

# Casey 'Puzzled' By Quick Profits In Surplus Ships

WASHINGTON (AP)—Joseph E. Casey testified Wednesday a high-speed deal in which he and two friends made \$450,000 on a \$1,000 investment in surplus ships was born in the law offices of a partner of Newbold Morris, chief detective of President Truman's anti-corruption drive.

The project was quickly blessed by the old U. S. Maritime Commission, Casey told the Senate Investigations Subcommittee, and from then on things moved so fast that "I was puzzled by it too."

Casey is an affluent Washington lawyer and former Democratic member of the House from Massachusetts.

He testified that it was in the New York office of Houston W. Wasson, Morris' partner, that he first learned that substantial profits were possible, and that a decision was made to launch the complicated transaction.

Subsequently, he said, the Commission authorized the sale of three war surplus tankers to a corporation headed by Casey before the new firm actually was incorporated.

Questioned by Francis D. Flanagan, subcommittee counsel, Casey said his group organized the National Tanker Corp., which in turn gave the United Tanker Corp. a three-months option to buy its rights in the vessels at \$150,000 apiece.

United Tanker was a company financed by Nationalist Chinese interests. It was technically controlled by American officers, however, and Wasson was its legal representative.

Casey put \$300 into National Tanker, Julius C. Holmes, minister at the U. S. Embassy in London, added another \$300 and E. Stanley Klein, a New York business man, put up \$400.

The 450 to 1 profit made in the agreement with United Tanker was one of two deals Casey and his associates made in surplus ships obtained from the Maritime Commission.

It has been testified that with a \$100,000 investment in five other tankers they realized \$2,800,000 over a comparatively short period.

But Casey expressed regret Wednesday that the ships were sold before the outbreak of fighting in Korea.

"Nobody regrets that more than I," he told reporters at the end of his testimony. "Had we kept them they would be worth 16 million dollars now."

Principal Files For Polk School Superintendent

DALLAS—Arthur Fowler, Eddyville school principal, filed his candidacy for the position of Polk County School Superintendent at the county courthouse this week, it was reported Wednesday.

Fowler, in the teaching profession for many years, is the first to file for the office held by Josiah Wills of Dallas, who has said he would seek re-election. The office is non-partisan.

Fowler is an Oregon College of Education graduate. He has taught at schools in Buena Vista, Dallas, Albany, Metolius and Elmira. He is a member of the First Christian Church at Monmouth, which he lists as his home address. He and his wife and two small children reside in Eddyville, a town near the coast.

There has been a marked lack of official enthusiasm, however, at Sacramento and Carson City and the same reaction is expected in Salem.

# Temperature Rise Expected

Temperatures were expected to rise slightly in the Salem area today accompanied by partly cloudy skies and early morning fog.

The mercury hit a low of 29 degrees—three below freezing—at about 5:30 a. m. Wednesday.

U. S. Weather Bureau at McNary field predicted a low of about 28 for this morning, a peak of about 44 today, falling to about 32 again tonight.

Snow and ice covered Oregon highways in the higher elevations early this morning, and motorists were advised by the State Highway Department to use chains.

The Santiam and Willamette Passes were both coated with 6 inches of new packed snow. Several snow flurries spotted the Willamette Valley Wednesday but the fall quickly melted.

# Argentina May Help India

NEW DELHI (AP)—Argentina which played an important part in helping India's 1951 famine fight, may play an even bigger role in the current year.

Food ministry officials indicated that India might ask Argentina to provide more than the 512,500 tons of wheat exported under a barter deal in 1951. The exchange included Indian shipments of 60,000 tons of raw jute.

India has already arranged for the open market purchase of more than two million tons of grain during 1952, none from Argentina. The final one million tons of the American wheat loan will also reach India in 1952.

ARAB RED SENTENCED

AMMAN, Jordan (AP)—A district court sentenced Fuad Nassar, accused of being a Middle East Communist chief, to 10 years hard labor Wednesday. He and five others were arrested in a Communist roundup Dec. 29.

