Rain came to Salem Thursday blaze on He-He creek, 32 miles in the first measurable amounts east of Eugene. ureau recorded .17 inch to mid-

night with more in prospect for today.

The forecast calls for scattered showers today and tonight with temperatures slightly higher. Showers are expected to continue through Sunday when the outlook veathermen said.

Huron
Traces of rain had fallen in the Mich.

past two days, too light to measure on the weather gauges.

The storm washed away small boats, rolled others high onto the beach and knocked shore wells out that brought the clouds and cool of operation. weather to Oregon now has passed on to the south, the weather bureau said.

control, including the 2,500-acre was receding upstream.

A freak windstorm in Michigan, floods in Missouri and a cool spell in the Great Lakes region highlighted the weather picture

The cool spell, while it rufned Charles in eastern Missouri, floodsome fourth of July outings, eased ing 15,000 more acres of rich betthe forest fire threat, and enabled tomland. However, the weather foresters to bring all fires under bureau at St. Louis said the river

### Weak Controls Said Threat to Economy

By Roger D. Greene WASHINGTON, July 5-(AP)-The administration said today that if congress passes a "weak" controls law, it may hit every American family with a \$1-a-day boost in the cost of living.

price rollbacks.

strong controls law to combat in-

flation-came as the house opened

debate on a price-wage-rent con-trol bill to replace the old law which expired last Saturday.

A temporary 31-day extension

still keeps the federal controls pro-

gram in operation, but bars any

Administration lieutenants, open-

ly worried over the apparent lack

of interest, expressed fears that the prospect for peace in the Ko-rean war may touch off a drive

Mr. Truman and his top mobili-zation officials also reflected grave

to junk controls entirely.

ers Mr. Truman asked.

WASHINGTON, July 5 -(P)-President Truman decorated four

American army infantrymen with

the Medal of Honor today in a

solemn ceremony in the White

House rose garden.

The four wounded veterans are among the few who live to receive the highest military decoration in

Ingman, 21, of Tomahawk, Wis.; Master Sgt. Stanley T. Adams, of Olathe, Kans.; Capt. Raymond Harvey, of Pasadena, Calif., and Capt. Lewis L. Millett, of South Dartmouth, Mass.

Favorable mention went to the North Santiam sub-station (\$250,-000) and to the Maupin-Madras-Redmond 230-kilovolt transmission

MOUNT KISCO, N.Y., July 5-(A)-Col Douglas, Young, 60, of Katonah, N. Y., well known

throughout America and Canada as a horse show judge, died Tues-day night in Mount Kisco hospital

Eric Johnston, economist stabilization chief, said it could mean an "economic Pearl Harbor." Johnson's warning-and a new plea by President Truman for a



By Charles A. Straque

Reminiscent of the grand tour concern over that possibility. The of Marquis de La Fayette in 1824 president said in a fourth of July to the United States which he had address last night that even if the helped to establish in that being fighting in Korea is halted, the made this summer by Dr. Carl A. Schenck of Lindenfels, Germany. His name will be unfamiliar to be kept on the economy to premost Americans, but to those ac- vent runaway inflation. quainted with forestry it will ring a bell. For Dr. Schenck was the founder of the first school of forestry in the United States, the Biltmore Forest school near Ashe-Biltmore Forest school near Asheville, N. C., in 1896. His trip under the auspices of the American Forestry association is a "triumphal tour" showing him the fruits of his instruction in forestry, extending recognition in the naming of forest units in his honor and giving Biltmore alumnia a chance of the stronger powgiving Biltmore alumni a chance grants none of the stronger to greet their old master.

The Biltmore school was estab-

lished on the estate of George W. Vanderbilt. Young Gifford Pinchot who had studied forestry in Europe after graduating at Yale, went to Biltmore in 1892 to plan a Honor Medal forest to be cared for on scientific lines. Schenck, already recognized lines. Schenck, already recognized as a leader in German forestry For Bravery came four years later to establish the school. He wrote the first American textbooks in forestry. The Biltmore school continued for 15 years. Its graduates went out to spread the gospel of proper silviculture and forest management over the country. Institu-

(Continued on Editorial page, 4)

### **Outing Mishap** Toll 25 Youth

BERLIN, July 5-(AP)-Fire and drowning killed 25 on a holiday boat trip for 120 children from the Russian sector of Berlin today in the Spree river.

The communist government of East Berlin announced the death toll tonight in the explosion sinking of the power barge "Fatherland," a converted school excur-

Sixty of the children ranging from 8 to 14 years old were reported injured but released after first aid treatment.

