

SHHILS By Charles A. Spraque

Secretary of the Army Gray suspended from duty two major generals, one the quartermaster general, the other chief of the chemical corps. The action was based on evidence in a senate committee hearing that they had yielded to improper influence in the award of government contracts. The army will now proceed to make a thorough investigation Show Popular; to see if the accusations are true.

The inquiry by the committee was touched off by a series of articles in the New York Herald-Tribune exposing the so-called "five per centers"-the ones who represent business firms in negotiations for government contracts Several thousand spectators packand collect five per cent on busi- ed the Davis airport here Sunday ness lobbyists made capital of his jacent roads to view the first air officer. alleged pull with powerful offictals in his own legging for busi- show held in these parts.

ness. Of

Hot weather has curtailed logging in Oregon's forest areas, but log- ern Germany denounced Lutheran ging trains are still bringing out those logs already cut before low Bishop Otto Dibelius of Berlin tohumidity called a halt to operations. Above is a huge log sending day. It called him a war monger up a mighty splash of water as it hits Willamette river slough and an instrument of American waters, and another of the forest giants can be seen following on aggression. the ways. The scene is at Oregon Pulp and Paper company log dump on South River road. (Statesman photo.)

Vaughan Ouster as **5 Percenter Sought**

WASHINGTON, July 17-(AP)-Rep. Shafer (R-Mich) today de- were marching down the same manded that President Truman suspend his military aide, Maj. Gen. political path as the Nazis did un-Harry H. Vaughan.

Shafer cited are army's suspension of two other major generals, Herman Feldman, the quartermaster general, and Alden H. Waitt, chief of the chemical corps, pending a senate investigation of army contract handling. He said Vau-

> ghan was "implicated in the same case." He gave no details. Vaughan was not immediately available for comment.

Names of all three generals were mentioned in a recent New York Herald Tribune news story which inspired the inquiry into dealings of "5 percenters" who hire out to obtain government contracts. Feldman and Waitt were sus-

pended yesterday by Secretary of the army Gordon Gray because of MILL CITY, July 17-(Special)evidence turned up by a subcommittee of the senate committee on executive expenditures. Gray said ness awarded. One of these busi- and parked for miles along ad- a full hearing would be given each

armed services committee, said in The show featured stunt flying a statement that Vaughan has

Shafer, a member of the house

ists.

by Ted Galbraith, airport opera- "openly boasted" he knows at least



99th YEAR 12 PAGES The Oregon Statesman, Salem, Oregon, Monday, July 18, 1949

PRICE 5c

Seven men were arrested early Sunday morning as the result of a surprise gambling raid conduct-

ed in Detroit and Idanha by/the Marion county sheriff and district attorney, eight deputy sheriffs and

Fred Johnson, Detroit, and

James Carl Manasco, Idanha, were

arrested on charges of operating

gambling games. Both men were

released on payment of \$250 bail.

Arrested and charged with gam-

two state policemen.

No. 121

Czech Catholic Priests Back Beran Gambling Reds Flay Berlin Lutheran Bishop 7, County **Raid Nets**

Dibelius Called Pope Forecasts Decay for Anti-War Monger, **Church Regimes** BERLIN, July 17-(AP)-Pope Pius XII told German Catholics U.S. Imperialist today that all government which shuns faith in God is doomed to

By Daniel De Luce

The special message to 650,-000 Catholics of the Berlin BERLIN, July 17-(AP)-The lead-Diocese and the Russian zone ing communist newspaper in eastavoided any reference to communism. But it was liberally sprinkled with hints that antichurch regimes are only passing events without permanence. The message was broadcast by

decay.

