

Chinese Plan New Money to Halt Inflation

NANKING, Aug. 19. (AP)—The Chinese government announced tonight creation of a new "gold yuan" currency worth 25 cents—three million times the value of the old inflation-riddled money it replaces.

Shanghai financial circles immediately expressed doubts that this drastic measure would succeed in the long run. They said it might wipe out the present black market in currency, as the new fixed rate is approximately that of the illegal money changers. But, unless the new money has some substantial backing, the net result would be merely to cut off some of the zeros in current astronomical transactions.

Banks were ordered closed Friday and Saturday to permit the start of orderly exchange of old money for new.

Drilling for the exchange was set for Nov. 20. After Oct. 30 possession of gold, silver or foreign currencies will be punishable by confiscation.

A finance ministry spokesman told a news conference the new gold yuan, would be supported by 40 per cent gold, silver or foreign currency, and 60 per cent by government "guarantees." He did not explain what these guarantees would be.

Credit Controls Ruled in Effect September 20

WASHINGTON, Aug. 19. (AP)—The government today clamped controls on most consumer installment credit purchases between \$50 and \$5,000, effective September 20.

A new federal reserve board regulation requires a one-third down payment on automobiles and a 20 per cent down payment on most household appliances including stoves, refrigerators, washers, radio sets, and vacuum cleaners. A time limit of 15 months is fixed for completing all "easy payment" plans of \$1,000 or less.

Eighteen months is the deadline for purchases above \$1,000.

The regulation is termed "Regulation W," the name carried by the post-war credit rule which expired last November.

The restoration of credit control was authorized by the republican anti-inflation act signed by President Truman on Monday.

Gunshot Death Believed Suicide

A gunshot wound in the head was the cause of the death of Earl A. Riley, Grand Ronde, Thursday night, state police reported early today. Riley was found in his car on the coast highway near the Tillamook-Yamhill county line.

A .22 calibre pistol was found in the car, police said, and it was believed by the Yamhill county coroner, that the wound was self-inflicted.

Survivors include the widow, a resident of the hotel at Grand Ronde. The body was taken to the Sheridan funeral home, state police said.

TONIGHT

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★ ALL-STAR HOLLYWOOD CAST ★

On Stage—In Person

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Radio's Famous Hygienic Commentator

NURSES AT ALL PERFORMANCES

Young Democrats Plan Unit at Dallas

DALLAS, Aug. 19.—Organization of a Young Men's Democratic club of Polk county will be effected Sunday during a picnic in the city park here sponsored by the Polk county democratic central committee.

W. C. Heise of the committee said the day's program is to begin with a basket lunch at 12:30 p. m. and is to include introduction of democratic candidates in the November election. The picnic is open to the public.

Mediator Says Palestine Near Full-Scale War

STOCKHOLM, Aug. 19. (AP)—Fear of new full scale warfare in the Holy Land was expressed today by the United Nations Palestine mediator. He said the situation in Jerusalem is "gradually getting out of hand."

Count Folke Bernadotte called upon the security council to halt the renewed fighting between Jews and Arabs immediately.

In an interim report, he said Arabs accepted in principle the plan to disarm both regular and irregular troops in Jerusalem, "but the Jews, who stated initially they did not exclude demilitarization, have shown no readiness to accept it up till now."

A primary aim of Bernadotte was demilitarization of the Holy City, but fighting has not been halted as a result of his latest attempts to arrange an effective cease fire. He declared it very doubtful that Jerusalem can be demilitarized in the near future.

It would be necessary under these conditions, he said, to have a "strong and well armed international force" to compel demilitarization of Jerusalem.

Bernadotte asked Jews and Arabs to stop their fighting, effective last Friday, but since then Jerusalem has seen the bitterest fighting of the second Palestine truce.

Bernadotte in his message to the security council warned: "It should be borne in mind that further deterioration" of the situation in Jerusalem may lead to general resumption of fighting.

