

FAIR TONIGHT and Thursday, some fog in morning, cooler tonight. Lowest temperature tonight, 36; highest Thursday, 65.

Senate Favors Sliding Scale of Price Supports

Farm Bill Sent Back To House in Party Line Split on Subsidies

Washington, Oct. 12 (AP)—A sliding-scale system of government price supports under major farm products won senate approval today.

After weeks of angry arguments that split party lines, the senators sent the so-called "price stabilization" act back to the house which has adopted a different plan. Passage was by voice vote.

Another bitter struggle between the senate and house over what's best for the farmer—especially during the 1950 congressional election year—now looms. An apparent disagreement between President Truman and two of his chief senate lieutenants threatens to cloud the issue for the democrats in next year's campaign.

Truman for War Prices Both the president and Vice President Barkley are said to favor continuance of the wartime level of farm price props now existing.

Senator Anderson (D., N.M.), former secretary of agriculture, is author of the senate's bill and democratic leader Lucas (Ill.) backed it.

Back in July, the house voted to retain 90 per cent of parity price supports under cotton, wheat, corn, rice, tobacco and peanuts during 1950. The house also retained present supports under a long list of other commodities.

(Concluded on Page 5, Column 1)

School Frats Bob-up Again

Illegal secret societies, the bane of the Salem public school administration, have bobbed up once more to plague the authorities.

No public announcement concerning the latest outbreak has been forthcoming either from the school board or Principal E. A. Carleton. The latter, however, said that the administration was in the process of investigating the situation. A number of those suspected of being involved in the latest society move have been questioned.

The probe has not proceeded far enough to determine whether any athletes are involved, Principal Carleton said.

The new organization, reported to involve a score or more of boys at senior high, has been named "A.B.C." The boys claim it does not come under the state statute which bans secret societies and has no connection with the Julius Caesars or Friars, two clubs that have caused the most difficulty.

The statute governing secret societies sets forth that "it is the duty of each school board within the state, to examine, from time to time, into the condition of all schools under its charge and to suppress all secret societies therein, and for this purpose such boards are hereby authorized to suspend or expel from school, at their discretion, all pupils who engage in the organization or maintenance of such societies."

\$57,761 Given To Chest Fund

Community Chest workers Wednesday morning added \$683.81 to the fund for the 1949-50 Community Chest here, bringing the audited total for contributions to the \$57,761.89 mark.

The divisions and the amounts of the contributions for each division as they stood Wednesday noon were:

- Automotive and transportation, \$7,613.50; contractors and builders, \$3,890.10; educational, \$1,275.33; general gifts, \$3,275.75; governmental, \$7,516.78; industrial, \$7,622.87; mercantile, \$9,899.75; professional, \$3,934; rural, \$345; utilities, \$888; West Salem, \$604.50; north Salem section, women's division, \$1,040.10; central Salem section, women's division, \$3,358.32; and south Salem section, women's division, \$2,067.89.

Eden Outlines Platform of Conservatives

London, Oct. 12 (AP)—Deputy conservative party leader Anthony Eden outlined to the opening session of the party's 70th annual conference today a 12-point program promising lower taxes and no more nationalization.

Eden, heir to the party mantle worn by Winston Churchill and first important speaker at the meeting, had to quell an impatient floor revolt by rebel delegates who demanded to know specifically what the Tories would do if they won the election.

He also attempted to weld the split between party leaders and Publisher Lord Beaverbrook over Beaverbrook's recently announced empire first, last and always plan.

Canton Defenses Fast Crumbling

Hong Kong, Oct. 12 (AP)—Nationalist defenses in South China crumbled today before fast moving communist armies.

Red elements were reported within 35 miles of the tottering provisional capital at Canton. The government fled to Chungking, far in the interior. Thousands of evacuees jammed Hong Kong.

Pro nationalist reports here said communist troops had entered outlying suburbs north-east of Canton. Hard driving red columns under General Cheng Keng struck toward the city on all northern fronts.

Independent military observers expressed belief the main body of communists still is probably some 50 miles to the north and northeast of Canton.

There has been no sign of resistance from the five nationalist armies supposedly lined up to defend Canton. An estimated 80,000 government troops were falling back on the city. Communist dispatches speculated that they would be evacuated by sea to Formosa and Hainan islands.

Pudding River Bridge Unsafe

The county court received a communication from A. L. Beck, superintendent of the Canby schools, Wednesday, advising of the unsafe condition of the inter-county bridge over the Pudding river in the north end of the county.