WALTER PIERCE 'SAME'

# Geiger Counter Demonstrated At U.O. Dinner

Demonstration of an atomic pile and Geiger counter in operation was part of the University of Oregon community educational meeting Wednesday evening at the Marion Hotel.

Dr. Edwin G. Ebbighausen, professor of physics at the University, brought an atomic pile to the dinner meeting and, in the course of his discussion to some 75 alumni and visitors, demonstrated it with the aid of the counter.

Ebbighausen was one of four lecturers who delivered talks to the group. Dr. William C. Jones, dean of administration, outlined some of the problems involved in his department. George Hopkins, professor of piano, played dinner music.

Coach William J. Bowerman, head of the university track team, addressed the group.

Alumni director Lester E. Anderson, who was in charge of the program, was introduced by Salem organizer Reynolds Allen.

# Canadians to Vote on Liquor Law Changes

VANCOUVER, B. C. (AP)—British Columbians will get a chance, probably in June, to express an opinion on present liquor laws and on the sale of spirits by the glass in cocktail bars.

At the opening of the Legislature Tuesday the speech from the throne read by Lieutenant-Governor Clarence Wallace told of the government's intention to hold a plebiscite on the question of liquor sales.

At present, liquor must be purchased from government liquor stores and only beer is served in taverns. Some private clubs have a license to serve liquor.

In the last fiscal year the government had net liquor profits of more than \$18,000,000, an increase of nearly \$1,000,000 over the previous year. Sales totaled \$60,557,714 in the 1950-51 fiscal year.

# Morse Disputes Taft Statement On 'Promise'

WASHINGTON (AP)—Sen. Morse (R-Ore.) Wednesday challenged the accuracy of a statement by Sen. Taft (R-Ohio) that he never promised to help Morse get a seat on the Senate Foreign Relations Committee.

Morse wrote Taft the statement "does both yourself and me an injustice," and added "it would be very unfortunate if an issue of veracity between us should arise in the public mind."

Taft told a reporter he had not had an opportunity to read Morse's letter, but he added "I certainly never did promise to help Morse get a foreign relations post."

In his letter to Taft, Morse said: "... in fairness to both of us, I think you should take the necessary steps to correct the misunderstanding which I am sure has arisen as a result of the reported comment you made in regard to this matter..."

# Mysterious Noise Alarms Portland Area

PORTLAND (AP)—A long, rumbling noise alarmed part of Portland and a suburban area southwest of the city Wednesday night. Police began an investigation, but the cause of the noise was not determined at once.

Heard over a wide area, it sounded like thunder. The Weather Bureau said that if it was thunder, it was a freak, for conditions did not indicate thunder or lightning in the area.

Some residents reported seeing a flash, and some thought a jet plane had crashed. The Air Force said no jet planes were flying, and a check of military and civilian flying services disclosed no planes missing.

A theory also was advanced that a meteor had passed over.

HOLMER TO SPEAK

Guest speaker for the Salem Optimist Club will be Freeman A. Holmer, assistant professor of political science at Willamette University at the Senator Hotel at noon today.

ONE-TRACK MIND

LORAIN, O. (AP)—Mr. and Mrs. George George became the parents of twin sons Wednesday. Mrs. George said she hasn't decided on a name for the second twin, but the first will be named George.

QUEEN CONGRATULATES

SLOUGH, Eng. (AP)—Warm congratulations on this remarkable anniversary, said the letter Mrs. Catherine Barr read Wednesday on her 107th birthday. The letter was from a woman of 25, Queen Elizabeth II.

U.M.T. MEASURE GAINS

WASHINGTON (AP)—Universal Military Training for 18-year-olds moved a long stride nearer Wednesday. By a 13 to 0 vote, the senate Armed Services Committee approved a bill to permit the start of UMT before the end of the year.

# BROTHERS SET BOND RECORD



Five brothers, standing l to r, Mike G., John G., and Steven A., kneeling; George Jr., and Joseph A. Stephansick, of Lorain, O., have set what is probably an all time family record for the regular purchase of U. S. Defense Bonds since 1942. They all work in the Lorain plant of the National Tube Company, where 99.64 per cent of its 12,900 employees are enrolled for the Payroll Savings Plan. Company-wide, the National Tube Co. has enrolled 97.7 per cent of its 21,000 employees.