The death toll was kept secret

Unit Favored

at first by the communist people's

WASHINGTON, July 5 – (P) –

Four projects were singled out for special mention—two favorably—by the senate appropriations committee in recommending \$67,500,—600 for Bonneville power administration program which the senate appropriate the senate appropriations committee the senate appropriate the senate appropriate the senate appropriate the senate appropriate the senate appropriations committee the senate appropriation ap precautions caused the disastrous June 15 fire in the Ste. Cunegonde spice which took 35 lives, fire mmissioner Jean St. Germain

**Animal Crackers** By WARREN COODRICH



Showers are expected to continue through Sunday when the outlook is for clearing skies, McNary field \$200,000 damage along the Lake Huron shore near Port Huron,

The flood swollen Missouri river punched through a railroad embankment levee north of St. Monday

# Squabble

Budget

101st YEAR

Salem's city budget as recently published was not exactly as the city's budget committee approved it, it was disclosed Thursday, and a wordy battle appears in pros-pect when it comes up for formal action of the city council Monday

night.

The alterations in the budget became known following a closed session of the city council earlier

this week.
It also became known Thursday that at the same session Chief of Police Clyde Warren was given tacit permission not to place over-parking tickets on cars from 12:30 to 1:30 p.m., and after 5:15 p.m.,
"in the best public interest."
City Budget Altered
The budget argument originated

prior to this week's session, usually reliable sources said, when Councilman David O'Hara at first refused to sign the budget. As chairman of the budget com-

Among provisions in the budget plot. the water department; raising from \$4080 to \$4620 the salary of a police captain in the communications department, and giving an assistant city engineer \$5130. As published, the budget placed the captain's salary at \$4488 and the engineer's at \$4950. Argument Set Monday

It is known there will be a move Monday to restore these and other

O'Hara earlier yesterday was quoted as objecting to a \$54,125 item for street lighting, contend-

confidence for Chief of Police had proved that they carried out spy-Warren in regard to the honesty, efficiency and training methods of his department. (It was not disclosed to what extent circumclosed to what extent circumstances of a recent \$30,000 suit charging wrongful imprisonment figured in the discussion).

Ten-pin Fee Discussed

Also discussed was the possible

licensing, at a fee, of ten-pin bowling tables. No decision was reached. There was some com-ment that taxes and fees already

were high enough.
Mayor Alfred W. Loucks said House rose garden.

The four wounded veterans are among the few who live to receive the highest military decoration in person. Only three others, out of 27 army men who have won the awards in Korea, survived their wounds.

sessions of the council are of astrone west of the four wounding and the proper handling of the city's business when discussions involved personalities. He said no formal actions are taken in such instances.

She was Judy Cooper, 2½ years old, the daughter of Mr. and Mrs. Bill Cooper of Portland. The parents wounds.

### Dallas Crash Each of the four displayed a bravery beyond the call of duty, fighting with bayonets, grenades, rifle fire, and hand-to-hand charg-The president called it a proud moment for himself as he hung the blue-ribboned gold medal around the necks of Cpl. Einar H. To O. Holmes

DALLAS, July 5—Oscar Holmes, Della, about 70, w.s fatally in-jured Thursday night when his pickup truck collided with an auto on Ellendale road, about a mile west of here.

Holmes ap rently came off a side road into the path of a car driven by Kenneth Staniford, traveling east on Ellendale road. Staniford and a woman companion

Fire from a flooded oil stoy burned out a trailer house at 227

Holmes was thrown out of his

Holmes was thrown out of his vehicle, suffering head and internal injuries. He died an hour later in the Dallas hospital.

In charge of construction for Dallar lumber mill, he is survived by his widow, Lydia Holmes of Dallas; a son, Forrest Holmes, Dallas; a daughter, Mrs. Elmer Scheeler, Salem, and five grand-children.

Funeral arrangements are in charge of Bollman funeral home in Dallas.

#### Peace Talks Get **Prayer Promise** In Illinois Town

20 PAGES

N. Bertagersen Brief, Copyr. Sugar, Sept. 196

CARBONDALE, III., July 5-(A)- For the duration of the Korean peace talks, Carbondale church bells will call citizens to prayer twice a day.

The Rev. Hilton Longberry,
Methodist, said today the bells
would start ringing at noon

"All persons of all churches," he said, "are urged to engage in silent or audible prayer at bell-ringing time for divine guidance

of the peace makers."

