

THE WEATHER

MOSTLY FAIR tonight and Tuesday with some morning fog. Little change in temperature. Low tonight, 42; high Tuesday, 74.

Capital Journal

66th Year, No. 245 Entered as second class matter at Salem, Oregon

Salem, Oregon, Monday, October 13, 1952

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FINAL
EDITION

\$39,644,241 Balance Seen General Fund

New State Taxes Not Needed If Economy Does Not Drop

By JAMES D. OLSON

An estimated balance of \$39,644,241 at the end of the 1951-53 biennium in the general fund of the state is predicted in a joint statement issued Monday by the state tax commission and the department of finance and administration.

The statement was issued in compliance with a 1951 law providing for a compilation of estimates for anticipated state requirements, revenues and balances for the biennium of 1951-53 and 1953 and 1955.

In computing the estimates for the biennium ending June 30, 1953, the statement predicts a balance of \$37,359,382 in the property reduction account; \$284,759 in the corporation excise account and \$2,000,000 in the miscellaneous revenues and transfers and adjustments in various accounts.

Budget Requests High
Preliminary budget requests for state departments including those for the major building for the next biennium is given at \$207,501,013, as compared with the total budget of \$180,000,000 for the present biennium.

That this total budget will be reduced first by the budget department and further by the legislative ways and means committee is certain.

Thus if economic conditions continue favorable, and personal and corporation tax returns do not show any perceptible decrease, the next legislature could balance the budget without resorting to any new state taxes. (Concluded on Page 5, Column 4)

No Rain In Sight For Valley Soon

Another week of warm and dry weather started for valley sections, Monday, with no prospect of rain for a time. So far, October has had but a trace of precipitation recorded.

The prolonged dry spell is unusual, but it has happened before, although not quite in the order this year's drought has been.

Salem area has had but .23 of an inch of rain since June 29. In 1917, October registered nearly a drop of rain in Salem. However, there had been 1.32 inches in September but none in August. In 1925, there was October 1.73 inches in September, .77 of an inch in August, but none in July. There have been other Octobers in the past with far below an inch of rain for the month.

Mostly fair weather is forecast for tonight and Tuesday with some fog in the morning.

Temperatures continue mild, Sunday's maximum going to 74 here. Reports from the north said parts of northwestern Washington and Idaho were to get heavy frosts tonight, but the cold wave moving in from Canada was not to reach this far south.

Escaped Con In California

Medford (AP)—Gerald Macomber, 29, the elusive escaped convict, was believed Monday to have slipped over the Oregon border into California.

State Police Captain Paul Parson said a stolen truck was the clue that placed Macomber in Siskiyou county of Northern California.

Parson said a pickup truck was stolen from Boyd Hamilton in the Applegate area Saturday night. The Siskiyou county sheriff found it abandoned in Northern California Sunday. It apparently had been driven over back roads across the state line.

Macomber, who escaped from the state prison at Salem, Sept. 15, had been hunted in the Applegate area since Sept. 16. He once got into Northern California, then fled back to Southern Oregon. He had several brushes with police, but managed to slip away from them each time.

His partner in the escape from prison, Charles Crozier, was captured last month in one of the brushes with police.

Gen. Hodge in Tokyo
Tokyo (AP)—Gen. John R. Hodge, chief of Army Field Forces, arrived in Tokyo today on an inspection tour.

2 Atom Bomb Spies to Die in Electric Chair

Supreme Court Denies Hearing to Julius and Ethel Rosenberg

Washington (AP)—The Supreme Court denied Monday a hearing to atom spies Julius and Ethel Rosenberg, the husband and wife sentenced to die for giving American A-bomb secrets to Russia.

The denial lets stand unchanged the conviction and death sentence of the New York City couple—and puts them another step closer to execution in the electric chair in New York's Sing Sing prison.

Only a commutation of their sentence by the President can now save them.

Vote was 8 to 1
The high court's rejection of the couple's appeal was announced in a brief order, which noted that Justice Black favored a hearing. The court's vote thus was 8-1.

The high tribunal at the same time and by the same vote denied a hearing to Morton Sobell, a radar expert convicted with the Rosenbergs. He escaped the death penalty, but got a maximum sentence of 30 years in prison.

(Concluded on Page 5, Column 6)

Smith Explains Talk on Reds

Philadelphia (AP)—Gen. Walter Bedell Smith, head of the government's top-secret Central Intelligence Agency, testified Monday that he believed communists had infiltrated government security agencies, including his own, but "none within the United States."

"I have found no one has penetrated my security group in the U. S. and that no American in fact none within the scope of this committee—were communists," he told the House Un-American Activities Committee.