Apparently presaging a bitter Vatican radio for a golden jubistruggle in the Soviet zone belee celebration by the Berlin tween communist and church of-Diocese of the Pope's ordination ficials, a full page in Neues to the priesthood. Deutschland, central organ of the As Eugenio Cardinal Pacelli, Socialist Unity (communist) party, the present pope served as Papal was devoted to an attack on the Nuncio to Berlin for years.

bishop. In a Whitsundy pastoral letter Dr. Dibelius claimed last month McMahon 'May that the east German communists

He asserted the New People's Reveal Secret der Hitler. Police resembled the Gestapo, elections were rigged on a Nazi **Confab Report** pattern, and tens of thousands of citizens had disappeared mysteriously.

An editor of the communist or-WASHINGTON, July 17 -(AP)gan countered today with a de- Chairman McMahon (D-Conn.) mand that the Berlin bishop turn said today he probably will report his criticism to the United States to the senate-house atomic energy called it a statement of the maand western Germany. committee tomorrow on what The editor, Wilhelm Girnus, went on at the super-secret Blair Catholic clergy. claimed the Soviet zone was a house conference.

land of peace and justice, while The conference at President adopted yesterday and termed it Razism still survived in Allied Truman's temporary residence a proclamation dictated solely by zones and German resources there across from the White House was were exploited by foreign capital- held Thursday evening. Called ders from the hiearchy (church by the president, it was attended ruling body)

The communist newspaper also by cabinet members, high rankaccused the Lutheran bishop, who ing military and atomic officials tion pledge loyalty to the church was sent to a concentration camp and congressional leaders in for-whierarchy but it charged the govby the Nazis in 1937, of having eign relations and the atomic pro- ernment with deceit and fraud in tried to hide from the world the gram. truth about Nazi crimes in 1933.

Blair house by some other mem- control. bers of the joint atomic committee.

Loyalty Pledge Asks Seizure **Read at Masses Defies Commies**

By Richard Kaşischke PRAGUE, Czechoslovakia, July 17 –(AP)– Defiant Czechoslovak catholic priests rejected today communist government demands that they desert Archbishop Josef Beran and the Vatican.

"We stand loyally by our Bishops and our Archbishop in their fight and will continue to do so even if it means persecution." said a resolution read in Prague's big St. Ignatius Roman Catholie church at services this morning. "We hope our catholic faithful will do likewise."

Churchmen said the resolution was read at masses elsewhere in

the capital and in the provinces. mounted over the government's campaign to control the church. Justice Minister Alexei Cepicka Friday called Archbishop Beran, Czechoslovakia's highest-ranking catholic, a traitor. He disclosed a law was being drafted to require government approval of all appointments to church posts and to take over church property.

The priest who read the resolution of defiance to the congregation packed in St. Ignatius church jority of Czechoslovakia's Roman

He said the resolution was "our consciences and not on or-

tried for treason.

Forest Fires

around burning tracts.

Under Control

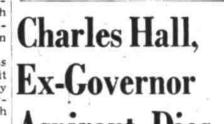
By The Associated Press

McMahon was accompanied to Action movement under state

Portland Saturday night. The resolution ly violating constitutional guaran- at the pharmacy he had managed to follow through with more raids the past year, according to an Astees of religious freedom. Cepicka, catholic-born son-in- sociated Press dispatch. He had law of President Klement Gott-wald, had denounced the Vatican was state senator from Coos and minate gambling. He said he exas "the greatest enemy of our Curry counties. state." Cepicka said priests who carry out the Vatican decree ex- Ben Olcott for the GOP guber- more help from state police now



It was proclaimed as tension PRAGUE, July 17 - Alexei Cepicka (above), Czechoslovakia's communist minister of justice pictured Archbishop Josef Beran as a traitor to the state and in a speech to the central action committee of the National Front, proposed a law which would give the red government a strangle-hold on the Roman Catholic church. (AP Wirephoto to The Statesman)



Not only did the priests' resolu-ion pledge loyalty to the church Aspirant, Dies

Spillway tavern in Idanha and confiscated Leven Illegal punch-Charles Hall, 68, a state senaboards, but no arrests were made. setting up a separate "Catholic tor for 16 years, candidate for the Young said he previously had office of governor and father of warned travers owners in the De-Charles W. Hall of Salem, died in troit area that gambling will not be permitted and said he intende



Stadter said the raiding party entered three taverns simultaneously in Detroit and Idanha at 12:30 a.m., Sunday. A poker game was interrupted in Carl's poolroom in Detroit and the participants were arrested on gambling charges. Manasco, the proprietor, was charged with operating the game and arrested on a Salem district court warrant.