He said the bus driver for his district had advised that some of the supporting beams are broken, planks also broken and the west approach considered unsafe.

Under an agreement between the Marion and Clackamas county courts this bridge is one that comes under the maintenance of the Clackamas county court, each county paying half the expense. The communication will be referred to that court.

However, a year or so ago similar complaints came into the court here as to an unsafe condition at the bridge and efforts to get the Clackamas county court to fix it were so long delayed the Marion county court sent a crew there and made maintenance repairs regardless of the agreement.

Option Given for Sale Of Washington School

While the Grabenhorst Brothers firm of realtors was given a six months' option on the old Washington school property located at 12th and Center streets by the Salem school board Tuesday night, George Grabenhorst declines to discuss what he has in view.

Grabenhorst explained that the location is in a residential zone which would have to be changed before any business enterprise could locate there. However, he said that if a deal, now in a tentative stage, can be put through, it would mean an investment of a large amount of money over and above the price paid for the land. It would result in the employment of a considerable number of persons.

In giving the option at a figure in excess of \$100,000 the school board abandoned, at least temporarily, any plan for converting the old frame Washington building into administration headquarters.

Such a move, it was pointed out, would involve fire restrictions governing the conversion of a frame structure. The board agreed that unless the Washington property could be sold at a reasonable figure, it would be retained. However,

Murray Claims Steel Strike to Be Ended Soon

Predicts Union Victory With Coal Operators

(By the Associated Press) Philip Murray, CIO president, predicts the steel strike will end soon with a union victory in the fight for free pensions and insurance.

"I assure you that before very long we will all be happy," Murray said in a fighting address at Youngstown, O. It was his first talk of a pep tour to take him to several of the nation's steel centers.

There was no reply from industry to Murray's optimism—or to his charges industry had forced 454,000 of his men to strike.

The U.S. conciliation service went ahead setting up separate meetings with union and top industry leaders in an effort to break the strike. The first session is scheduled with Bethlehem Steel corporation tomorrow at New York.

Other labor developments today: John L. Lewis and soft coal operators went back to contract talks at White Sulphur Springs, Va., as the coal strike continued in its fourth week. Conciliators said a crisis is near.

(Concluded on Page 5, Column 3)

Reds Take Over Czech Business

Prague, Czechoslovakia, Oct. 12 (AP)—New nationalized businesses sprang up in Prague today in shops whose owners had been seized in widespread police roundups. The purge arrests were reported continuing.

Several people who went to trade with their former neighborhood druggists, bakers or book shops reported they found communist-controlled national administrations had been installed.

The businesses had been seized by the government. In some cases it was reported the families of the former owners also had been thrown out of their apartments.

This lent substantiation to persistent reports that police action against small businessmen which engulfed most of Prague the last 10 days had been aimed at liquidating remnants of the middle class. Big enterprises had long since been nationalized.

Reliable reports said many of the people seized had been sent to forced labor camps by communist-controlled national committees.

Police Take Counterfeit \$10

Portland, Oct. 12 (AP)—Portland police had a good look at a \$10 counterfeit bill today — they took one in yesterday in payment of a fine. A transient was arrested last night trying to pass one at a liquor store. He said he got it in a poker game in Seattle last month. A number of the phoney bills have turned up here and in Seattle.

'Public Enemy No. 1' Faces Death Sentence

Louisville, Ky., Oct. 12 (AP)—Earl D. Bircham, former "public enemy No. 1," faced a death sentence today recommended by a jury which found him guilty of killing a policeman in a gun battle which ended in his capture.

The trial of the 48-year-old prison escape artist ended quickly last night after one day of testimony in a courtroom closely guarded by officers who searched every spectator who entered. The jury deliberated one hour and 10 minutes before returning a verdict of guilty with a recommendation for the death sentence.



To Visit President—Indian Premier Pandit Jawaharlal Nehru (center) leaves plane at London airport, where he stopped off for week-end before resuming flight to Washington, D. C., for visit with President Truman. At left is V. K. Krishna Menon, Indian high commissioner in London and at right is Patrick C. Gordon Walker, under-secretary of state, commonwealth relations office. The premier left London airport aboard the Independence, President Truman's plane, for Washington. (AP Wirephoto)

Nehru Starts Tour to Find Out About America

Washington, Oct. 12 (AP)—Prime Minister Jawaharlal Nehru of India set out today on a strenuous get-acquainted tour of the United States. American officials hope it will help make India inclined more strongly toward the west in the cold war with Russia.