# Water Problem Tops Farm List, Farmers Union Conclave Told

By LILLIE L. MADSEN, Farm Editor, The Statesman

WOODBURN — Water problems lead all other farm problems, Elmer McClure, Milwaukee told the Oregon State Farmers Union membership Wednesday. The organization is holding its annual three-day meeting here.

McClure, Master of the Oregon State Grange, and a guest of the Farmers Union Wednesday, predicted that the 1953 Oregon legislature would pass a ground water law to provide proper allocation of ground water. He also urged for better farm public relations, which, he said, was at "very low ebb" at present.

Opposition to any federal controls that would destroy food crops was strongly expressed Wednesday night by Herbert Rolph, speaking to the 130 Farmers Union members at the annual banquet.

"With the modern storage facilities there is no excuse for destruction of food as a control measure," Rolph told his listeners as he reminded them that there "always comes a lean year in production."

"Fair Returns Sought"

The national officer urged full production but hoped for a "fair means of providing the farmers adequate returns." He reminded them that increased crop production lowered parity basis, and that the lower parity would set the pattern for the next 10 years. He also pointed out that production had already been greatly increased during the past 10 years. In 1942, he said, one average farm family produced sufficient to feed five families; today that family provides food for 15 additional families.

Harley Libby, Jefferson, was master of ceremonies. Music was furnished by Frank McDonald, Woodburn High School music director, an Irish tenor, who played his own accompaniment.

The Wednesday day-time convention program was divided between insurance reports within the halls and organization political talk in the corridors and over cups of coffee in the adjoining restaurant.

Two Contestants

The campaign for president, to replace Ronald E. Jones, who announced Tuesday he would not be a candidate for re-election, apparently had settled down by Wednesday night to a battle between the proponents of Richard Moeller, Cornelius, and those of Wendell Barnett of Gervais. Election will conclude the convention Thursday afternoon.

Reports in the official sessions showed a slight decrease in Farmer Union membership and a great increase in Farmer Union insurances.

Mrs. Pat Gorman, Sublimity, was named delegate to the life insurance division and Mrs. Percy Lamb, Monmouth, to the Auto and

# Korea Casualty List 105,841

WASHINGTON (AP)—The Defense Department announced on Wednesday a new total for American battle casualties in Korea—105,841. The figure was based on notifications to families through last Friday. It was an increase of 333 over last week's report.

A summary:

New Total  
Killed ..... 16,427 65  
Wounded ..... 76,794 281  
Missing ..... 12,620 13\*

Casualties by services:

Army ..... 86,730 230  
Navy ..... 1,226 15  
Air Force ..... 1,037 3  
Marine Corps ..... 16,848 85

2 RED JETS DOWNED

SEOUL (AP)—U.S. Jet pilots Wednesday shot down two of about 200 MIG-15 jets which the Communists sent into the skies of Northwest Korea. Five other MIGs were damaged. It was the eighth kill in four days of blazing air action.

# February Gale Brings Snow To Midwest

By The Associated Press

A February storm brought more snow, sleet and strong winds to upper areas of the mid-West Wednesday.

Three days of snow brought highway travel to a virtual standstill in South Dakota. Strong winds piled a foot of new snow into huge drifts.

Main highways in Central Minnesota were blocked. Winds drifted up to 14 inches of new snow. Rain and sleet glazed the southern part of the state.

An estimated 250 schools were closed in Minnesota. Some 200 vehicles, most of them semi-trailer trucks, were stranded at Royaltown, Minn., about 75 miles northwest of Minneapolis.

Hits Buried Car

At Bar Harbor, Me., struck by one of the worst snow storms of the century early in the week, a snowplow bucked a drift and hit a buried car. The crew opened a car door and cut freed Paul V. Delaney, 20, of Staten Island, N. Y., attached to the U. S. naval radio station at Winter Harbor, Me.

