trouble.

Snowslide Hits Train; 12 Hurt  
DENVER, Feb. 11 (AP)—Twelve persons were injured today when a snowslide struck a Denver & Rio Grand Western railroad passenger train in Toltce gorge between Durango and Alamosa, in southwestern Colorado.

George Dodge, public relations officer for the railroad, said he was told only one person was injured seriously. Two coaches and the observation car of the narrow gauge train were overturned by the avalanche.

The coaches rolled 300 feet down an embankment and the observation car tumbled about 75 feet.

Gandhi's Ashes at Disposal Point  
NEW DELHI, Feb. 12 (AP)—The government radio at Allahabad announced that the ashes of Mahatmas K. Gandhi reached the sacred spot at which they are to be dispersed just after noon today.

The scene was the confluence of three rivers near here, the visible Ganges and the Jumna and the Subterranean Saraswati.

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