Nehru is a hero of his country's fight for freedom and probably the outstanding figure in Asia. He was greeted personally by President Truman on his arrival late yesterday for a state visit of nearly a month. Last night he was Mr. Truman's guest at a formal dinner at Blair house.

The White House reported today that the president and Nehru did not discuss business at the dinner. Their conversation was described by Press Secretary Charles Ross as purely "social."

Nehru and the president will meet again Friday at a reception at the Indian embassy. A visit to Mount Vernon and the Tomb of the Unknown Soldier were on the prime minister's schedule today. This will be followed by two more days of sightseeing, speeches and handshakes in the capital before he leaves Saturday for New York and a transcontinental tour.

It is Nehru's first visit to the United States, of which he has been critical at times, partly on the score of American race relations. A moderate socialist who heads India's majority congress party, he also has expressed doubts in the past of the virtues of American style capitalism.

At the airport, Nehru was greeted in a cordial manner by Mr. Truman, who had at his side Secretary of State Acheson, Secretary of Defense Johnson, and other cabinet members. Nehru was clad in the Indian-style costume, which included a long brown coat, light colored jodhpurs and a small Gandhi-style cap.

He responded to Mr. Truman's welcome with a brief informal speech. With the prime minister is his daughter, Mrs. Indira Gandhi, his minister of external affairs, corresponding to the foreign minister, Sir Girja Shankar Bajpai.

Option Given for Sale Of Washington School

While the Grabenhorst Brothers firm of realtors was given a six months' option on the old Washington school property located at 12th and Center streets by the Salem school board Tuesday night, George Grabenhorst declines to discuss what he has in view.

Grabenhorst explained that the location is in a residential zone which would have to be changed before any business enterprise could locate there. However, he said that if a deal, now in a tentative stage, can be put through, it would mean an investment of a large amount of money over and above the price paid for the land. It would result in the employment of a considerable number of persons.

In giving the option at a figure in excess of \$100,000 the school board abandoned, at least temporarily, any plan for converting the old frame Washington building into administration headquarters.

Admirals Halsey and King Rap Atom Warfare Theory

Truman Renews Opposition to 58 Air Groups

Washington, Oct. 12 (AP)—President Truman today renewed his opposition to a 58-group air force at a White House conference with members of the senate appropriations committee.

The senators told newsmen afterwards, however, that the president suggested he would accept the house position on funds for stockpiling of strategic materials.

The two controversies are holding up passage of an appropriations bill carrying funds for all the armed services.

For 48 Air Groups Senate Democratic Leader Lucas (Ill.), who participated in the conference, said Mr. Truman was standing by his position in favor of a 48-group air force, instead of the 58 groups insisted upon by the house, because of the "savings of \$741,000,000."

Lucas and the other senators, including Wherry (Neb.), the republican floor leader, said Mr. Truman did not say he would veto a bill carrying the house version.

The outcome of the conference at the White House left the future of the bill as uncertain as ever.

Wherry Stands Pat Wherry, who supported both the 48-group air force and the \$271,000,000 senate cut in the house figure for stockpiling, indicated that he would not yield on either count.

(Concluded on Page 5, Column 6)

Truman Talks to Latin America

Washington, Oct. 12 (AP)—President Truman told a group of Latin American diplomats today that the United States is committed to "the exercise of representative democracy" in the western hemisphere.

The president made this apparent reference to Latin American military dictatorships in a statement to the ambassadors of American states. The diplomats paid a brief visit to the White House in observance of Columbus day, a holiday throughout Latin America.

"We in the inter-American system," Mr. Truman said in his prepared statement, "subscribe fully to the principle of non-intervention in the internal or external affairs of any American republic."

"At the same time, we are definitely committed to the proposition that our solidarity and high aims are fostered by the exercise of representative democracy in the American states. I am confident that you will continue to provide inspiring leadership toward the achievement of those aims."

The western hemisphere's desire for security, Mr. Truman said, "is not primarily in order that our lives may remain unchanged, but that we may progressively realize our vast possibilities."

"It is this spirit which motivates the growing exchange of technical knowledge and skill that has been taking place among our countries."

