

THE WEATHER HERE

PARTLY CLOUDY tonight and Friday. No important change in temperature. Lowest tonight, 53; highest Friday, 78.

Maximum yesterday, 81; minimum today, 57. 24-hour precipitation, 0.1 for month, 0.1 normal, 0.1. River height, 41.47, normal, 35.25. River bright, -3.5 feet. (U. S. Weather Bureau station)

Capital Journal **H O M E E D I T I O N**

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Truman Firm For Arms Bill To Aid Allies

Agrees to Curb On Allocation of Military Aid

Washington, Aug. 4 (AP)—President Truman today rejected suggestions that he compromise in his request for \$1,450,000,000 for arms aid to friendly nations.

Mr. Truman indicated at his news conference, however, that he does not oppose suggested congressional curbs on his broad authority to allocate the funds and specify nations to receive the aid.

He said the arms aid bill to implement the Atlantic alliance should be passed by congress as soon as possible and that the full amount sought should be granted.

Democrats and republicans alike have agreed that Mr. Truman may not get all that he wants in the request for arms aid.

House Set for Cut

House foreign affairs committee members appeared determined to trim the amount asked even after they received figures in Soviet military strength. They had a full day of closed door sessions yesterday with arms and state department experts who helped draft the big arms aid program.

Mr. Truman said he does not care anything about blank check authority to allot the arms aid money.

He said he is content to let congress work out the details.

The important thing, he said, is to provide the money and provide it quickly.

The situation shaped up like this after the first full week of committee consideration of the program sent to congress last week by Mr. Truman:

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White Paper on China by U.S.

Washington, Aug. 4 (AP)—President Truman said today that the United States will publish a white paper on its relations with China to clear up "misrepresentation, distortion and misunderstanding."

In a formal statement, the president said that the friendship between the United States people and the people of China "is as strong today as it has ever been."

He said the problem is to find way "to give practical expression to that friendship" and that this is receiving "the closest attention of this government."

The statement was given out at his weekly news conference.

A reporter recalled that there has been criticism that the United States government has been "too slow" in its aid to the Chinese nationalist government because of reported communist influences within the state department.

Mr. Truman said that this entirely erroneous criticism would be covered in the volume the state department is publishing tomorrow.

He said in his statement that some of the "misrepresentation, distortion and misunderstanding" arose because this government "was reluctant to reveal certain facts, the publication of which might have served to hasten the events in China which have now occurred."

President Favors International Fair

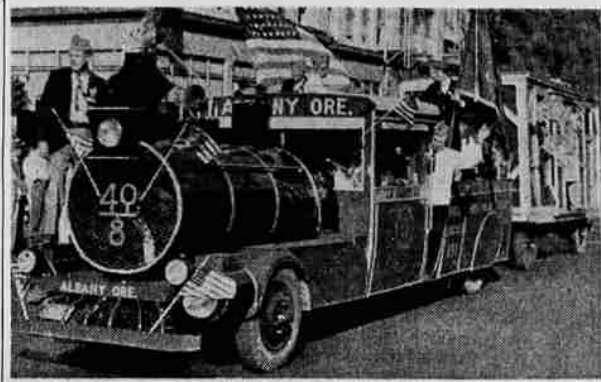
Washington, Aug. 4 (AP)—President Truman today voiced his support of a proposed international fair in the United States next year to stimulate international trade.

Mr. Truman told his news conference he thought the idea for such a fair is a very fine thing.

He said the matter is under consideration officially, but he did not go into details.

A newsman had mentioned a report suggesting that such a fair be held in the United States in 1950, naming Atlantic City and Detroit as among the cities suggested for sites.

Mr. Truman said he was familiar with the idea. He said its purpose would be to make sales of U. S. products easier and also make it easier to import products.



40 et 8 Day Highlights—The 40 et 8, honor and fun-making society of the American Legion, held its one-day convention in Salem Wednesday. A sample of its activities is shown here. Top left, the Albany locomotive, first-place winner in the stunt division of the 40 et 8 parade is shown as it creeps along in the line of march. Top right, the Oregon boxcar of the French gratitude train is permanently enshrined at dedication services conducted on the Legion clubhouse grounds; bottom left, a 40 et 8 "goof" from Portland wheels a broken slot machine on a surgery table; bottom right; the Salem 40 et 8 voiture marches in the parade.

