

NATIONALISTS EVACUATE HAINAN ISLAND TO REDS

Lattimore Hurls Charges at Budenz, McCarthy

Washington, May 2—(U.P.)—Owen Lattimore charged today that ex-Communist Louis F. Budenz is a "paid informer and unscrupulous finger man" who brought charges against him for personal gain.

Lattimore, a far Eastern expert, swore for a second time under oath that charges of communism brought against him by Budenz and Sen. Joseph R. McCarthy (R., Wis.) were lies.

He told a senate subcommittee investigating charges of communism in the state department that McCarthy had "criminally libeled" him in his charge that he was Russia's "top espionage agent" in the United States.

Lattimore in a long statement attacked Budenz, former managing editor of the communist Daily Worker. Budenz recently told committee that he had been informed that Lattimore was a communist and that he had been selling to America the Red Line for China.

This, Lattimore said, made him believe that Budenz "is dutifully pursuing his profession of paid informer and unscrupulous finger man."

At the same time he charged that Budenz was a man of "unsavory character," who had been arrested, tried and acquitted 21 times. He also handed the committee the transcript of a deportation proceeding in United States courts which he said showed Budenz participating in certain personal activities which "to say the least, are offensive to accepted standards of decent and conventional behavior."

Lattimore said Budenz, since leaving the communist party in 1945, engaged in "commercial exploitation" of his communist past and "automatically" came up with the new communist charges to fit day to day developments. Budenz now is a teacher at Fordham university.

"It is the easiest thing in the world for his own memory to be convenient and obliging," Lattimore said regarding Budenz.

He said Budenz appeared determined to protect his "reputation as the peerless informant."

Budenz, thus far in the almost three-month-old committee investigation, has been the only witness to back McCarthy's major charges. He told the committee that Lattimore had been identified to him by communist leaders as a communist. He did not support McCarthy's charge that Lattimore was Russia's top spy. Since he testified some of the persons whom he said informed him of Lattimore's activities have denied his testimony.

Lattimore, now on the faculty of Johns Hopkins university, also for a second time hit hard at McCarthy.

"I suggest—and I am sure that intelligent Americans will join with me—that it is your solemn duty to point out, in clear and unambiguous terms, that the processes of the senate of the United States have been debased by this man McCarthy," Lattimore said.

McCarthy, he said, had "lied, distorted and vilified" in making his charges. He added the Wisconsin republican had been "contemptuous" of the investigating committee, had improperly "received and used" classified information and depended on "disreputable sources of false information."

Lattimore said McCarthy had "disgraced" the republican party, the state of Wisconsin, and the United States. Additionally, he said the senator had "grossly prejudiced" the interests of the country.

Lattimore reminded the committee that McCarthy in times past has been charged with income tax evasion, destruction of court records while a Wisconsin judge, and of using an official state position for advancing his political ends. Since then, Lattimore maintained, the senator had surrounded himself by a "motley crew of crackpots, professional informers, hysterics, and ex-communists."

"You need go no further than the undisputed facts—you need go no further than the charges, which are not supported by a shred of evidence, perjured or otherwise—to establish that the senator criminally libeled me," Lattimore said. His attorneys for several weeks have been studying the question of bringing court action against McCarthy.

Lattimore made this point-for-point denial of Budenz' testimony:

1. Denied he had attended with his wife a 1946 meeting in the basement rumpus room of alleged communist financial "Angel" Frederick Vanderbilt Field as a member of the committee for a democratic Far Eastern policy, an organization earmarked as subversive by the United States attorney general. Lattimore said he was not a member.

2. Budenz was wrong when he reported Lattimore placed "communist writers" on the staff of the magazine "Pacific Affairs," of which Lattimore was editor. Lattimore said he was the only writer on the staff and that the magazine carried many articles by authors of conservative leanings as well as those who wrote from a more liberal viewpoint.

3. Budenz was guilty of "lies" when he said Lattimore informed Field of a change in party attitude toward Generalissimo Chiang Kai-Shek of China. Additionally, Budenz' testimony was contradictory, Lattimore said, because at another place he had Field informing Lattimore.

4. Lattimore maintained that far from following the communist line for China, he was "vigorously supporting" Chiang while the communists were blasting him.

Chiang, Lattimore said, was so pleased with his service as personal political adviser in 1941-42 that he was offered a \$5,000 "gift." Lattimore said he turned it down and lost a chance of "getting in on the ground floor of the China lobby."