No evidence of gambling was discovered in Bert's poolroom in Detroit, but the proprietor, Johnson was arrested on a district court warrant. Stadler said the warrant was based on a complaint from a reliable private party alleging previous gambling games.'

Evidence Seized

Two gambling tables and 11 chairs were confiscated from Bert's poolroom and held as evidence at he sheriff's office. The officers also raided the

who claim inside pull-and collect Stark of Silverton, strafing by on it-Washington would lose a senators and congressmen and other races and acrobatics by visitothers representing business firms ing planes. and organizations doing business with the government. So great is the maze of the Pentagon for example and of Washington bureacracy that a business man from the sticks needs to hire a "guide" to show him around, even on legitimate business. Not all the breakfast of barbecued beef and business-getters

(Continued on editorial page.)

Hospital Drive Kick-off Meet Here Tonight

Salem Hospital Development program will open its general campaign tonight with a kick-off dinner at 6:30 in the Marion hotel.

At least 250 of the 310 persons who have signed to solicit funds for the campaign are expected to attend tonight's dinner and receive a list of 10 persons on whom they will call for contributions.

Campaign director E. T. Frankmethod of canvassing at tonight's measure. meeting.

Charles A. Sprague will discuss "Salem and Her Hospital Situation" at the meeting, and Dr. M.

General Chairman Ford E. Watkins will review recent progress of the advance campaign which has raised \$248,000 of the \$1,000,000

goal to improve both local hospitals. Alfred W. Loucks is in charge Shriners Convene, of tonight's dinner.



"I want 'Minuet in G'-duet arrangement for oboe and cymbals.

started shooting at all the chaps tor, a parachute jump by Shorty 300 "five percenters." This apon II-washington would lose a percentage of its population. Of- eight F-51 Mustangs from Portland returned July 6 from a vacation fice buildings there are full of ex- national guard headquarters and trip.

> More than 150 planes bearing contract operations. members of the Oregon Sportsmen Pilots' association and the 99ers. women's aviation group, landed at the field this morning.

Mill City Air

150 Craft Visit

The visitors were honored at a breakfast of barbecued beef and roasted corn sponsored by Mill City Chamber of Commerce. J. C. Said Degrading ber, was master of ceremonies.

Winners of prizes for the oldest classifications are to be announced Monday. The afternoon airshow was un-

der the direction of Galbraith and Byron Davis, co-operators of the new airport.

Army Pay May

Wait on Unity

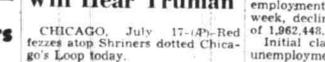
WASHINGTON, July 17 -(AP)-The \$302,000,000 military pay boost may be condemned to death lin will explain the technique of in the senate unless the house the soliciting program and the passes an armed forces unification

> That was made clear today by Senator Tydings (D-Md).

Tydings, chairman of the senate armed services committee, said in a radio talk that senators are dispoint of the doctors regarding the posed not to act yet on military drive. mittee want the unification sav-

ings to offset the higher cost of. raising salaries.

Will Hear Truman



Initial claims, indicating new They were the vanguard of 419 for the previous week to 334,-

thousands more pouring into the 195. city for the diamond jubilee con-vention of the Ancient Arabic or-der. Nobles of the Mystic Shrine. The volume of continued claims ta level about 1,000,000 greater Club Plans County Jersey Herd der. Nobles of the Mystic Shrine. at a level about 1,000,000 greater

today.

appeal.