Refuse to Let Mrs. FDR Quit

Washington, Aug. 4 (AP)—President Truman said today that he had rejected an offer by Mrs. Franklin D. Roosevelt to resign from her United Nations post. He said she will return to the next general assembly as a delegate.

The President said that no reference to Mrs. Roosevelt's controversy with Francis Cardinal Spellman over federal benefits to parochial schools was contained in her letter.

He described it as the routine formal offer to resign that virtually all holders of diplomatic posts send in regularly.

A reporter brought up the subject at Mr. Truman's weekly news conference. The newsman said he had been told that the widow of the late President had offered to resign her post with the United Nations (she is a member of the human rights commission.) because of her controversy with the Catholic prelate in New York.

Mr. Truman replied promptly that Mrs. Roosevelt offers her resignation every year. In the last case, he said she expressed no reason. Asked if he will accept the resignation, Mr. Truman replied she's going back to the United Nations.

Railroads Clamp Wheat Embargo

Portland, Aug. 4 (AP)—Railroads clamped an embargo on shipment of government owned wheat and barley to Pacific northwest ports today at the request of the commodity credit corporation.

Clyde Kiddle, regional CCC director, said the embargo was necessary because terminal elevators at Portland, Vancouver, Longview, Tacoma and Seattle were almost full.

Kremlin to Be Destroyed In 10 Years, Benes Says

By ROBERT LETTIS JONES
America's present foreign policy, if followed by the democracies of the world, will destroy Russian communism in 10 years. This flat prediction of doom for the Kremlin was made Wednesday night by Dr. Bohus Benes, visiting professor at Willamette university and nephew of the late president of the Czechoslovak republic.

Benes included these points in United States policy which has effectively checked Russian expansion in Europe: The Truman doctrine, Marshall plan, and Atlantic pact.

As to the latter, Benes told his audience that "the Kremlin understands the effectiveness of the Atlantic pact better than you do."

"You people should be proud of your leadership... Without the Truman doctrine, Greece and Turkey would have been communist today. Without the Marshall plan, France and Italy would be communist today. And without the Atlantic pact, Finland and Norway would now be behind the iron curtain."

"The American people are irrevocably appointed by Providence to lead the world out of the present crisis."

Benes spoke in Waller hall on the university campus in the last of three lectures on world affairs he has given during his visit this summer session. He based his forecast of the

Pomp and Humor Given Legion Show by 40 et 8

Displaying pomp and humor all the way, the colorful 40 et 8 parade marched, rode, crawled and crashed its way through downtown Salem Wednesday evening to give American Legion festivities for the 31st annual state convention a glorious sendoff.

The parade packed plenty of variety. There were elaborate props as well as crude props. The latter group drew the laughs. There were snappy marching outfits as well as intentionally disorganized marching units, each a crowd-pleaser in its own right.

If one were to have made a recording of the parade passing, he'd hear precision drum and bugle corps, off-key singing, old car motors, frequent blasts from a terrifically loud cannon, and the old, familiar Legion cry, "Where's Elmer?" And for background, there would be the constant laughing and applauding of the thousands of townspeople who lined the curbsings for the event.

O'Dwyer Offers Peace Services

New York, Aug. 4 (AP)—Mayor William O'Dwyer has offered to act as peacemaker in an effort to settle the controversy between Francis Cardinal Spellman and Mrs. Franklin D. Roosevelt over federal funds for parochial and other private schools.

The mayor, a Roman Catholic, said yesterday he has "equally great respect" for both Cardinal Spellman and Mrs. Roosevelt.

O'Dwyer declared he could not believe that the stand taken by the president's widow was "the result of bigotry."

Cardinal Spellman, protesting to Mrs. Roosevelt against her newspaper column opposition to granting federal funds for non-public schools, had told her in a letter:

"Your record of anti-Catholicism stands for all to see... documents of discrimination unworthy of an American mother."

