

THE WEATHER HERE

PARTLY CLOUDY to cloudy, light scattered showers in vicinity tonight. Partly cloudy Friday. Continued mild temperatures.

Maximum yesterday, 75; minimum today, 58. Total 24-hour precipitation: 0; for month: .38; normal: .32. Season precipitation: 42.29; normal: 37.66. River height, -3.8 feet. (Report by U.S. Weather Bureau.)

Capital Journal

HOME EDITION

61st Year, No. 202 Entered as second class matter at Salem, Oregon

Salem, Oregon, Thursday, August 27

(32 Pages)

Price 5c

4-H Club Show On Big Scale At Fairgrounds

Prizes Awarded in Livestock Judging at 'Baby State Fair'

By DON UPJOHN With fir boughs as a backdrop the 14th annual Marion county 4-H club fall show is on in a big way at the state fair grounds, a "baby state fair" showing the cream of the crop and climaxing the work of over 2000 club members over the county.

Exhibits totaled over 175 as the entries were added and run the gamut from livestock through freezing, canning, turkeys, rabbits, poultry generally, roses and flowers, garden entomology and freezing as well as showmanship, judging and other demonstrations winding up with a big fat stock sale Friday evening.

In livestock judging Thursday Marshall Jelderks, Middle Grove, took highest individual scoring honors with 810 points out of a possible 700 and the Middle Grove Pig club was awarded the highest team honors for scoring with 1770 out of a possible 2100 points. Team records showed Marshall Jelderks, 610; Lewis Patterson, 595 and David Turner, 585.

Busy Beefers Second In second place for high scoring honors was the Busy Beefers club of Gervais totaling 1605 points, individual scores being Bob Bannick, 550; Nancy Burford, 535 and Franklin Hahn, 520. The Lucky 13 sheep club of Turner made third with 1575 points.

(Concluded on Page 5, Column 7)

Economy Drive Upsets Solons

Washington, Aug. 25 (AP)—Members of congress found themselves squeezed today between a military economy drive many of them had demanded and the outraged cries of constituents affected by the proposed cuts.

A typical example was offered by a western house member. He said he has been deluged up to now with letters urging him to vote for cuts in appropriations. Now, he said, the same people are complaining bitterly against military cutbacks in his district.

The predicament resulted from Secretary of Defense Johnson's announcement yesterday that the armed forces plan to fire 135,000 of their 905,000 civilian employees, while returning 12,073 reserve officers from active to inactive status.

That program aims at a \$200,000,000 saving during the fiscal year which started July 1, and savings of \$500,000,000 a year thereafter. It would help bring next year's military budget down to \$13,400,000,000. The 1949 budget totals \$14,900,000,000.

Johnson said the cuts are those proposed by the three armed services themselves. They will result in the closing of about 50 defense installations and the slimming down of a number of others.

Congressmen whose home districts are involved got the lowdown from Johnson yesterday. Many of them complained bitterly. Others approved.

Camp Adair Area Fire Extinguished

Dallas, Ore., Aug. 25 — Fire fighting equipment from three cities and the forest service department were called to the old Camp Adair area Thursday morning to fight a fire starting in old logged off land and slashing about a mile west of the old cemetery south of Monmouth. City equipment answered from Dallas, Independence and Monmouth and later a call was answered by the forestry department truck. The blaze burned over approximately half an acre before it was brought under control shortly before noon.

Study Wheat Marketing

Portland, Aug. 25 (AP)—Agricultural experts gathered here today to look over the study of northwest wheat marketing, begun last year. They expected to draft a preliminary report on where northwest wheat is sold. The survey was started, under the sponsorship of the Oregon Wheat commission, to provide specific data in developing new markets.

North Santiam To Be Diverted To New Channel

Farmers of Area Carrying Out Flood Control Project

By STEPHEN A. STONE Moving the North Santiam river, at its confluence with the South Fork, into a new channel about a mile and a half south of Jefferson, is expected to take place Friday evening, at an hour to be set.

This was made known today by W. F. Weddle, representing the farmers of the area, who are carrying the project through for control of floods.

The new channel that has been constructed is about one and a fourth miles long, starting where the two forks of the river join. It is an average of 150 feet wide at the top and 15 feet deep.

Constructing Dike Shifting the river into the man-made channel will enable the farmers to proceed with construction of a dike that already has been started. It also will be a mile and a half long, 128 feet wide at the bottom and averaging from 16 to 18 feet high. Completion of the dike will make a double channel for the river, thereby controlling the waters at the flood season.

The North Fork of the Santiam, flowing south from Green's bridge, makes a large circle to the west, meeting the South Fork about half way around the circle, continuing west until it flows north in passing the town of Jefferson.