## **Hungary Ousts Iwo Diplomats**

BUDAPEST, Hungary, July 5 -(A)-Two American diplomats were ordered expelled from Hungary

today by the red government.
The communist regime used the mittee, his signatur. was mandatory before the budget could be published as required by law. It was published June 15, but not exactly as the committee had apoint and they should be withdrawn because of alleged connection with a spy

as approved by the committee, but eign diplomat is declared unwellished as a legal notice, were those providing \$600 attorney fees for the water department; raising from \$4080 to \$4620 the salary of the sala bert W. Sherer, jr., who has a ly will decide on the charges and wife, Carol, and two small chil- the request for an injunction aft-

> ice here. The U.S.I.S. closed its information and music library and documentary film theatre here Tues-should be taken to keep oil operday on demands of the Hungarian ations going and to keep the situgovernment and voluntarily quit ation from deteriorating further. suing its news bulletin. Miss Tryon's secretary, Mary

> Eich, who is on home leave, was barred from returning to Hungary in the note delivered at 1 p. m. a five-man board be appointed to today to the American legation.
>
> The diplomatic clash grew out of the recent spy trial of Archibishop Jozsef Groesz, who was convicted and now is in prison.
>
> The red regime charged the trial had "proved that they (the three Americans) have carried out spying and diversionist activities."

### **Child Hunted** Along River

Mayor Alfred W. Loucks said WHITE SALMON, Wash., July Thursday that occasionally closed 5-(P)-Some 150 persons searched sessions of the council are of as- the Columbia river shore west of

ed away while they were fishing for sturgeon near Hood, two miles west of Underwood. They said they missed her in a few minutes and started searching.

The river also was dragged in

fear the girl might have tumbled into the water. The search was called off at nightfall to be resumed Friday.

# Trailer House

Fire from a flooded oil stove burned out a trailer house at 2271 Lee st. Thursday evening, city firemen reported.

Mrs. Clara Nye, who lived in the trailer behind her daughter's home, told firemen her cookingstove apparently became flooded before she lit it to prepare the

### Interim Oil Plan Rejected

The Oregon Statesman

The Oregon Statesman, Salem, Oregon, Friday, July 8, 1951

By Hendrik Kersting THE F GUE, The Netherlands, July 5-(A)-The international court of justice urged Britain and Iran oday to agree on an interim plan for keeping Iranian oil flowing until the court can reach a decision in the bitter dispute. Iran quickly rejected the court

British officials hailed the proposals as "very welcome to us." They said Britain would try to follow the recommendatoins set down in the 3,500-word decision if Iran would agree. The British in-dicated that if Iran kept on re-fusing to agree, Britain might put the oil case before the U. N. security council.
Court Not Lecognized

But Iran clung to her uncompromising determination to seize full control of the huge Anglo-Iranian Oil company's wells and re-fineries on the Persian gulf, Hossein Navab, Iranian minister to The Hague, declared: "We

did not recognize the competence of the court, and neither do was recognize the court's decision of today. We consider the court's decision null and void." Britain a sused Iran of violat-

ing international law in nationalgovernment. The court apparent dren with him, and Ruth Tryon, er it determines whether it has head of the U.S. information serv- jurisdiction in the ease. jurisdiction in the case. Guarantees Asked

Urging both countries to give guarantees they would take no further action that would widen

### At Low 105; Oregon's Zero

No fatalities on Oregon highways on Independence day this year had been reported to state police by late Thursday. Superintendent H. G. Maison

of the state police said the holi-day was one of the safest ever recorded here, despite heavy traffic.

the national safety council forecast "unless extra caution were taken." Ned H. Dearborn, council president, commented today:

"Congratulations and thanks to the nation for making this an un-usually safe fourth of July. Let's keep it up. If we can do it on his six-week 29,000 mile tour of the fourth, we can do it on the nine countries of the Far East for

The lowest holiday traffic toll of the Pacific nations, on record is the 81 killed on Memorial day this year. The second lowest toll was 93 for New Year's Ringling Circus

ers—an unusually heavy toll from this cause. The deaths were in Here in August Michigan.

LAWNS GIVEN HOPE PORTLAND, July 5-(A)-Portland's severe restrictions on lawn sprinkling may be relaxed tomor-row, Commissioner Fred L. Peter-son said today. He added, how-Mrs. I. L. Haley.

The trailer house and all furnishings were a complete loss, firemen said. The fire was reported out of control before they arrived.



GREENOCK, Scotland, July 5-(A) Archibald Clark Kerr, Baron tails on page 2.)