Jobless Claims

Tuesday, Harold Lloyd, movie than for the corresponding period comedian, will be installed as Im- a year ago. perial Potentate in the first pub-

lic presentation of hitherto secret rites. After the installation, an estimated 100,000 of the delegates. friends. relatives, wives and just plain spectators will listen to President Harry S. Truman, himself a Mason, deliver a 20-minute address.

The speech, being made by Mr. Truman as president rather than as a Mason, will be broadcast by ABC and NBC radio nets.

AMITY GETS TANK

AMITY, July 17-(Special)-A new 1,200-gallon water storage tank has arrived here for use by the rural fire department. Purchase of the tank was authorized several months ago.



Judges' Action

WASHINGTON, July 17 -(AP)and youngest pilots and other Rep. Smith (R-Wis), a lawyer, China civil war front. said today that Justices Frank-

furter and Reed set a "degrading from Red-held Nanking quoting precedent" by testifying as char- the communist radio at Peiping acter witnesses in the perjury reported Red troops had driven trial of Alger Hiss. into Hunan province from both Smith gave his opinion in maksouthern Hupeh and western ing public a letter to Chairman Kiangsi.

Celler (D-NY) of the house ju- capital. diciary committee asking an early hearing on Smith's bill to protect capture of the important Yangtze

federal judges from subpoena as ports of Ichang, 600 air miles west character witnesses. of Shanghai, and Shasi, 50 miles He said the two justices had beyond.)

shocked the nation by an example. The offocial central news agency of impropriety. They said it con- said 5,000 troops of the one-eyed ceivably could lead to paralysis Communist Gen. Liu Pu-Cheng of the judicial system if enough had taken Anfu, 130 miles southjustices disqualified themselves east of Changsha, and were drivby such appearances in cases ing on northwest. which might come before them on

Simultaneously, pro-government dispatches reported four Red divisions had stormed and taken Ichang.

Idanha Mill Buys Gates Loading Site

WASHINGTON, July 17-(AP)-Unemployment insurance claims GATES, July 17-(Special)-The declined during the week end- Idanha Lumber company has pur- itself to making reports to the forest. The area was fired by ing July 9 but the July 4 holiday chased property from Albert Mill- president and should not go be- lightning a week ago. was chiefly responsible, the bur- sap for use as a railroad loading fore congress either to champion eau of employment security said site.

Continued claims, indicating unemployment for at least one full week, declined 89,573 to a figure unemployment, dropped from 337,- struction in the canyon area.

County Jersey Cattle club meet-

ments for the county herd.



WESTERN INTERNATIONAL At Salem 4-3, Spokane 1-11 At Bremerton 6-0, Tacoma 5-5 At Salem 4-3,

COAST LEAGUE At Los Angeles 6-1, Portland 8-7 At San Francisco 2-1, Seattle 6-0 At San Diego 11-1, Oakland 2-11 At Sacramento 4-5, Hollywood 2-6.

AMERICAN LEAGUE At St. Louis 15-7, Washington 8-4 At Detroit 8-5, Philadelphia 0-4 At Chicago 1-7, New York 2-3 At Cleveland 4-1, Boston 2-2.

NATIONAL LEAGUE Philadelphia 1, Pittsburgh 1 Boston 3-2, Cincinnati 4-3 New York 1, St. Louis 10 Brooklyn 4, Chicago 3.

including Senator Hickenlooper (R-lowa), bitter critic of the atomic energy commission. But more than half of the 18-member unit did not attend. The committee has a meeting

behind closed doors scheduled for tomorrow morning. Asked whether he would report on the Blair house conference at that time, McMahon told a reporter: "I am still thinking about

CANTON, China, July 17-(AP)whether I should, but I probably The Nationalist military news agency reported tonight that strong will

Tomorrow's meeting has been communist forces had started a called primarily to let the comdrive apparently aimed towards called primarily to let the com-Changsha, central China strong- mittee get started on a private study of charges by Hickenlooper hold 400 miles north of Canton.

