

China Reds Reap Golden Harvest in Extortion Payoffs

By FRED HAMPSON

HONG KONG—The Chinese Communist extortion racket, leveled at millions of Chinese living overseas, is still yielding a golden harvest of millions of dollars, despite world-wide exposure of the practice.

Chinese merchants and tradesmen scattered in populous communities throughout Southeast Asia probably are the chief financial victims, an Associated Press survey indicated Monday.

The Reds force Chinese living at home to write relatives abroad for money under threat of dispossession of their property and even death for the writer if the payments aren't made.

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Bird Dog



SPOKANE—Bubbles is caught in the act—or rather, in the bird feeder—in this unposed shot after she leaped in from the snow. S. R. Roberts of Spokane, Wash., thought he'd been kind to the birds in his neighborhood in the last two months, feeding them cracked wheat and popcorn. But now he knows for sure who's been doing the feasting. (AP Wirephoto.)

Family Claims Reynolds Plant Fumes Poison

PORTLAND (AP)—Three members of a farm family claimed Monday that they had been poisoned by fumes from an aluminum plant. They asked \$350,000 damages in a Federal Court suit.

The plant, the Reynolds Metals Company at Troutdale, Ore., recently was ordered to pay \$75,000 for damage the fumes caused to livestock and crops in the area. Suits asking more than two million dollars in similar damage were dismissed.

This was the first suit in which damage to humans was claimed.

The suit was filed by Paul Martin, his wife, Vera, and their daughter, Paula. The complaint said they have been permanently damaged by fluorine fumes and now must live in Arizona. Their farm was located a mile east of Troutdale. They said the prevailing wind blew the fumes into their house between November, 1948, and November, 1950.

Allies Revise Proposal for PW Exchange

MUNSAN, Korea (AP)—The Allies offered a revised version Tuesday of their proposal for exchanging prisoners of war and displaced civilians.

The new plan was similar to the U. N. Command's six-point proposal of last Wednesday but a spokesman said it was reworded to eliminate technical objections.

The Allied plan calls for exchanging the Red prisoners they hold for Communist-held prisoners of war, former South Korean soldiers and displaced or interned civilians.

Only those wanting repatriation would be affected.

When this exchange is completed, the Allies agreed to release all remaining Communist prisoners of war who desire to go home.

A second sub-committee session on truce supervision made no progress. It adjourned for the day after one hour and 45 minutes.

Marine Gives Blood to Aid Wounded Pal

The only thing ex-Marine Frank C. Hills now can do for a wounded buddy in Korea is donate blood. So he gave a pint Monday night.

Hills, who will rejoin the city fire department Jan. 15, from which he had been on leave of absence since Oct. 13, 1950, said his buddy was one of 16 in his outfit who were wounded the day after he left for the States in December.

"This blood might be needed by the guy," Hills added, "and it's the only thing I can do to help him now."

The ex-Marine served in the Seventh Regiment of the Marine 1st Division, and was a fire team leader. He was wounded twice in Korea, although he didn't need blood plasma.

Hills was one of 140 who turned out for Bloodmobile visit at the Labor Temple, where 113 pints were collected. Major units donating blood were the Teamster's union, the Air Force reserve, police, firemen and trucking firms.

There were no turn aways in the five hour session from 5 until 10 p. m.

Organizers of the blood "day" were Herb Barker, executive secretary of the Salem Trades and Labor Council, and Ward Graham, secretary of the Teamsters Union.

Mt. Angel Man Faces Petty Larceny Charge

A Mt. Angel man was held in the Marion County Jail Monday night charged with petty larceny involving the theft of tools from a construction company in Mt. Angel Jan. 5.

He was Melvin E. Brown, who was arrested Monday evening. Sheriff's deputies said the loss was about \$5. Brown was held in lieu of \$250 bail.

SCHREDER IN HOSPITAL

Edwin Schreder, Salem grocer and Chamber of Commerce leader, entered St. Vincent's Hospital in Portland Monday for surgery. He has not been ill, but has been under examination for a throat condition.