Mrs. Roosevelt replied to the cardinal, the archbishop of New York, denying anti-Catholic bias and saying God is the final judge of a human being's worth.

Reappraisal Klett Estate

Reappraisal of the Hollywood Bowl and Crystal Gardens properties of the late Otto A. Klett made by George Grabenhorst, Rex Adolph and Helen V. Gallagher, cut the valuation of Crystal Gardens as filed in probate in the first appraisal from \$75,000 to \$62,500 and left the Hollywood Bowl appraisal at \$85,000 as in the original inventory.

The cut in appraisal of Hollywood Bowl properties is given as being due to "brown rot and track not being well built."

The estate's original total appraisal was placed at \$401,541.25.

In an order determining inheritance tax just filed the total valuation of the taxable estate is placed at \$389,078.24 with \$63,159.04 charged off as deductions leaving a net taxable estate of \$325,919.20.

Value of the inheritance of the widow, Bertha Klett, is placed at \$198,419.20, and of a brother, Andrew T. Klett, at \$127,500. Amount of tax on the widow's share is fixed at \$8,273.17, and on the brother's share at \$21,976.17, or a total state inheritance tax of \$30,249.34. Exemption granted to the widow under the law is \$10,000 and none to the brother.

Special Bus Service For Legion Parade

Special service will be offered by the City Transit line in connection with the American Legion department parade and the Cavalcade at the State Fair grounds Friday evening.

Additional buses will be run on the 17th and Market and the Madison street lines as far as the 18th street entrance to the fair grounds by the Madison route.

Extra service will be offered on all loop operations at the conclusion of the parade in the downtown area. The parade starts at 7 o'clock and will be concluded in time for the entertainment at the fair grounds.

Golden Gate Span Suicide

San Francisco, Aug. 4 (AP)—A man of about 45 leaped to his death from Golden Gate bridge last night as a highway patrolman ran to grab him. He was the span's 116th known suicide.

He wore a bracelet bearing the name Glenn R. Burbank. His address was unknown.

Belgrano Raps Corruption In National Legion Politics

Barkley Rules \$50 Million Loan To Spain Out

Washington, Aug. 4 (AP)—Vice President Barkley today ruled \$50,000,000 in loans to Spain out of the European recovery program.

Barkley held that an amendment sponsored by Senator McCarran (D-Nev.) violates senate rules against writing new legislation into an appropriation bill.

Democratic leader Lucas of Illinois challenged the McCarran amendment. And then McCarran appealed the Barkley ruling.



Frank N. Belgrano, Jr.

Declares War On Racketeers Of Hierarchy

By CHRIS KOWITZ
An oral jack-in-the-box leaped from the speaker's platform of the Elsinore theater Thursday morning as Frank N. Belgrano, Jr., past national commander, delivered a shocking speech about corrupt Legion politics that dated 1200 state Legion convention delegates.

Belgrano, now president of the First National Bank of Portland, had not previously announced the topic of his talk. Legion officers, convention committees, and newsmen were not informed as to what he would talk about. Belgrano kept it to himself until he delivered his tongue-lashing at the opening joint session of the 31st annual convention.

It came as a surprise to everyone. Speakers at such occasions usually speak on some sort of patriotic or public service note.

"Well Oiled Machine" But not Belgrano. He called the national Legion leaders "a well oiled machine" which attempted to run the Legion for their own personal interest.

The speaker said that the Legion has become a powerful organization, one of the most important controlling factors in the economic and governmental standing of the United States today.

"Therefore," Belgrano explained, "a person who is a leader in the Legion is able to control much in the manner he sees fit." Belgrano explained this further by saying that a Legion leader carries enough power to permit him to gain recognition from the nation's leaders.

Handling Legion Funds The speaker didn't beat around the bush in his remarks. He made it quite evident that he was referring to the national Legion leaders now in office.

(Concluded on Page 5, Column 6)

3 Nations Agree On Defense Plan

London, Aug. 4 (AP)—American joint chiefs of staff have reached a complete understanding with Britain, Norway and Denmark on organization for mutual defense under the Atlantic pact. Aam, Louis E. Denfield announced today.