(This might signal the end of that the atomic energy commis-s (This might signal the end of the two-month luil on the central sion had been lax in the security In Northwest clearance of persons engaged in

the atomic program. (An Associated Press dispatch

Economic Aides Flayed by Byrd Changhsa is Hunan's

(The Peiping radio reported

Senator Byrd (D-Va) demanded stroying 2,500,000 board feet of today that congress quiz Presi- logs and scorching an elsimated dent Truman's top economic ad- 5,000,000 board feet of downed visers to find out whether their timber. The fire covered 700 acres

"fanciful ideas" are "made in near Cowichan lake on Vancouver America." island. The Virginian blamed members of the president's council of econo- arily the hezards in western Wash-

mic advisers-"this strange group ington and Oregon Sunday. of men-for Mr. Truman's recent Fire lanes were completed awarning against deep cuts in fed- round a 1.000-acre scorched tract He is survived by his widow, two eral spending. in southern Oregon's Illinois river

"These men-who seem to be where some 60 farm families fled dictating the administration's ectheir homes Friday. Eastern Oregon still was cononomic program-are not elected officials," Byrd said in a radio sidered dangerously dry, but cooler of Salem. interview. temperatures and high humidities

Edwin G. Nourse, chairman of have given federal forest crews a the council has taken the position chance to corral the . 5,000-acre in the past that it should confine burned sector in Malheur national

or oppose legislation. At his re- TO HIRE MILK MAN

Members of the newly organizabandoned because of dam con- D. Clark, have appeared before administrator created by an act

Lumber companies using the quest, the joint congressional com-Southern Pacific branch above mittee on the economic report has ed state board of agriculture will Gates must find other means of heretofore excused him from tes- meet here Monday to consider transportation after August 15, tifying. The other council mem- among other things, applications when the railroad line will be bers, Leon H. Keyserling and John for the job of milk marketing

> of the 1949 legislature. the committee, however.

By Lillie L. Madsen Floyd Bates, Salem, president of vision of the spring Jersey show Farm Editor, The Statesman, the Oregon Jersey Cattle club, an- will be made to Victor and Ron-

Steps to organize a Marion nounced that the state directors' ald Barnick. county herd for state fair showing meeting had been changed from Of interest at the meeting was were taken Sunday at the Marion the third Wednesday to the first a Jersey issue of the Pacific had blown itself down to tropical Wednesday of each month, start- Homestead published in Salem on storm size.

ing held at the Lewis Judson home ing in September. The August June 15, 1916, and displayed by in Salem. Nearly 50 members at-tended. Marine will be a two-day jour-ney to Grants Pass with the busi-Announcement was al Announcement was also made

Neal Miller, president, with ness meeting August 13 at the of the importation of 25 head of Leonard Lee of Salem and Fred home of Jens Svinth, state secre- Jerseys from Jersey Island by Rex Davis of Woodburn, will form the tary, formerly of Salem. Sunday, Ross of Mt. Angel. One of the committee to make the arrange- August 14, a picnic and tour of animals goes to Floyd Bates, Sa-Jersey farms in that area will be lem; Ross will retain two; L. S. Lorenzen and Frank Finicum,

Report was also made by Ted featured. Hobert, secretary, that more than George Genteman of the Polk both of Dayton, each will get 200 head of Jerseys had been county club was a special guest two; Mrs. Antoinette Vanderbeck

200 head of Jerseys had been signed up in Marion county to-ward the procuring of a state fieldman. This brings the state total up to over 1,000 head, re-ports showed. Efforts are being ports showed. Efforts are being son home at Aurora. At this time Columbia breeders. made by the state directors to ob- official presentation of the chamtain a fieldman by autumn.

pion cups won in the junior di- around September 10, Ross said.