HOLLYWOOD

"Your Friendly Theatre"
ENDS TODAY - OPEN 6:45
"Day the Earth Stood Still"
"MR. IMPERIUM"
— STARTS TOMORROW —

IRON MAN

JEFF CHANDLER - EVELYN KEYES - STEPHEN McNALLY
ROCK HUDSON - JOYCE HOLDEN
CO-FEATURE
MARK of the RENEGADE
RICHARD MONTALBAN - CYD CHARISSE

Father 'Surprised' At Birth of Quads

NEW YORK (AP)—Thirty-eight-year old Joseph Graber became the father of quadruplets Monday and all he could say was: "This is surprising."

The quads—three girls and a boy—were born a month prematurely to Graber's 32-year-old wife, Fannie. Mother and children were reported doing well. Chances of having quads in the U. S. is about 643,971 to one.

Counties Plan Legal Action In O & C Case

PORTLAND (AP)—Clackamas and Lane counties are preparing to take legal action to obtain their share of \$4,250,000, revenues from Oregon and California revested lands now held by the federal government.

That is what Judge Wallace R. Telford of Clackamas County and Commissioner L. G. Raich of Lane County told the executive committee of the Association of Oregon and California Land Grant Counties Monday.

Income from the 2 1/2 million acres of timberlands in 18 Oregon counties totalled three million dollars during 1951, the committee was told. The counties now are entitled to 75 per cent of the money, the rest going to the federal government.

The counties have not received their full share of this 75 per cent. It is over this shortage that Lane and Clackamas counties plan to take legal action.

There has been discussion in Congress to reduce the counties' share to 50 per cent with the government funds being earmarked for access roads, fire protection and financing a sustained yield program.

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Chin-Up Club Seeks Clothes

The Chin-Up Club has issued a request for additional clothes, kitchen utensils, bedding and other items, to replace stocks depleted during the Christmas season in gifts to the needy.

Most wanted in clothing are infants and childrens wear, and men's clothes. The club will accept any other articles.

Donors in Salem can contact the club at 33018 if a pickup of donations is necessary.

Liquor Board to Hold January Meeting in Salem

Salem will again be the site of the Oregon Liquor Control Commission this month, Chairman Robert L. Elstrom announced Monday. The session will be held in the Board of Control Room at the Capitol Thursday.

It will be the first meeting for J. H. Strout of Portland, appointed to the commission Saturday to succeed William A. Spangler of Klamath Falls who resigned. Except for the December meeting, the commission has held previous sessions in Portland.

Kermit Hathorne Missing in Action

SILVERTON—Mrs. Ethel King and Frank Egan have received word that their nephew, Kermit Hathorne has been missing in action in Korea since Dec. 26.

Hathorne, 30, lived with Mrs. King in Portland, and has visited his aunt and uncle in Silverton many times. He has a wife and an adopted baby daughter in Southern California.

PIANIST

PHYLIS THAXTER
RAYMOND MASSEY - JAMES GLEASON
— 2nd ACE HIT! —

SOLOMON

In Concert
Jan. 17,
8 P. M.
Salem High Auditorium
Seats: \$3.00, \$2.40, \$1.50
On Sale at Salem Record Shop, Stevens & Son, Heider's, Wills Music

Spray to Bring Purer Grass Seed Crops

PORTLAND—A spray, soon to be made available to Oregon farmers, will permit purer grass seed crops, the Oregon Seed Growers League was told here Monday.

Virgil Freed, Oregon State College agronomist, described the new spray. It is a development of IPC—(P)with which fescue growers already are achieving good results in controlling velvet and other annual grasses in their fescue stands—he said. The new spray, known as IPC Chloro, will give even better results, he said.

In other business Monday, the clover committee recommended reduction of government support prices on Ladino clover from the present \$1.25 to \$1.10. Supporters of the proposal said the reduction would prevent surplus production which might result from continuation of the present support price.

The committee's report will be acted upon by the convention later.

George B. Davis reported on an Oregon State College study of potato handling. He said 43.5 per cent of the Oregon potato crop was damaged in handling. This resulted in a reduction in grade for 13.1 per cent of the marketable crop, he said.

James Short of Redmond, league president, called for enabling legislation to raise funds to advertise Oregon-grown seeds through a tonnage tax.

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British Dollar Reserve Cut

LONDON (AP)—Britain announced Monday night a loss of nearly a billion dollars in the sterling area's vital gold and dollar reserves in the last quarter of 1951. It spelled even greater sacrifices to come for this austerity-ridden country.

It was the biggest financial setback this hard-pressed country has suffered since a similar loss was reported in the third quarter of 1947.