1000 Acres Protected Most of the farm lands within the circle, comprising about 1000 acres of rich river bottom soil, are in a direct path of all flood waters from the river.

The floods of 1948 and 1949 caused a critical condition, with threat of a new channel being cut across the circle and outside the circle, to destroy several hundred acres of rich farm land. Some of the threatened farms are in Linn county.

The project now in progress straightens the channel, beginning at the confluence and continuing upstream on the North Fork to Green's bridge. The new channel was built by moving rock and silt from the present river and gravel bars and building riprapped dikes. It is estimated that 39,000 square yards of riprap surface will be laid on the dikes.

(Concluded on Page 5, Column 8)

Lumber Mill on McKenzie Destroyed

Eugene, Aug. 25 (AP)—Fire of undetermined origin destroyed the Golden Gate Lumber company, eight miles above Blue River on the McKenzie river highway early Thursday morning. Discovered shortly after 1 a.m., the blaze threatened for a time the surrounding cottages of mill workers and about 300 acres of cutover land behind the mill.

Loss was estimated Thursday morning at about \$20,000 by Nat. Gustina of Gustina Lumber company. Gustina had leased the mill for the past two years to Golden Gate, owned by James Jones of Eugene. The property was not insured and there was no indication Thursday whether or not the mill will be rebuilt.

McKay Intervenes for Aged Pensioner's Auto

By JAMES D. OLSON Governor Douglas McKay Thursday intervened in 78-year-old pensioner, Logan Field's case in which the state welfare commission ordered him to either dispose of his old automobile or be removed from the old age relief rolls.

The governor pointed out that the automobile "which no dealer would pay more than \$75 for," was apparently Field's only resource.

"I want to find out the complete story," the governor said. State Welfare Director Loa Howard was instructed to send the complete file of the pensioner to the governor's office forthwith.

McKay emphasized that he generally pursues a hands-off policy with respect to the autonomy of state boards and commissions, but added that he could "not help but be concerned over the details of the Fields' case as presented in press reports."

"I believe every one of these cases should be decided on its individual merit the governor said.

Reports from Portland stated that state welfare commission had upheld earlier action by the Multnomah county welfare commission in ruling that Fields must dispose of his automobile. Fields, press reports said, had claimed that his physical condition made it difficult for him to walk any considerable distance or to carry groceries on a bus.

Governor McKay issued the order just prior to his departure for Pendleton with other members of the board of control, who will visit the roundup, hence no action on the case is expected until early next week. (More details on page 10)



Officers and Directors of Oregon Farm Bureau Federation—State headquarters of the Oregon Farm Bureau Federation will be established in Salem September 1, and will be welcomed here August 31. Above are officers and directors. Front row, from left, W. Lowell Steen, state president; Mrs. Lester Van Blokkland, president of Associated Women; Marshall Swearingen, executive vice president. Back row, from left, Glenn Sands, third vice president; H. R. Weatherford, second vice president; Fred Rueck, director of southern region; Harlan Wendt, past director at Baker; Bill Perry, Pendleton, attorney; L. A. McClintock, director of northeastern region; Barry Brownell, director of the western region. Below at left, President Steen.



Farm Bureau Caravan Comes Next Wednesday

A progress caravan, heralding the setting up of headquarters in Salem by the Oregon Farm Bureau Federation, will arrive in Salem next Wednesday, August 31. It will be officially welcomed by Governor Douglas McKay.

Salem headquarters will be at 147 North Liberty, in the same building occupied by the Chamber of Commerce, and will open September 1.

Arrival in Salem will climax a two-day trip from Milton, seat of the federation for some years, and the caravan will be ceremoniously welcomed at several places on the way.

Cars and trucks in the caravan will carry equipment and staff members. Lowell Steen, state president, said the move to Salem is another step in a steady expansion of the federation in Oregon.

The caravan will leave Milton early on August 30 and is scheduled to reach Hermiston at 8:30 where it will be welcomed by Mayor Lee Quiring and Sam Moore of the Chamber of Commerce. Refreshments will be furnished caravan members.

At the Dalles Mayor Howard Dent, Jr., and W. S. Nelson of the Chamber of Commerce have arranged a western style lunch in the park at noon. Radio Station KODL will record welcoming speeches and the response by President Steen.

(Concluded on Page 5, Column 8)

Florida Alerted For Hurricane

Miami, Fla., Aug. 25 (AP)—South Florida today was put on the alert for a hurricane.

An erratic hurricane in the Atlantic had recurved to the west-northwest during the morning after following a northwest course for a time.

The new course caused Grady Norton, chief storm forecaster at Miami, to inform the northern Bahama island to take hurricane precautions and southern Florida to stand by on the alert.

The storm at 11 a.m. was 480 miles east-southeast of Miami, moving at 15 miles an hour.