5. Branded Budenz "either a plain old-fashioned liar or... a pathological liar," for his reports on Lattimore's alleged communist party services. In this connection he said that Budenz' actions as an editor did not follow the instructions he said he received from Communist Leader Jack Stachel to regard Lattimore's writings as the party line on China. Lattimore said Budenz' publication panned his writings.

6. "For the record," Lattimore said he had no connection with the 1945 Amerasia case, involving the arrest of six persons on charges of stealing secret government documents.

HARBOR DEFENSES OF ESCAPE PORT RUINED

Formosa, May 2—(U.P.)—The Chinese completely abandoned to the communists the escape port of Yulin today and all Hainan island.

A defense ministry announcement tonight said the last withdrawing ship left Yulin after embarking troops who destroyed the harbor defenses and Sanya airfield.

The announcement said the communists lost nearly 20,000 troops and hundreds of vessels in their conquest of Hainan. Nationalist losses were not given, but the announcement admitted they had been heavy.

Commies Concentrating Near Chusan Island

A nationalist spokesman said the communists now were concentrating troops and power boats near the Chusan islands south of Shanghai in preparation for an assault on the archipelago.

Air and naval reconnaissance showed communist forces in the Hangchow bay area near Shanghai were being expanded and moved closer to the islands.

Troops Flown

In Hong Kong, Formosan reports said more than 30,000 Chinese nationalist troops have been flown from Hainan island to Wanshan island to meet an expected Chinese communist assault.

Wanshan is approximately 32 miles southwest of Hong Kong and 18 miles southeast of Portuguese Macao.

A dispatch to Hong Kong from communist-held Canton also reported that Russian advisers were en route to recently-conquered Hainan.

Winnipeg Cabinet Ponders Emergency Of Flood Waters

Winnipeg, Man., May 2—(U.P.) The Manitoba cabinet held an emergency session today as the crest of the Red river enveloped Morris, Man., and sent the river level two inches above its 1948 flood peak in Winnipeg.

The cabinet will decide whether to ask the federal government to declare a national emergency.

The water level in Winnipeg was 5.7 feet above the minimum flood level and two inches above the disastrous flood peak of two years ago.

The entire town of Morris was inundated and 950 persons were driven from their homes. The only source of drinking water was an emergency supply from tank cars.

Winnipeg radio stations broadcast appeals for volunteers to help bolster sagging dikes in some flooded suburbs.

At Emerson, the Red river finally receded after passage of the river crest. Eighty-five per cent of the inhabitants had been evacuated from the town.

Maragon Receives Light Sentence

Washington, May 2—(U.P.)—John Maragon, who once had easy access to the White House, was sentenced today to serve eight months to two years for lying to investigators of "influence peddling."

Federal Judge Jennings Bailey passed sentence six days after Maragon was found guilty of lying last year to the senate committee.

The sentence was the lightest possible Maragon could have received. He could have been given up to 10 years on each of two counts on which he was convicted.

Bailey, however, imposed a sentence of eight months to two years on each of the counts, to run concurrently.

Maragon was found guilty of lying to the senators about his bank accounts and about his employment by a Chicago perfume company at the same time he was on a state department mission to Greece.

Bailey, who had refused last week to free Maragon on bail pending sentence, agreed today to release him on \$5,000 bond pending appeal.

Chrysler Negotiators Called Into Session

Detroit, May 2—(U.P.)—Mediators called sleep-starved Chrysler strike negotiators back into session today, striving for the key to "overdue" settlement of the costly walkout.

Sheer exhaustion forced a recess of marathon bargaining in its 62nd hour. A four-hour break was called at 4 a. m. (EST) when negotiators failed to make the progress mediators had hoped they would.

Chrysler officials said verbal agreement had been reached to settle the 98-day strike. But the CIO United Auto Workers claimed "unresolved issues" held up return to work of the 89,000 strikers.

Winter Revisits Park; Heavy Snow Reported

Reports from Crater Lake national park resumed their winter-time nature tour when word arrived that 24 inches of snow had fallen there since Sunday afternoon—10 inches of that last night.

The south and west entrance roads are clear as far as Annie Springs but chains are required from there to the rim and even that road was closed this morning but crews are expected to have it open later.

Park officials who arrived in Medford from the lake this morning said it was snowing hard there when they left. Radio contact with rangers in the park has been disrupted.