RIOT IN JERUSALEM
JERUSALEM (AP)—Police fought for two hours Monday with a mob of 2,000 youths who stormed the Parliament building to protest a proposal for opening direct negotiations with Germany on reparations.

CAPITOL

3-5050
— Continuous Daily from 1:00 P. M. —
— MUST END TONIGHT! —
"CLOSE TO MY HEART"
"CAVALRY SCOUT"

NEW TOMORROW!

Great Family Entertainment in These 2 Hits in
COLOR BY **TECHNICOLOR**



EDMOND O'BRIEN
YVONNE DE CARLO
BARRY FITZGERALD

SILVER CITY

Richard Arlen - Edgar Buchanan
— 2ND MAJOR TREATI —

Happy Go Lovely

DAVID NIVEN
VERA ELLEN
CESAR ROMERO
A Great Big Musical Hit!
Technicolor

ADDED BREVITIES!
BUGS BUNNY CARTOON, "Operation Rabbit"
FOX NEWS

STATE

LAST DAY!
"Key to the City"
"Devil's Doorway"
— Doors Open 6:45 on Week Nights! —

NEW TOMORROW!

A CHILLER-DILLER DOUBLE-BILLER THRILLER!
THE DEVIL'S OWN BROOD!
NEVER BEFORE... SO MUCH HORROR
UNDER ONE ROOF!

HOUSE OF DRACULA

LON CHANEY - MARTHA O'DRISCOLL - JOHN CARRADINE - LIONEL ATWELL
DORIS STEVENS - GLENN STRANGE - JANE BRADY - LINDA STODOL

— 2ND SUPER-DUPER SHAKE AND SHUDDER HIT! —

HOUSE OF FRANKENSTEIN

DORIS KARLOFF LON CHANEY
ANNE GWYNNE PETER COE ELENA VERDUGO MONIE ATWELL
— FOR YOUR ADDED ENJOYMENT! —
TECHNICOLOR CARTOON * LATE NEWS

'Secret' Label On Churchill, Truman Talk

WASHINGTON (AP)—President Truman and British Prime Minister Churchill, in a second formal Monday White House meeting, reviewed the West's grand strategy for countering international Communism.

A "top secret" label was clamped on the specific problems discussed during the 90-minute afternoon session. Aides reported no decisions were reached. But there was good reason to believe the two leaders and their military aides talked over:

1. A compromise plan for settling British-American arguments over appointment of a United States admiral to head the Atlantic Pact naval forces. The U. S. was reported about ready to give in on this issue.

2. Britain's campaign to get the U. S. and other Western armies to use the new British .280 rifle as standard equipment. Britain reportedly was willing to give up its efforts in this field.

3. Britain's desire for an exchange of top secret atomic information with the United States. The afternoon meeting, the second formal White House conference between the President and Churchill, concentrated mainly on urgent Western European defense issues.

Vishinsky Says Parley Stalled

PARIS (AP)—Russia's Andrei Vishinsky told the United Nations Monday the Korean armistice negotiations had been "floundering" for six months and were "deadlocked."

Some delegations gloomily observed that Vishinsky's first flat declaration to the Political Committee that the talks were deadlocked obviously meant they would remain that way until the Soviet Union changes its mind.

There was growing feeling in some quarters here that if the Korean negotiations did not achieve positive results in a short time, say two or three weeks, the U. N. Command might have to resume active military operations.

According to the July, 1950, census report, California had a population of 10,472,348.

WOODROFFE'S SAN SHOP SPECIAL

For Tuesday, Jan. 8
VIRGINIA BAKED HAM,
HOT DINNER SANDWICH
Mashed Potatoes and
Pan Gravy, Cranberry Sauce 65c

2 1/2% On Savings!

2 1/2 PER CENT OR OVER SINCE 1934

Why all the excitement about rates on savings??
Your LOCAL SAVINGS ASSOCIATIONS have PAID 2 1/2% on savings EACH JANUARY AND JULY for the past several years!

Save Where Savings Earn!

FIRST FEDERAL SAVINGS AND LOAN ASS'N.
129 N. COM'L. - SALEM

SALEM FEDERAL SAVINGS AND LOAN ASSOCIATION
560 State - Salem

Safety of Your Savings Insured to \$10,000.00

The Navy Department was created by Act of Congress April 30, 1798.