Truman, Dewey Divide Over Italian Policy

WASHINGTON, Aug. 19. (AP)—President Truman said today the disposition of Italy's pre-war African colonies is a four-power and united nations matter that cannot very well be handled politically in this country.

It was his first comment on remarks of Gov. Thomas E. Dewey since the New Yorker and Mr. Truman were nominated as republican and democratic presidential candidates.

Dewey told an Italian-American group this week in Albany that he favored giving Italy administrative control over her former colonies under a trusteeship.

When the president was asked about Dewey's proposal at a news conference today, he replied that is something that cannot very well be handled politically in the U. S.

Local 40 et 8 Officers Named

Marion county voiture, 40 et 8, Thursday announced the complete results of its election held this week at a meeting at the Gold Arrow restaurant.

Previous announcement was made of the election of Brazier Small as chef de gare and of George E. Manning as commissaire intend.

Others elected were Luther L. Jensen, chef de train; T. J. Bra-bec, correspondent; F. W. Poor-man, conducteur; Earl T. Andre-son, garde de la porte; A. D. Ap-erson, cotinist voyageur; Lloyd Walker, lampiste and Harry F. Caldwell, Edison Vickers, and George P. Manolis, cheminots locale.

Delegates to the grand promenade elects were A. J. Feilen, S. phus Starr, Bert A. Victor, Brazier Small, Lawrence B. Osterman, B. E. Owens, Hans Hofstetter, Charles H. Huggins and I. N. Bacon.

B. E. Owens, Vic Mackenzie, Ira Plicher and Charles H. Huggins were elected to the National Prom-enade in Miami.

Polio Victim Undergoes Caesarian Section



LOS ANGELES, Aug. 19.—Mrs. Maurine Luker, 36, of Long Beach, Calif., wife of a postoffice employe, looks at her seven-pound boy born via Caesarian section at the Los Angeles General hospital where Mrs. Luker, a polio victim, is confined to a respirator. Artificial respiration kept her alive for 45 minutes while she was out of the iron lung for the operation. The nurses are Mae Straus (left) and Anna Mae Couch. (AP Wirephoto to The Statesman.)

Berlin Police Raid Results in Anti-Red Riot

BERLIN, Aug. 19. (AP)—A gunfire raid by soviet controlled German police in downtown Berlin was turned tonight into an anti-communist demonstration by a crowd of 600 infuriated Germans.

The crowd shouted taunts of "communism" and "these pigs, the communists," and stoned the soviet sector police into retreat. Five Germans were reported wounded by police bullets, one perhaps fatally.

C. C. Bond, deputy chief of the safety branch of the U. S. military government, said he was "pretty certain" five persons were wounded by police gunfire.

No Russian soldiers or military police apparently were involved in the raid. The German police had chased alleged black market operators in Ostfamer Platz to the borders of the British-American sectors of the city.

Some witnesses said the trouble started when the police beat a woman with their clubs. Bystanders began hooting and hurled bricks from the top piles of rubble.

EXPERIMENTER DIES

KNOXVILLE, Tenn., Aug. 19. (AP)—Mrs. Lena A. Warener, 79, last survivor of a little band of American doctors and nurses who discovered the cause of yellow fever, died last night.

17 LB. 16 OZ. BOY BORN

ROME, Aug. 19. (AP)—The Italian press said today a son weighing 17 pounds and 10.3 ounces was born yesterday to a 19-year-old woman in Augusta, Sicily. The infant was two feet, seven and a half inches tall at birth, the dispatches said.



ARTIST—Salvador Dali, surrealist artist, is pictured in New York en route from California to Europe.

4 CORNERS

CARNIVAL POSTPONED

until

August 27-28

(Due to conflicting dates with Flax Festival)

FUN FOR ALL

RIDES—EATS—GAMES

McKinney Field—3605 East State Street

Day at the Fair



SPRINGFIELD, Ohio, Aug. 19.—Governor Earl Warren (left) of California, republican vice presidential nominee, and Governor Dwight Green (right) of Illinois visit the Illinois state fair at Springfield, riding along the midway in an open car. (AP Wirephoto to The Statesman.)