#### ceed by helicopter or jeep as dic-tated by the weather." He added that they would cross the Imjin river on the Seoul-Kaesong road at 9 a.m. Tokyo time Sunday (4 p.m. PDT Saturday) regardless of Peace Based on how they travelled. Groups' Makeup Listed Free Strength' liaison group would leave Pyong-

By Robert B. Tuckman TOKYO, Friday, July 6 -(AP)-Gov. Thomas E. Dewey called today for a world peace based on a buildup of strength by free nations and "not a mere peace of surrender or appeasement." The twice-defeated republican

presidential nominee declared the United States was not afraid of marine, a U.S. air force officer, and the "continuing threat of warlike communist aggression" because of source said any army major would be recalled that the fine th industrial might. He said that through unity and

a buildup of "overwhelming strength" the free world may look forward to the "gradual exhaus-tion and disintegration of the communist forces of slavery and

In a speech prepared for deliv-ery before the America-Japan By the Associated Press
America's holiday drivers have made their second safety showing made their second safety showing the U. S. "will never be the one the U. S. "will never be the one July fourth traffic fatalities to-taled only 105—well below the 130 set of circumstances."

"The people of America and of the free world," he said, "are building their strength for the sole and exclusive purpose of prevent-

ing war. "The United States will never attempt to use other nations for purpose of aggression. All these contemptible methods we leave to the imperialist aggressors. "We do not believe war is in-

"We are dedicated to the high purpose of making peace inevit-

"It must be a peace of strength -not a mere peace of surrender or

Dewey's speech was his first on a first-hand survey of problems

### day in 1946. However, fireworks caused five deaths and contributed to two oth-Ringling Brothers-Barnum &

Bailey circus will play in Salem this year, on Thursday, August 23, near McNary field. A new local setting for the big show was selected by circus of-

ficials Thursday when arrange-ments were made with the city and county administrations to se up the circus on Salem airport property. The 10-acre tract designated is in open fields lying west of South 25th street, opposite the airport administration building. Circus officials said the 70-car

railroad circus will come here af-ter a two-day Portland engage-ment. Other Oregon shows are planned for Eugene and Klamath Falls.

### **Margaret** Lauded

### **Envoy Passes**

PRICE 5c

from air attack.

northwest of Seoul.

the North Korean capital, to Kae-

song. Ridgway also said a five-

ever, said "My delegates will pro-

The communists said that their

white flags. It will include three

liaison officers, two interpreters

AP Correspondent Nate Polow-

etzky reported from Eighth army

headquarters that a reliable sour-

colonels to the U.N. liaison unit.

These were reported to be a U.S.

clear whether he would go to Kae-

song, the reds' chosen meeting

place about 35 road miles north-

While ground action in Korea tapered off to light patrol action, allied air and sea forces pounded

away at enemy supply lines and

Superforts plastered red front

position with 500-pound bombs

Allied fighters found North Korean

roads swarming with 500 vehicles

and pilots estimated they knocked

United Nations navy units

was hit Wednesday by shore fire from the east coast port of Won-

san. Four men were injured.

Thursday Wonsan shore batteries

blasted at two U. S. destroyers

without effect. The destroyers sil-

peaceful settlement is possible.

ed for increased subscriptions to

nese stepped up their artillery and mortar fire but showed little de-termination in holding ground de-

angle on the west-central front Earlier they had fought fiercely to

hold the ridgelines just south of Pyonggang, northern apex of the triangle.

BASEBALL

Coast League
At Los Angeles 12, Portland 16
At Oakland 7, Seattle 5
At Sacramento 3, Hollywood 4
At San Diego 1, San Francisco

enced the shore guns. Casualties Up 1,361

front positions Thursday,

Planes, Ships Active

west of Seoul.

out 75 trucks.

ce said Ridgway had named three

and reception personnel.

the red emissaries arrive.

Truce Parties

Assured Safety;

Earlier in the day the communists announced they would guar-

The supreme allied commander, in reply to this message, guaranteed immunity for the communist party all the way from Pyongyang.

Fighting Slows



Inverchapel, until recently one of Britain's top diplomats, died today at 69 years. He was a power behind formation of the United Nations, (Additional dederstanding."

#### mile radius around Kaesong would be a neutral zone from the time Korean Envoy This meeting will lay the ground-work for the formal conference, which will begin at Kaesong Tues-The Chinese in their message had suggested the allies travel by Of Buffer Area jeep instead of helicopter to "cut down the possibility of a misun-Ridgway's broadcast reply, how-

WASHINGTON, July 5 -(F)-South Korea's ambassador to the United States said today in connection with cease-fire maneuvers that the "most despicable" posals yet being talked is "the creation of a buffer zone in my country."