CHAMBER OPEN HOUSE

The Jackson County Chamber of Commerce hopes to give the public a better idea of the services it is prepared to offer when it observes open house tomorrow from 9 a. m. until noon. The office staff will serve refreshments to guests in the new and redecorated quarters at 5 South Riverside avenue.

Snow Spatters Fall in Valley Today—May 2

Snow pellets fell at the airport late this morning and the weather bureau station there forecast continued cool weather with decreasing showers to night and Wednesday. Snow was reported at higher elevations near Prospect and Butte Falls in particular.

Bob Church, official in charge of the bureau here, said there were indications warmer weather would be here by Wednesday.

Race News Officer Denies Gamblers Control Concern

Senate Subcommittee Hears Official Denial

Washington, May 2—(U.P.)—A Continental Press Service official swore today that gamblers Frank Costello, Frank Erickson and James J. Carroll have no connection "whatsoever" with its ownership.

Thomas F. Kelly of Chicago, general manager of the race news concern, told a senate commerce subcommittee that "I hope the Lord takes me today" if anyone but his youthful nephew, Edward J. McBride, a Miami law student, owns the concern.

Sen. Charles W. Tobey (R., N. H.) asked Kelly what connection Costello, Erickson and Carroll have with the concern which received \$2,366,648.09 last year from its 24 customers for racing news, to Standard News company or any other Kansas City client.

A federal grand jury reported last week-end that Standard was Continental's Kansas City outlet and was owned and controlled by four underworld characters including Charles Gargot, recently slain in a Kansas City political club along with Democratic Boss Charles A. Blannegre.

The Continental official balked at telling the committee publicly how much each customer pays, but he offered to give the information in closed session.

Not Treated Alike

Kelly and his attorney, Walter Gallagher of Washington, said disclosing that information would be "opening the door" for customers to complain that others are getting the service cheaper.

"Don't you treat them all alike?" asked Chairman Ernest W. McFarland (D., Ariz.).

"No, sir," Gallagher replied.

Continental Accountant Joseph M. Lebit of Cleveland, explained that rates differed for various reasons, including the size of a customer's territory.

Rain, Hail, Snow Recorded in Oregon

May day was spray day in Oregon, and the outlook Tuesday was anything but bright for the second day of the spring month.

The spray came in the form of rain, hail and snow.

Klamath Falls had a thin snowfall Monday and was promised more of the same Tuesday. Rain fell at scattered points across the state, thunderclaps pealed over western Oregon and the Portland area had a full-fledged hail storm at mid-afternoon Monday.

Lightning knocked out a 4,100 volt power line in Southeast Portland, disrupting service to some 50 to 60 homes.

Retain Selective Service, Gen. Bradley Urges Solons

Washington, May 2—(U.P.)—Gen. Omar N. Bradley urged congress today to keep the selective service machinery on a standby basis for two more years "to buy time" for mobilization in case of an emergency.

The chairman of the joint chiefs of staff told the house armed services committee that "the international situation has not improved in the last eight months." He said Russia continues to exert pressure against the democracies wherever opportunity permits.

Extension of the draft act, Bradley said, presents this country with an opportunity to buy itself "from four to six months of essential time" in the event of full-scale mobilization for war.

"This security bargain is only offered for sale once," Bradley said. "Let's not pass it up."

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MacArthur Suggests Japan Outlaw Communists

Heavy Vote Recorded In Primary Elections

By United Press

A heavy early vote was recorded today in hotly contested primary elections in Florida, Alabama, Ohio and Indiana.

The two southern primaries tested President Truman's domestic and foreign policies and political strength. Midwestern voters also nominated candidates

for the congressional and state elections this fall.

Sunny Weather

Sunny weather favored the Florida and Ohio voters, but those in Alabama and Indiana faced cloudy skies and rain.

From first reports, it appeared that some 2,350,000 votes will be cast for party nominees for three seats in the senate, 49 in the house of representatives and two governorships.

Interest was focused on the southern balloting and its stock-taking on Mr. Truman's program.

The administration's handling of the "cold war" and its farm and labor programs were under scrutiny in the Florida senatorial nomination race between veteran new deal Sen. Claude Pepper and Rep. George A. Smathers, who campaigned against "creeping socialism."

Observers predicted a record 600,000 persons would flock to the Florida polls.

The Alabama senatorial nomination contest also tested Mr. Truman's political strength. A Truman democrat, Sen. Lister Hill, sought re-nomination against States Rights Candidate Lawrence McNell. The states rights kept Mr. Truman off the 1948 presidential ballot but Hill was expected to win today.