Hiss Refuses to Take Test with Lie Detector

WASHINGTON, Aug. 19. (AP)—Ager Hiss, former state department official who served as secretary-general of the united nations conference, today refused to submit to a lie detector test proposed by the house un-American activities committee.

Whittaker Chambers, one of the committee's star witnesses in their current investigation into communist activity in the U. S., has testified that Hiss was a member of the committee underground. Hiss denied it.

Chambers offered to take the lie detector test, but in the light of Hiss' refusal, the committee decided to postpone the experiment. Three former new deal lawyers, John Abbott, Lee Pressman, and Nathan Witt, were told to appear tomorrow for questioning by the house un-American activities committee behind closed doors.

All had been accused by a previous witness of membership in a prewar Red underground operating here.

WHEELS, TIRES MISSING

Two sets of tires and wheels were reported missing to city police by two car owners Thursday night. The thefts were from cars belonging to Lyle Park, 1410 Ferry st., Wednesday, and R. C. Willard, 1886 Chemeketa. st., Tuesday, police reports show. Both cars were parked in front of the owners' homes.

FRESHEST

Thing in Town

- Huh-uh -

We bring from the coast daily — fresh crab, fresh salmon and fresh albacore tunc. Ideal for canning.

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Valley Obituaries

Julius S. Kahler

SILVERTON, Aug. 19.—Funeral services for Julius S. Kahler, 83, who died unexpectedly here Wednesday while visiting at the home of his daughter, Mrs. Hazel H. McFarlane, will be held Saturday at 2 p. m. at the Ekman Memorial chapel. Final rites will be at Mt. Crest Abbey at Salem. The Rev. B. F. Browning of the Silverton Methodist church will officiate.

Kahler came here Tuesday from San Francisco for a visit. Another daughter, Mrs. Margaret Kistler, Cleveland, Ohio, survives.

Max D. Kennedy

ALBANY — Funeral services for Private Max D. Kennedy, 21, will be held from the Fisher Funeral home at 2 p. m. Saturday, August 21, with burial in Wilamette Memorial park where military services will be conducted by the Albany American Legion, post No. 10.

Max Kennedy was born Dec. 6, 1922, in Lemmon, S. D., the son of Mr. and Mrs. Donald Kennedy. The family moved from Lemmon to Lead where he completed the elementary schools. In 1937 in company with his parents he came to Oregon, the family locating at Crabtree and Max entered Albany high school and was graduated in 1940.

On Feb. 17, 1948, he enlisted in the United States army and was sent to Camp Roberts for basic training. He was assigned to Co. D, 504th parachute infantry, 82nd airborne division of paratroopers, training at Fort Benning, Ga., and Fort Bragg, N. C. He went overseas in April, 1943, making his first combat jump in Sicily. After the Sicilian campaign was over he made another jump during the invasion of Italy.

When the Anzio beachhead was established part of the 82nd airborne was taken ashore, as infantry and it was during this action that Max Kennedy was killed, Feb. 13, 1944. His commanding officer reported that at the time of his death he was acting staff sergeant, with promotion in order when the combat unit moved to the rear lines. He met his death from shrapnel shell shortly after he completed deploying of his men in an effort to prevent the enemy from running their position.

Survivors are parents, Mr. and Mrs. Donald Kennedy of Crabtree; a sister, Mrs. Leonard Loo of Vancouver, Wash., and grandparents, Mr. and Mrs. John Gavre of Port Edwards, Wis.

Mrs. Hazel Ewing will be soloist at the services and beaters will be Roy Keller, Elmer Faulkner, Doyle Baughman, Warren Kelly, Clem Pape and Gabriel S. Platner.

Fred Oasian Small

ALBANY — Fred Oasian Small, 81, resident of Albany who came here from Klamath Falls four months ago, died Wednesday after extended illness. Funeral services will be held at Klamath Falls, direction of Fisher Funeral home. The body will be cremated.