"We are going home, I am sure, with a very much better understanding of the situation than we had when we came over," the U. S. chief of naval operations told a news conference following meetings with Norwegian and Danish military commanders.

Adm. Denfield spoke for the joint chiefs.

The subject of sharing the atom bomb with other Atlantic treaty signatories was not mentioned in the staff talks, Denfield told a questioner.

"There was no general discussion of arms aid," he added. "Our purpose in coming here was to exchange ideas on proper organization."

The Scandinavian delegations met the American officers in separate conferences at U. S. naval headquarters in London. Each group spent more than an hour with the Americans.

The conferences were conducted under the same conditions of secrecy as yesterday's meeting with British military leaders. Armed guards made certain only actual participants entered the conference room.

Breathing Spell In Downturn

Washington, Aug. 4 (AP)—Signs built up today of a breathing spell—but probably not a permanent halt—in business downturn that has run through 1949 so far.

A consensus produced by a top-flight official group of economists working as a team boiled down—to with some "ifs" attached—to this:

1. The immediate outlook is that economic activity likely will hold at the mid-year level for the July-August-September quarter, and perhaps may rise a bit in September.

2. Longer-range prospects are darker, because it seems that, on the whole, fundamental readjustment has not been completed and employment, production, income and prices may continue to drift downwards from October through mid-1950.

The men who drew up this appraisal would not be quoted by name.

The longer-range downturn, it was noted, probably will be obscured from recognition by its piecemeal character, a moderate tempo, and erratic upturns now and then in particular lines.

One sign of an economic breather or reversal was said to be "a significant change in the attitude of businessmen (over the country) within the last two weeks," involving a swing toward optimism.

Drum and Bugle Contest Tonight

Keen competition is promised spectators of the American Legion drum and bugle corps contest on Sweetland field at 8 o'clock Thursday night. A band concert will precede the contests by a half hour.

The LaGrande corps, last year's champions, will be on hand to defend its crown. Several other drum corps teams throughout the state have been priming for Thursday's event, and LaGrande is much concerned over the safety of its crown.

Ashland post's Kilty band, clad in bright, genuine Scotch plaid and playing authentic Scottish bagpipes, will provide special entertainment at the drum corps meet.

Three members of Portland post No. 1 will depict the "Spirit of '76."

After the contest's completion, the competing teams will make their traditional invasion of the downtown section of the city, hammering drums and blowing bugles through streets, sidewalks, restaurants, taverns, hotel lobbies, etc.

Another big event slated for Thursday evening is the grand convention banquet in the armory at 6 o'clock. About 800 diners are expected to be on hand to pay tribute to Mrs. Herbert A. Goode of Portland, national president of the women's auxiliary.

Navy's Blue Angels Here from Texas

The "Blue Angels," the navy's official exhibition team and famous for close precision flying, have arrived.

In fact they arrived a day early—Wednesday night at 8:15 o'clock—much to the consternation of hotel clerks, who had reservations for the men starting August 4.

The five F8Fs and the RAD, bringing the six pilots and the eight crew members to Salem came direct from Corpus Christi, Texas, and instead of being preceded by the advance publicity man for the team, Lt. Frank Graham, were in Salem before Graham arrived.

Hotel accommodations not being available the 14 men were given rooms in private homes and Thursday moved to their hotel.

Up Goes Old Glory

Members of the Fourth Infantry regimental combat team conduct flag-raising ceremonies on the courthouse lawn Thursday morning to give the 31st annual American Legion convention a patriotic start. The second division band from Fort Lewis played for the occasion.

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New England States Disaster Areas

Boston, Aug. 4 (AP)—All New England states except Maine were listed as disaster areas because of the extended drought today.

Farmers who have exhausted all credit sources in Massachusetts, New Hampshire, Vermont, Connecticut and Rhode Island now are eligible for low-interest federal loans.

Maine has had more rain than the other five states.

Some sections of drought-parched New England received some relief yesterday from rain. The fall in Massachusetts was one-half inch.

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