Norton said the erratic hurricane apparently was under the influence of a high pressure system.

"This storm is playing a few tricks," said Norton. "It has developed an elongated center and isn't following a true course. We are watching it like a hawk."

The older storm, known as "Harry's Hurricane" because it coincided with President Truman's visit to Miami Monday, brought high seas to the North Carolina coast and a boatman drowned there when he attempted to retrieve a loose skiff.

Attempted Escape Fails Scio, Ore., Aug. 25 (AP)—A prisoner who attempted to escape the city jail here Monday by burning the door down was back in a sturdier county jail today—facing an additional charge of arson.

Chiang Wants Finish Fight

Canton, Aug. 25 (AP)—Chiang Kai-Shek appealed to nationalists in China today for a finish fight against the "aggression" of the communist international.

The Reds answered with a new push on uneasy Canton. The Chinese Reds have "unmasked themselves as international agents," the nationalist generalissimo declared. He saw their power waning as a "strong arrow reaching the end of its flight."

But he also seemed to see the end of Canton as his government's refuge capital. For he said "today Chungking will again become the center for the fight against aggression."

The new communist drive was unleashed by famed one-eyed Gen. Liu Po-Cheng in the southwest corner of Kiangsi province. It threatened three towns near the Kwangtung province border—all within an arc 140 miles northeast of Canton.

It was believed the Reds were trying to take Chiennan, Lungnan and Tingnan as springboards for an enveloping movement aimed at cutting the Canton-Hankow railway at Kukong, 125 miles north of Canton.

If the maneuver succeeded, large nationalist forces would be forced to retreat or risk encirclement. Canton would be seriously threatened.

Albany Council Asks Rent Decontrol

Albany, Aug. 25 (AP)—The city council last night voted to ask Gov. McKay to recommend rent decontrol here.

The vote was 3 to 2. Two resignations were received. Police officer Martin R. Holmes said he had been wrongly dismissed by City Manager J. D. Baughman. City Engineer Harold Polling quit as the result of what he said was criticism of his inspection of recent street improvements.

Body Pulled from River

Portland, Aug. 25 (AP)—A middle aged man's body was pulled yesterday from the Willamette river by Portland harbor patrolmen. The coroner's office said the man was clad in tan shirt, brown pants and blue coat. An empty wallet was found in one pocket.

House Probers Exonerate Officials in B-36 Program

House to Recess To September 21 Despite Senate

Washington, Aug. 25 (AP)—Ignoring Senate objections, the house passed today a resolution adjourning itself informally from tomorrow until Sept. 21.

The resolution does not require senate approval. It provides that the house shall meet every Tuesday and Friday during the recess period to hold token sessions.

The constitution won't let either chamber quit for more than three week-days at a time without consent of the other. The senate has refused to give consent to house plans for an outright adjournment.

Earlier speaker Rayburn had announced the house would adjourn despite the senate's objection.

He said the senate's action was "the first time in history" as far as he could recall that one chamber refused to agree to procedure approved by the other in respect to meeting. The action, he added "certainly does not" promote comity between the two branches of congress.

Since the house technically will be in session, that procedure won't conflict with a constitutional ban against either chamber quitting for more than three week-days without the consent of the other.

By a thumping vote the house yesterday passed a resolution seeking senate consent for an outright house adjournment without the necessity of keeping a few members here to hold informal meetings.

(Concluded on Page 5, Column 8)

Senate Votes For Power Lines

Washington, Aug. 25 (AP)—The senate voted money today for construction of two public power lines in the central valley of California.

The unanimous voice vote was another in a series of victories for public power line advocates in overriding the senate appropriations committee. It had deleted power line funds from the house-approved interior department bill.

The senate also agreed today to house-voted funds for a reclamation bureau power line at Anderson Ranch dam in Idaho. It was with the understanding, however, that the bureau will first negotiate with the Idaho Power Co. for a contract to transmit government power over the company's lines.

The California lines were approved when the senate adopted an amendment by Senators Knowland (R., Calif.), Downey (D., Calif.), and Malone (R., Nev.).

The amendment provides \$2,000,000 for two controversial west side lines from Shasta to Tracy. The house had voted \$3,000,000 and the senate committee nothing.

The amendment also restored house-approved \$100,000 for surveys of power facilities in the central valley project.

Barkley Keeps Romance with Widow Alive

Washington, Aug. 25 (AP)—Vice President Barkley kept alive today the romantic speculation linking his name with a pretty St. Louis widow.

And he took obvious delight in being introduced as "the squire of Paducah and the new spirit of St. Louis."

It all happened before several hundred democrats last night in the Hotel Mayflower ballroom when the genial "veep" spoke at a dinner of the national committee.