Born Jan. 13, 1867, in Madrid, Me., he lived there and in Kingfield, Me., and Springfield, Mo., before coming to Oregon. Graduate of the Farmington, Me., normal school with the class of 1890, graduate of Bowdoin college, Brunswick, Me., in 1895, and of Harvard law school in 1903. He taught in the Winchendon, Mass., high school and was principal of the Washington academy at Machias, Me.

On July 12, 1898, at Winchendon, Mass., he married Margaret S. Knowles who survives, as do a daughter, Margaret E. (Mrs. Clarence) Hines of Eugene, and two brothers, Guy O. Small of Kennebunport, Me., and Burton Small of Farmington, Me.

Mary Catherine Goschie SILVERTON — Mary Catherine Goschie, 88, died August 18. Mary Catherine Groh was born in Lauterbach, Hessen Darmstadt, Germany, Sept. 6, 1859, came to the United States with her parents and lived in Lansing, Iowa.

She was married there in 1879 to John C. Goschie who died in 1923. They came to California and later to Oregon where they lived on the farm at the Pine Tree Four Corners near Silverton, retiring 38 years ago. She lived at Woodburn until her health failed last year and went then to live with her son Carl and family.

Survivors include two sons, Carl H. Goschie, route 1, Silverton, John C. Goschie, Gresham, and a daughter, Mrs. Frank W. Cheney, Santa Rosa, Calif.; also a sister, Elizabeth, in Germany, seven grandchildren and seven great grandchildren.

The funeral will be at 2 p. m. Sunday, August 22, at Trinity Lutheran church three miles east of Mt. Angel.

Frank R. Simmeral SILVERTON — Frank R. Simmeral, 59, died Thursday at the local hospital. He was a native of this city, born Nov. 15, 1888, the son of a pioneer family.

Surviving are twin daughters, Mrs. Doris Burkhardt, Silverton and Mrs. Dorothy Semler, Portland; a son, Archie Silverton, and a sister, Mrs. Elsie Nelson, Silverton and by three grandchildren.

Funeral announcements will be made later by the Ekman chapel, Silverton.

MONMOUTH WOMAN MISSING Mildred Pariss, 30, five feet five inches tall, weighing 130 pounds, with brown eyes, auburn hair, wearing glasses, was reported to Salem police by her husband, Joe Pariss, 210 S. College st., Monmouth to be missing from home since Wednesday. He told police he thought she might be headed for San Francisco.

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New Show Tonight! STARTS AT DUSK

James Craig Lynn Earl

"Man From Texas"

Ken Murray's "Bill and Co"

—In Color—

Color Cartoon Late News

See a show from your car!

Open Rain or Shine!

GRAND

Mat. Daily From 1 p.m.

Now Showing

SCOTT

Marquette CHAPMAN

CORONER CREEK

Co-Hit! Helmut Dantine "Whispering City"

STATE

Opens 6:45 p.m.

NOW PLAYING

JOAN BENNETT

Woman on the Beach

With Robert Ryan Charles Bickford

Co-Hit! Richard Cromwell "Village Barn Dance"

LIBERTY

Now! Opens 6:45 p.m.

RING ROSE DOROTHY CROSBY HOPE LAMOUR

ROAD TO RIO

Co-Hit! John Mack Brown "FRONTIER AGENT"

KARTOON

KARNIVAL

TOMORROW

At 12:30 with Reg. Show!

Extra! BUGS BUNNY CARTOON

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ELGINORE

NOW!

Randolph Scott Robert Ryan Anne Jeffreys

RETURN of the BADMEN

"TRAPPED BY BOSTON BLACKIE"

Your Biggest Show Value!

CAPITOL

New Today!

—2 Major Action Hits—

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ROY ROGERS

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Under California Stars

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Extra! BUGS BUNNY CARTOON

Warner News

SALEM JAY-CEE

A

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R

S

H

O

W

McNARY

FIELD

Sunday,

Aug. 22nd

12:30 p. m.

Adults - 1.00 Incl. Tax

Children, 50c, Incl. Tax