He explained his recent statement was on observations of other countries and that "it is foolish for us to assume that there is no infiltration here."

Smith emphasized he actually knew of no communists in the U. S. government but said he could not testify under oath that there were none because of the "past performances of the communists."

Pakistan Trial Nearing End

Karachi, Pakistan (AP)—Pakistan's great conspiracy trial, now in its 15th month, is finally nearing its close behind the walls of Hyderabad prison.

Sixteen defendants, including the former Pakistan army chief of staff and two communist leaders, have been on secret trial since mid-June, 1951, charged with plotting to overthrow Pakistan's government by force to substitute a military dictatorship.

The late Prime Minister Liaquat Ali Khan dramatically announced the round-up of alleged conspirators at Lahore March 9, 1951.

The lid of strict secrecy clamped on the trial has never been pried loose. Occasional reports tell how the accused have spent the months of their trial before a special high court, but little has sifted past the high prison walls on the actual evidence.

All But One Oregon Fire Under Control

All but one of the Oregon forest fires were reported under control Monday morning, but the forests remained in a critical condition.

Fire weather forecasts showed little change in temperatures and humidities were expected to go from five to 10 per cent lower in some of the interior sections Tuesday. This has prompted the forestry officials to keep the closure on the western part of the state.

Only fire giving trouble in the state Monday morning was the 100-acre blaze at White Mountain, near Langlois in Southern



Britain Rejects Iran's Demands

London (AP)—Britain has decided to reject Iran's demand for an immediate down payment of 20 million pounds, (\$6 million dollars) as a first step toward an oil settlement, an official source said here Monday.

The British expect to have American backing in turning down Premier Mohammed Mossadegh's terms. Mossadegh told Britain six days ago she can send a negotiating team to Tehran to work out a deal if she pays up by Tuesday.

A foreign office spokesman said "it is hoped" an official British reply will be delivered Tuesday. Some undisclosed "new factors" may appear in the reply, he added.

Word of Britain's intentions came out as Tehran news dispatches reported Mossadegh's government has moved against an influential group of dissidents accused of "plotting" in the interests of an unnamed foreign embassy.

Denies Sabotage Of Ike's Train

Cleveland (AP)—The head of the Brotherhood of Locomotive Engineers says politics has nothing to do with "repeated" train handling incidents involving Gen. Dwight D. Eisenhower's campaign train.

"Any interpretation of these incidents as implying opposition to your candidacy is based wholly on misinformation and slander," James P. Shields, grand chief engineer, said Sunday in a wire to Eisenhower.

Shields said he had made a complete investigation of the "repeated" mishaps and found his men blameless. He said his organization has made no political endorsement and plans none.

A number of instances occurred in Kentucky and Illinois last month. The train stopped with a violent jerk one time, didn't reach a welcoming crowd another and went several blocks past a reception committee on still another occasion.

Martha Raye Still in Critical Condition

Miami Beach, Fla. (AP)—The condition of Martha Raye, singing comedienne, remained critical today after a blood transfusion in St. Francis hospital.

Miss Raye, in private life Mrs. Nick Condos, was flown to the hospital Thursday from Jamaica with a severe intestinal disorder.

Tests were being made to determine if the ailment will require surgery. The 36-year-old stage, screen and nightclub performer was on a vacation when stricken.

Lindens Draw Auto Awarded in Merchants' Roundup

Edgar A. Linden, manager of the Oregon Pulp & Paper company, had his name on a ticket that won the 1952 Buick sedan, top prize in the Downtown Salem Merchants Fun and Price Roundup. Mrs. Linden will drive it, he says, for he already has a 1952 car. Shown here in front of the car still on the prize drawing platform on High street are, from left, Bill Hammond, secretary of the Downtown Merchants association; John Adlon, association president; Mrs. Linden, and Mr. Linden receiving the car keys from Otto Wilson, Buick dealer.

Edgar Linden Wins Buick in Prize Award

Edgar A. Linden, manager of the lumber division of the Oregon Pulp & Paper company, today has two 1952 sedans in the double garage at his home, 1795 Fir street.

Saturday night his name was drawn as the winner of the 1952 Buick given away as the top prize in the Fun and Price Round-Up sponsored by the Downtown Salem Merchants association. Linden already had a 1952 Oldsmobile. He says he will give the Buick to Mrs. Linden.

Pinay Defies U. S. Dictation

Metz, France (AP)—Premier Antoine Pinay tried Sunday to smooth over recent French-American squabbles over North Africa and defense funds with new expressions of France's friendship for the United States. But he warned that his nation is still a great power and isn't going to be pushed around.

"France considers her friendship for the great republic of the United States as one of the certainties of her history and one of the constants in her national sentiment," he said in a speech at a banquet here. Then he added:

"But France is a great power which must fulfill its destiny and preserve its rank."