Timber Sales Drop In National Forests

Portland, Oct. 12 (AP)—Timber sales and cut in the 19 national forests of Washington and Oregon dropped sharply during the third quarter of this year compared with the same period in 1948.

The U.S. forest service reported yesterday that sales were down to 202,805,000 board feet, less than half the 615,953,000, year ago value was \$2,234,063, down from \$8,556,610.



Top — Admiral Wm. F. ("Bull") Halsey. Below, Admiral Ernest J. King.

East Germany Loyal to USSR

Berlin, Oct. 12 (AP)—East Germany, the Soviet union's newest satellite, pledged through its communist government today to give unwavering loyalty to Russia.

The communist prime minister, Otto Grotewohl, made the pledge as he and his cabinet were unanimously confirmed by the people's chamber of the new Soviet zone republic.

The 400 members of the chamber by a similar unanimous vote five days ago had set up the new state and prohibited Germans in the east zone from voting for at least another year.

In his induction speech, Grotewohl laid out a six point program:

- 1—Pledging eastern Germany's "foreign policy" to that adopted by the Soviet satellite foreign ministers at the Warsaw conference in 1948. 2—Accepting the Oder-Neisse frontier, which ceded former German territory to Poland and Russia, as a final "peace border." 3—Developing trade with the "youngest peoples republic"—communist China. 4—A new economic plan even more intensive than the current two year plan, to get under way in 1950. 5—Abolition of food rationing, except for meat and sugar, next year. 6—Equal rights for former nazis who were not convicted of direct crimes, and a "fight with the sharpest forces of law against any revival of nazism, militarism or fascism."

Security Markets Closed

New York, Oct. 12 (AP)—Security and commodity markets throughout the United States were closed today, Columbus day.

Progress on Austrian Peace

Washington, Oct. 12 (AP)—Secretary of State Acheson told the senate foreign relations committee today "a good deal of progress" has been made with Russia on an Austrian peace treaty.

Talking with newsmen after a closed-door session, Senator Connally (D-Tex.), committee chairman said Acheson advised the senators that the United States and Russia have agreed informally that Austria will have her pre-war boundaries.

"This will mean," Connally said, "that Austria will have the same boundaries she had before Hitler marched in."

Connally said Acheson reported "substantial progress has been accomplished" toward the Austrian treaty, but he added that questions of Danube shipping, reparations, and ownership of German-controlled property in Austria remain to be settled.

Connally also said Acheson gave a "complete report" on the entire Asiatic situation and discussed "the probable recognition" later of a communist government in China.

"There has been no recognition," Connally said, adding he did not wish to go into the question further.

Ask Congress To Curb Power Given Johnson

Washington, Oct. 12 (AP)—Two fleet admirals—Ernest J. King and William F. Halsey—today denounced the atomic bombing theory of warfare, and asked congress to strip Defense Secretary Louis Johnson of power to weaken the nation's naval power.

Both five-star veterans of World War II attacked what they called the air force's "mistaken, overplayed" theories of intercontinental bombing. Both said that in any war this country must hurl its striking power not at cities but at enemy military forces.

A-Bomb Overemphasized King, wartime chief of naval operations, told the house armed services committee that "we have been over-emphasizing the atom bomb and the bomber that was planned to deliver it."

The next war, "if we really expect to win it," will be fought much like the last—with vast armies and navies and the "important services" of long-range bombers, he said in a statement. To build up the mobile striking power which he said this country must have, Halsey urged the committee to demand completion of the 60,000-ton super aircraft carrier scrapped by Johnson.

He also said congress should strip Johnson of authority to cut naval spending below figures approved by congress. The committee has heard Johnson plans to do just that.

Halsey on Super-Carrier As for the super-carrier, Halsey asserted that it is "not super" but merely "a normal development" from the carriers of World War II.

And another navy witness—Capt. Arleigh A. Burke, assistant chief of naval operations in charge of research—declared: "If we build this carrier and find we don't need it, the cost to the nation will be \$189,000,000. If we don't build this carrier, and find that we do need it, the cost to the nation may be the nation itself."

King said the notion that the air force's B-36 atom bomb combination frightens Russia is "wishful thinking."

(Concluded on Page 5, Column 6)



First Flight of F-90—The air force's needle-nosed F-90, one of the largest fighter planes ever flown, streaks over the Southern California desert near Muroc air force base. This is the first in-flight picture made of the stream-lined new twin-jet which is designed to fly far behind enemy lines. (AP Wirephoto)