He said he had been in the car since early Monday morning. He was hospitalized but his condition was reported as not serious.

A belt of freezing rain extended from Northern Ohio northwestward through Southern Michigan and Southern Wisconsin.

Light snow fell in the Central and Northern Rocky Mountains. Sub zero cold whipped parts of Montana and Wyoming. Havre, Mont., had a low of -12 and Big Piney, Wyo., -29.

Into Sierras

A heavy storm sent snow swirling down onto the Sierra Nevada, again blocking the main transcontinental highways and setting an 81-year snow depth record.

The Weather Bureau said 22 inches of new snow fell overnight at Soda Springs, not far from Donner Summit on U. S. Highway 40. Total depth on the ground today was 215 inches—almost 18 feet. The old mark was 202 inches, measured on Feb. 14, 1938.

U. S. Highways 40 and 50 were blocked.

But the storm itself was tapering off and weather and road officials did not foresee a recurrence of the early January situation, when quick-striking storms trapped the Southern Pacific streamliner "City of San Francisco" in Donner Pass.

# Cattle Census Rises in State

PORTLAND (AP)—The number of cattle in Oregon increased 12 per cent in the past year to a record high, the Federal Crop Reporting Service said Wednesday.

The total Jan. 1 was 1,288,000, valued at a record \$227,180,000, up almost 50 million dollars over a year previous. Nearly all the increase was in beef cattle. Dairy cattle increased only 1,000 head.

# Civil Defense Radio System Demonstrated

About 80 Marion County Civil Defense personnel attended a demonstration at Bush School Wednesday night of a radio-communications part in a simulated disaster.

From the stage of the school Duane Hewitt made actual radio contact with seven outlying defense deputies. The deputies received on mobile radio units installed in local amateur radio operators' cars.

# USAF Eases Secrecy Rules On Pictures

WASHINGTON (AP)—The Air Force has relaxed its secrecy rule on the photographing of plane crashes outside military reservations.

A new Air Force policy, disclosed at a Pentagon news conference Tuesday, was praised by James S. Pope, chairman of the Freedom of Information Committee of the American Society of Newspaper Editors, as a "notable contribution to the freedom of information and freedom from arbitrary restraints."

Pope also noted, in a letter to Air Force headquarters, that the new regulations give the press "a serious responsibility" for seeing to it that military secrets are not made public through plane crash pictures.

# Oil Walkout Set March 3

DENVER (AP)—A strike to start March 3 in some of the largest plants in the oil industry was called Wednesday night.

The committee representing 22 unions, which had voted approval of a strike to back up wage demands, did not name the plants which would be struck.

O. A. Knight, president of the CIO Oil Workers International Union, said the unions are asking a basic 25 cents an hour increase in pay.

# Copper, Aluminum Quotas Reduced For Appliances

WASHINGTON (AP)—Makers of most important household appliances faced new production cuts Wednesday as their copper and aluminum supplies were trimmed 14 per cent, starting April 1.

But the National Production Authority, in announcing second-quarter quotas, came to the aid of hard-hit firms which produce "less essential" items such as costume jewelry. It announced that their lean metals supply was being fattened.

# Over 50 Hurt As Ceiling of Theatre Falls

CINCINNATI (AP)—More than 50 persons were hurt Wednesday night as a large portion of the ceiling of the Roosevelt theatre collapsed and fell on the audience.

The theater is in the heart of Cincinnati's downtown Negro district.

Many of those hurt suffered only minor injuries but several were believed to be in serious condition.

All of the injured were Negroes. Joseph R. Miller, manager of the theater, estimated there were only between 200 and 300 patrons inside when the ceiling began to fall.

Fire Marshal Harry McNeely said the ceiling began to fall in the front near the screen, showering persons sitting in the first dozen rows with plaster, insulation material and sections of large wood-beams.

McNeely said there apparently was a "near panic" when the ceiling began to fall. One witness said patrons "poured out of the theater like crazy."

Clifford Fagan, who was sitting in a back row seat, said, "I heard a big cracking noise and then the whole part of the ceiling fell. There was no warning."