The widow, 37-year-old Mrs. Carleton Hadley, wasn't present. Her name was not even mentioned. But she was very much in everybody's mind when retiring National Chairman J. Howard McGrath introduced the 71-year-old Barkley.

The "veep" threw back his head and laughed as heartily as anyone in the room at McGrath's reference to St. Louis.

"This," Barkley responded when quiet had been restored, "is the hour I long have sought and mourned because I found it not."

He went on to say that "there has always been an inseparable connection between Kentucky and Missouri" and "it looks like it's going to continue." He added: "That's what I hope."

Europe Slumps In Recovery

Washington, Aug. 25 (AP)—The economic cooperation administration (ECA) today reported a slackening in the rate of European recovery.

In a sober report on its first year's operations, the agency said the dollars earned by the nations of Europe during the period were enough to pay for only one-fifth of their imports from the western hemisphere.

"This was the critical problem which the participating nations faced as the European recovery program (ERP) entered its second year," the ECA said.

However, the report added, the program's "ultimate objective of a 'healthy economy independent of extraordinary outside assistance' remains as a difficult but attainable goal."

Board Members Off to Round-up

Gov. Douglas McKay left the Oregon capital shortly before noon today to attend the annual Pendleton roundup.

He was accompanied by Secretary of State Earl T. Newberry and State Treasurer Walter Pearson.

They planned to inspect the Eastern Oregon state hospital while in Pendleton. On his way back Sunday the governor will stop over at the county fair at Redmond.

London Publisher Dies

Dublin, Ireland, Aug. 25 (AP)—Cyril A. Kew, joint managing director of the London News Chronicle and Star newspapers, died suddenly here last night. He was 59.

Odlum Denies Politics Played On Big Bomber

Washington, Aug. 25 (AP)—The house armed services committee today completely exonerated air force and defense department officials of collusion, fraud or dishonesty in the B-36 bomber program.

The finding was reached after the committee heard:

1. A flat denial from Floyd Odlum, head of the firm that makes the B-36, that there is "not one rivet of politics" in the giant bomber, and

2. A repudiation by its author of an anonymous memorandum which touched off the inquiry.

The committee, including Rep. Van Zandt (R., Pa.), voted unanimously to clear Air Secretary Symington, Defense Secretary Johnson and all others connected with rumors of political influence in the military air policy.

It was a speech in the house last May by Van Zandt, relaying some of the material in the unsigned memorandum, that led to the investigation.

Today Cedric Worth, suspended special assistant to Dan Kimball, undersecretary of the navy, backed away from all the suggestions of political influence and corruption that he had written into the paper.

Worth repudiated Memo. Worth also withdrew his designation of Odlum as an "unscrupulous" man.

Under a lashing cross examination by Joseph B. Keenan, counsel for the committee, Worth conceded he had done what Keenan called "a great disservice to the American people."

Worth also said: "I will state to anybody I believe I have done the navy no good."

(Concluded on Page 5, Column 8)

Coal Strike Parley Dubious

Washington, Aug. 25 (AP)—The breakdown of soft coal negotiations threatened the nation today with a simultaneous shutdown of its basic steel and coal industries within the next month.

Government officials regarded this possibility as a grave threat to American economic stability. They said the potential effects of such a shutdown would surpass even those of the prolonged labor disputes of 1946.

In 1946, they said, there was a huge backlog of demands that encouraged both labor and management to settle their grievances and get back to work.

The companies at that time were assured of tax rebates under wartime laws, and the workers had accumulated savings from their steady wartime employment. Both sides believed they could afford the strikes.

This year, however, the backlog of orders has almost disappeared, the wartime tax rebates have been wiped out, and workers' savings are down.

Britain Cuts Clothing Prices 5 Percent

London, Aug. 25 (AP)—The labor government today ordered a five percent cut in the prices of all utility clothing, footwear and household textiles despite the protests of Britain's small businessmen.

The price cuts will take effect Sept. 26. However, an organization of 250,000 small businessmen has asked its members to ignore the order to force a showdown with the government's board of trade.

To offset the effects of the price cuts, the board of trade released from price controls 42 groups of goods ranging from pencils to suspenders.

Boy Wins Scholarship

Detroit, Mich., Aug. 25 (AP)—Fourteen-year-old Gale Morris, Portland, Ore., last night was named a \$2,000 scholarship winner in the Fisher Body craftsmen's guild 1949 model automobile competition. The Portland boy took third place in the junior division. He was one of ten youths who won scholarships totaling \$26,000.



Johnson Announces 135,000 Lay-Off—Defense Secretary Louis Johnson, (standing right), announces to group of congressmen at Pentagon that 135,000 civilian workers for the armed forces will be laid off in his drive to slash military spending. (AP Wirephoto)