Pinay last week took sharp exception to an American note saying in strong tones that France ought to put more of her own funds for defense. The French press screamed its approval of Pinay and his defiance of the American "dictation."

French Kill 300 Indochina Reds

Hanoi, Indochina (AP)—French Union forces killed 300 Vietminh troops and capture 325 in the first winter offensive launched 65 miles southeast of Hanoi, the French high command announced Monday.

Gen. Gonzales de Lineares said scores of young Communist-led Vietminh soldiers bearing white flags walked into French lines and surrendered.

The big French attack—the first since the long seasonal rains ended—jumped off Sunday. It aims to trap and wipe out sizable Red forces.

Squadrons of planes dropping napalm bombs led the assault. About 1,000 paratroopers were dropped in an effort to draw a net around the Vietminh forces. An estimated 10,000 French troops were thrown into the battle.

103-Year-Old Man Escapes Prosecution

Towson, Md. (AP)—Clarence Wright, 103, appeared in court here last week-end charged with striking a 65-year-old woman in the head with a lead pipe in an argument over a bicycle.

The state refused to prosecute after the centenarian told the court he had never before run afoul of the law.

Ike Castigates Bureaucratic Rule in West

Says 59 Separate U. S. Agencies have Control Of Resources

Aboard the Eisenhower Special in Wyoming (AP)—Dwight D. Eisenhower declared Monday the republicans are fighting to get "just some ordinary business methods" installed in government in Washington.

Speaking to a chilled crowd at the Casper, Wyo., airport, the republican presidential candidate hit at federal agencies "sticking their hands" in the management of western land resources.

"There are 59 different and separate government bureaus which had a hand in the pie of western resources," Eisenhower said.

Overlapping Agencies
The general said control of western lands is in the hands of overlapping agencies in Washington. "They're so mixed up down there, they don't know what they're doing," Eisenhower said.

Eisenhower added that western development can never go forward as it should until there is greater responsibility in its direction at the local level.

He insisted that efficiency in government is related directly to the fight for world peace, that without such efficiency there could not be the strength needed for world leadership. (Concluded on Page 5, Column 8)

Nixon on Radio And TV Tonight

New York, (AP)—Sen. Richard M. Nixon concentrated today on the writing of a major speech, reportedly on the danger of communism, for nation-wide television and radio broadcast tonight.

The Republican vice presidential candidate set other campaign matters aside for the day. The address will be carried by the Columbia Broadcasting System television network and the American Broadcasting Company's radio network at 8 p.m. EST (5 p.m. PST).

Nixon's appearance tonight was arranged by the Republican National Committee, which said it was acting because of the public response to the California senator's dramatic TV-radio explanation of his expense fund three weeks ago.

During Columbus Day observances here yesterday, Nixon said his running mate, Gen. Dwight D. Eisenhower, is recognized internationally as the one man who can unite the free world.

Jel Transport to Carry 100 Aboard

Miami, Fla. (AP)—Designs for a new American jet transport to carry more than 100 passengers at a speed approaching 600 miles per hour have been presented to Capt. Eddie Rickenbacker, president and general manager of Eastern Air Lines.

Robert Gross, president, and a group of Lockheed Aircraft Corp. engineers conferred with Rickenbacker on the proposed "sonic speed" airliner.

Russia Claims Lost B-29 Fired on Reds

Moscow (AP)—Russia has charged that a U. S. B-29 bomber shot at Soviet fighter planes over Russian Far Eastern territory Tuesday and said the Red pilots returned the fire. The incident occurred the same day the U. S. air force reported one of its Superfortresses missing off Japan.

A Soviet note to the United States, formally protesting the alleged border violation, said the American plane "disappeared in the direction of the sea" after the Russians shot back. The text of the note was published by the communist party newspaper Pravda and was broadcast by Moscow radio.

In Tokyo, a U. S. air force spokesman said the missing American plane "carried no guns and no gunners" among its

Adlai Backer Sees Victory By Landslide

Springfield, Ill. (AP)—Campaign Manager Wilson Wyatt said Monday Gov. Adlai Stevenson's advisers "definitely believe we have the makings of a landslide victory" for the democrats No. 4.

In his most optimistic mood of the presidential campaign, Wyatt told a news conference local reports indicate Stevenson will carry New York, Pennsylvania, Ohio, Illinois, California and most of the Mid-West. He said he believes the South and border states will be solidly for the democratic nominee.

"I definitely do believe that we have the makings of a landslide victory," Wyatt declared. "For sometime we have felt that the situation could develop in landslide proportions on the electoral vote."