There was no immediate estimate of the damage.

Firemen doing rescue and clean-up work found many articles of clothing - hats, coats and even shoes - in the debris.

# British Planes Said Better Than Russia's

NEW YORK (AP)—A prominent British figure said Wednesday Britain's new planes are better than Russia's.

The statement came from Lord Balfour, British under-secretary of state for air during World War II, shortly before he left for home by plane following a U. S. lecture tour.

He said he referred both to fighter and bomber planes.

# RUSS VETOED AGAIN

MUNSAN, Korea (AP)—The U. N. Command again told the Reds Thursday that Russia was not acceptable as a neutral truce observer because she had "a record of past participation in Korea." An Allied staff officer said the reasons for Allied opposition to Russia were "clear, cogent and irrefutable."

# BECKE and WADSWORTH

"All Kinds of Insurance and Surety Bonds"

562 State St. Opposite Court House

Phone 4-3333

# Across the Street Across the Nation

Since 1906

● MOVING ● STORAGE ● CRATING ● PACKING ● SHIPPING ● HEATING OIL ● COAL ● BRIQUETS

CALL RUSS PRATT CAPITAL CITY TRANSFER CO. PHONE 2-2436

# Custom made quality cabinets and furniture designed and finished in various woods to meet your needs.

Gerwood Products Company

Bessett and Murlak West Salem Mail Address: P.O. Box 332 Salem, Oregon Phone 2-1579 Phone 2-6678 (After 5 P.M.)

# Doolittle Heads Special Plane Crash Probe

WASHINGTON (AP)—President Truman, "seriously concerned" about the recent wave of airplane crashes, set up a special commission Wednesday to investigate them, with the famed flyer James H. Doolittle at its head.

The action came in the wake of three crashes within two months at Elizabeth, N.J., which claimed 18 lives and led to the closing of the big Newark airport.

Mr. Truman directed the commission to pay particular attention to "the problem of airport location and use."

He said in a letter to Doolittle, a retired general who led the carrier-based air strike at Tokyo in World War II:

"For some time now I have been seriously concerned about airplane accidents, both commercial and military, that have occurred in the takeoff and landing of aircraft, especially in heavily populated areas..."

"I have decided to set up a temporary President's Airport Commission to look into the problem of airport location and use."

To serve with Doolittle, now a Shell Oil Corp. executive and part-time Air Force consultant, the President named Charles F. Horne, Civil Aeronautics Administrator, and Dr. Jerome C. Hunsaker, head of the Department of Aeronautical Engineering at Massachusetts Institute of Technology.

Mr. Truman asked the Commission to make recommendations within 90 days on what can be done to protect "the safety, welfare and peace of mind" of persons living near airports while meeting national defense needs and recognizing "the importance of a progressive and efficient aviation industry."

# Gloria 'Coy' About Plans

HOLLYWOOD (AP)—Actress Gloria Swanson, 52, wouldn't say yes and she wouldn't say no Wednesday when asked about a report she plans to marry her manager, Brandon Brent.

She hinted that she might, then added: "Why don't they wait until it happens?"

Brent, former newspaper columnist who is in his early thirties, was just as coy. "If everyone keeps saying we'll be married, we might do it," he said.

If Miss Swanson takes the leap, it will be her sixth venture into matrimony.

# HOLLYWOOD "Your Friendly Theatre"

Now Showing - Open 6:45

June with Josephine Pennington Addison Van Johnson

Too Young to Kiss

Co-Feature in Color "ROCK ISLAND TRAIL" Forrest Tucker, Adele Mara

# ELSINORE

Open at 6:45

Robert Mitchell Elizabeth Scott "THE RACKET" -And- "2 GALS & A GUY"

# CAPITOL

Continuous

Randy Scott in "MAN IN THE SADDLE" -And- "CRIMINAL LAWYER"

# GRAND

Continuous

"SILVER CITY" Technicolor! -And- "LET'S MAKE IT LEGAL"

# STATE

Open 6:45 P.M.

"THE OUTRIDERS" Joel McCrea -And- "TWO GUYS FROM TEXAS"