The ambassador, Y. C. Yang, said in a statement that all the losses suffered by the free world in Korea would be worthwhile— "If we can say that we have wen, that we have beaten this monyang at 5 a.m. Saturday (12 noon PDT Friday) in five jeeps and five motor transports carrying the peace of the world."

But the free world cannot be said to have won, he said in effect, if Korea remains divided. His statement continued: "There are some who term us

'irresponsible' for insisting on a reunited Korea and for insisting that the communists should be driven out of our country. Declaration of Independence was termed 'absurd,' 'visionary' and

'subversive.' "All right. My great president, Dr. Syngman Rhee, is implied to be 'irresponsible' because he wants a united, democratic, free and independent Korea.

"What does the free world think of his request?"

#### Train Fracas **Death Brings** pounded enemy east coast posi-tions. In Washington the navy an-\$100,000 Suit nounced the patrol Frigate Everett

PORTLAND, July 5-(AP)-A widow asked \$100,000 today for the death of her husband in a scuffle aboard a Southern Pacific freight train two years ago.

Mrs. Kenneth W. Hopkins, Port-land, filed the suit against the In Washington, U. S. battle cas- railroad company.

ualties in Korea were placed at Her husband died after a scuf-78,110 Thursday, an increase of 1,361 since last week's report.

Based on notifications to relatives through last Friday, it listed 11,564 killed, 54,302 wounded and 12,244 missing by the latest count.

Based on notifications to relatives through last Friday, it listed 11,564 killed, 54,302 wounded and 12,244 missing by the latest count. 12,244 missing by the latest count. pulled the throttle of the train in broadcasts Thursday night wide open and ran wild in the cab, and early Friday, the Peiping ra- attacking the engineer with dio said communist China must lighted fuse and a hammer.

continue to aid Korea, even if a Campbell said another exem reaceful settlement is possible, member helped him subdue Hop-It quoted a statement by the kins, Hopkins died of injuries sev-China peace committee which call- eral hours later.

Mrs. Hopkins' suit asserted the red campaign to buy war-planes for Korean fighting.

A briefing officer told AP Correspondent Sam Summerlin that mines were being removed from the Kaesong highway in case bad weather should force the allied team to travel by jeep. A bridge was laid across the Imjin river.

East of the Kaesong sector, Chi-

### Dental School Chinese faded from most of the Chorwon-Kumhwa-Pyongyang tri- Founder Dies

PORTLAND, July 5 -(A)- Dr. Arthur William Chance, 78, founder of the dental division of the University of Oregon medical school here, died today.

He had retired as head of the

A native of Salem, he came here with his parents when he was 2 years old. He first practices dentistry with his father, George H. Chance, then attended the University of Oregon medical school and was graduated with an The widow, Evelyn Cathey, and

DAY TAKEN LITERALLY

WALLA WALLA, July 8 -(A)for Clarence Miller, Tacoma, ing 7½ to 15 years in the penitentiary here. He celet July 4 by fleeing from the dairy farm Wednesday had

# Rejected were \$3,900,000 to accelerate the proposed intertie of Bonneville and Shasta dam in California, and a \$54,000 item for surveys of a 230-kilovolt line between LaGrande and Baker, Ore. Woman Who Died 12 Minutes Surgery Gains Weigh During Surgery Gains Weight The customary circus grounds for Salem, on the state fairgrounds parking lot, were not available because of nearness of state fair

For years Mrs. Keith had suf-fered from rheumatic heart

SAN FRANCISCO, July 5-(A)"Six weeks ago I didn't know I was alive," Mrs. Helen Keith, 37year-old San Francisco housewife, recalled today. "I just floated in and out of life for days."

The fact is, Mrs. Keith nearly wasn't alive at all six weeks ago. Her heart stopped beating for 12 minutes during a complicated heart operation in the Peter Bent Brigham hospital in Boston and only the genius of her surgeon, who restored the action through massage, kept her alive.

Transparent in the proper during the first two were procedure during the first two operations. It was all painless, of pumped to the body's extremities.

# For Friendship

Her arms full of flowers, the president's daughter walked up the gangplank of the new Ameri-

American League
At New York 8, Washington
At Detroit 8, Chicago 5
At Philadelphia 3, Boston 8
At St. Louis-Cleveland, rain