porting communism would be primary, when the Ku Klux Klan proved. was a major issue in the election. crat nominee. In 1930 he sought

the nomination again and in 1934 entered the primary but lafer withdrew. A native Pennsylvanian, he came to Oregon in 1901, taught school and was engaged in several business ventures. He had a

drug store at Hood River, was founder and president of the Ore-British Columbia forests were pocked with 120 fires Sunday in gon-Washington Telephone comthe wake of a lightning storm, but pany there, later formed the Coos in Washington and Oregon crews and Curry Telephone company and had lumber and shipping inhave succeeded in throwing lanes terests in Coos county. He organized the southwestern Oregonal The most destructive forest fire bank in 1917 and was president of the season in British Columbia. until 1920 when he purchased a

fanned by a 60-mile an hour wind. portion and became president of WASHINGTON, July 17 -(AP)- was quelled Sunday night after dethe First National bank of Klamath Falls His public service work includ-

ed memberships in the state Fish and Game commissions and the State Land Settlement commission. He was also an organizer of Cooler weather eased temporthe State Chamber of Commerce. Masonic lodge members will conduct funeral services at the Portland Crematorium Tuesday. daughters, Mrs. Warren Reid and Mrs. Jerold Herburger, both Port-Washington, D. C., and Charles occurred about 5 p.m.

Gov. Dewey to Speak **To Lions Club Today**

NEW YORK, July 17-(AP)-More than 25,000 Lions flocked into New York today for the 32nd annual convention of Lions International. Gov. Thomas E. Dewey was scheduled to greet them officially tomorrow but one of his assistants said that Dewey would make "an important speech, much more than a greeting."

TYPHOON HITS KYUSHU

TOKYO, July 17 (AP)-A typhoon

caused one death and destroyed

79 houses in the are a of Kago-

shima, southern Kyushu island,

said today. The U. S. air force

weather wing reported the typhoon

THE WEATHER

San Francisco

Chicago New York Willamette

41.61

Max.

Willamette river 2.7 feet. FORECAST (from U. S. weather bu-

(Sept. 1 to July 18) Last Year

Precip .00 .00 .00 trace

37.27

if necessary.

Stadter said the raid was part pects to make more frequent trips

Hall was an opponent of Gov. to the Detroit area and anticipates communicating all catholics sup- natorial nomination in the 1922 that the highway has been im-

The men argested Sunday will He lost and Olcott later was de- appear in Judge Joseph Felton's feated by Walter M. Pierce, demo- district court here this morning. Wreck Injures

DETROIT. July 17- (Special)-Two Albany residents were hospitalized at Bend after an automobile in whigh they were passengers plunged off the Santiam highway about three miles west of here this afternoor

Howard Lugas, jeweler, and Mrs. Dorothy Butler were taken to the hospital by a Detroit ambulance. Although the extent of their injuries was not known to-

night they were reported as not being in critical condition. Dorothy Butler, daughter of Mrs. Butler, was driving the auto when its brakes locked on a curve, state police said. The car plunged over the bank. Also in the car, but

sustaining only cuts and bruises, were Fred Butler, 17, son of Mrs. Butler, and John Sweet, 16. All occupants of the car were land, and two sons, Keith, of Albany residents. The accident

ENGINE BALKS AGAIN LONDON, Monday, July 18-(AP)-A Pan American Airways stratocruiser plane, bound for New York with 43 persons aboard, developed engine trouble over the Irish Sea and returned to London airport early today. It was the fourth time in 11 days that Pan American stratocruisers have had to turn back from trans-Atlantic flights because of engine trouble.

Mondays Are Good Days!

Washing of no washing, Mondays for years have been grossly libelled. They're not national rural police headquarters always blue.

> Starting today. Monday is "Red Tag Day" for a group of Salem merchants who feel it is a good time of the week to encourage shoppers-as you'll see elsewhere in this issue.

In fact, there is a growing belief that the first part of the week sometimes has been a bit overlooked in merchandising. And now that The Statesman is a COMPLETE, 7-DAY newspaper, an additional opportuni-ty to balance the scales is here for everyone.

oregon Dialesman Norma

The cattle will arrive here This Year