Japan's Defense Army Ready

Tokyo (AP)—Japan gets its first postwar defense force this week.

Seven divisions (110,000 men) of the National Police Reserve and two divisions (35,000) of the Maritime Safety Board Coast Guard will be reorganized Wednesday into the National Safety Corps.

The khaki-troopers, now armed with light tanks and observation aircraft, were recruited shortly after the outbreak of the Korean War.

The police reserve was formed to help in defense of the Japanese islands after the U. S. 24th, 25th and 1st Cavalry Divisions were rushed to Korea to stem the communist invasion of South Korea.

The reserve is patterned after the U. S. Army, equipped with 3.5-inch bazookas and light artillery. They were uniformed in olive drab uniforms copied from U. S. government issue but made in Japan.

No More Noon Lunch Reports

While there will be no more report luncheons held for Community Chest workers in Salem, the solicitors are continuing their work and making their reports at the Salem headquarters on North Liberty street.

Each morning coffee, which has been donated by individuals, along with the sugar and cream to go with it, is served at 10 o'clock at the campaign headquarters for workers. At this time it is hoped that they will bring their reports into the office.

Latest tally by the auditors was made Friday when the drive had made 87 per cent of its goal of \$126,000 or had a total of \$100,011.91 in contributions or pledges.

Transport to Dock

San Francisco (AP)—The military transport ship Gen. W. A. Mann, carrying 761 Army and 270 Navy men from the Far East, was scheduled to dock Monday, Sunday 2,335 soldiers, most of them from Korea, arrived aboard the transport cGn. John Pope.

Weather Details

Maximum yesterday, 74; minimum today, 50. Total 24-hour precipitation: 0.1 for month; trace; normal, 1.50. Season precipitation: .00; normal, 2.90. River height, 3.6 feet. (Report by U. S. Weather Bureau.)

South Koreans Cinch Victory On Key Peak

ROK Recapture All Territory Lost In Week-long Battle

Seoul, Korea (AP)—The South Korean 9th Stay and Fight Division has won a "tremendous victory" by recapturing all territory lost in the bloody, week-long battle on White Horse Mountain, Gen. James A. Van Fleet announced Monday.

The 8th Army commander made the announcement at a press conference as South Korean infantrymen waged a see-saw struggle with Chinese communist diehards in an attempt to smash the enemy's last three footholds on the strategic height guarding the invasion route to Seoul.

"The Koreans have taken everything the Chinese 38th Army—one of their best—could throw at them," Van Fleet said. "As of today, they, the South Koreans hold all the ground they had. I am very proud of them."

A Classic Victory
Van Fleet said the South Koreans' recapture of the shell-smashed crest and most of the rest of the West-Central Front height was a classic military operation. He said the South Koreans had overcome "overwhelming odds and manpower." (Concluded on Page 5, Column 8)

47 Thunderjets From Midway

An Air Base, Northern Japan (AP)—Forty seven U. S. F-84G Thunderjets flew here from Midway island Monday in the longest over water flight ever made by single-engine jet fighter aircraft.

At the end of the lonesome 2500 mile trip the flight leader, Col. Donald J. M. Blakeslee, declared:

"With enough refueling you could fly a Thunderjet nonstop around the world."

The jets were timed at six hours and two minutes, an average speed of about 460 miles an hour.

Twenty-eight others are due in Tuesday. That will end the second mass flight of jets from the U. S. to Japan.

At least four of the pilots had only minutes of fuel left. The tanks of one jet ran dry as the pilot taxied down the runway. One plane turned back because of engine trouble.

B-29 tanker planes refueled the jets over the Pacific.

Court to Pass on Printers 'Bogus'

Washington (AP)—The Supreme Court agreed Monday to rule whether printers' union demands to be paid for setting "Bogus" type violate the Taft-Hartley labor law.

The ruling was asked in an appeal filed by the American Newspaper Publishers Association.

"Bogus" type usually is not used, nor intended to be used. The practice occurs when an advertiser submits his ads to a publisher in the form of a matrix. The matrix bypasses the typesetters and goes directly to the stereotype room when a plate is made to reproduce the ad.

Under the "bogus" practice, the ad also is set by printers who get paid for the work even though the type is destroyed without being used.

The Taft-Hartley law section involved makes it an unfair labor practice for a union to demand payment to its members for "services which are not performed or not to be performed."

Wool Output Same for 1953

Washington (AP)—U. S. wool production in 1953 probably will be about the same as this year, the Agriculture Department predicted Monday, with returns to growers little different from 1952.

The 1952 rate of sheep and lamb slaughter indicates stock sheep numbers at the beginning of next year probably will be about the same as this year, it said in a 1953 outlook report.