Some 400,000 persons were expected to ballot.

Seven Seek Post

In Ohio, seven democrats sought the senatorial nomination to oppose Sen. Robert A. Taft (R.) in November. Taft was unopposed for republican re-nomination.

Democratic Gov. Frank L. Lausche was expected to have clear sailing over two primary opponents for re-nomination.

The probable turnout was estimated at 750,000.

In Indiana, no national issues were made, but a record vote of more than 600,000 was forecast. The Hoosiers were choosing 22 congressional nominees and more than 100 state legislative candidates.

Pendleton Gets New Aerial Ladder Truck

Pendleton, May 2—A new 85-foot aerial ladder truck for the Pendleton fire department was delivered this week and Fire Chief William Batchelor said that the much-needed equipment will reach to the top of most buildings in the city.

The truck has 220 feet of ground ladders, as well as the 85-foot mechanically operated aerial ladder, the chief use of which is saving lives during fires in tall buildings.

The new Pendleton ladder truck is similar to the type which Acting Fire Chief Leo Weidner has recommended for the Medford fire department.

CANDIDATE TO SPEAK

Robert McGuire, Portland attorney and state supreme court candidate, will address Medford Kiwanis club at noon Wednesday at Rogue Valley Country club. He was a judge in some of the Nazi war crimes trials.

Prague, May 2—(U.P.)—The U. S. embassy here has cut its American staff by almost one-fifth and has eliminated five diplomatic posts since January 1, embassy officials said today.

Portland, Ore., May 2—(U.P.)—Clayton S. Price, 76, nationally-known Oregon artist, died of coronary thrombosis here late Monday.

Premier Yoshida Agrees With Views Of Allied Chief

Commander Hints Approval of Ban

Tokyo, Wednesday, May 3—(U.P.)—Gen. Douglas MacArthur suggested today that Japan consider outlawing its communist party, and government officials promptly indicated they might do it.

The supreme commander's suggestion carried a hint that the Japanese people had his approval to banish the party, which now enjoys the same rights as all other political parties.

Premier Shigeru Yoshida said he agreed with MacArthur's views.

Other cabinet members, who asked that their names be withheld, said they too believed the communists should be outlawed. Investigators already have enough evidence, they said, to dissolve the party for violating existing laws and advocating revolution by violence.

One hitch appeared. The government leaders indicated they would move against the communists at once if America would guarantee to protect Japan from Russian aggression.

Japs Riding Fence

Lacking a solid statement of policy by the United States, the Japanese so far were riding the fence and giving the impression that they want to be able to jump either way when they can decide who would win in either a hot or cold war.

Attorney General Shunkeichi Ueda said the government was keeping a sharp eye on communist activities, and would "tackle all the problems involved after a careful study."

Elusive Lady Godiva Lands in Marion Jail

Salem, Ore., May 2—(U.P.)—In the words of Cab Driver Dick Burchide of Salem, the lass who rode his horseless hack from Chico, Cal., toward Portland like an elusive Lady Godiva, "her antics caused quite a disturbance."

Burchide finally succeeded in attracting police in Salem at 4 a. m. today to get his fair fare out of his cab and off his hands.

He told officers that the passenger, about 27, doffed her duds when they crossed the California border and refused to put them back on. He said he had tried to get help along the line, but Salem was the first place where he was able to get the ear—and eye—of police.

The prowling officers who finally looked and listened wrapped the woman in a blanket and took her to headquarters. There she doffed the blanket as she greeted Capt. Stan Friese and told him her name.

Police took her out to the state hospital, where she said she wanted to be committed. But once there she changed her mind and took off her blanket. Hospital attendants finally succeeded in clothing her—in a laundry bag. She was taken to Marion county jail and booked on a disorderly conduct charge, pending arrival of her father from Seattle.

Lumber Outlook for Year Said Excellent

Portland, May 2—A lumber wholesaler has predicted that the business outlook in the lumber industry is excellent, and that demand for lumber will remain high for the next 12 months.

Ross Dunwoody, president of a Chicago wholesale lumber firm, reporting to the National American Wholesale Lumber association convention, said that lumber and millwork prices were on the way up, with average prices during 1950 probably rising from 10 to 15 per cent above 1949 averages.

Cites Building Boom

Dunwoody attributed much of the "rosy outlook" to the continued boom in residential construction, which he said would provide an average of about 1,475,000 homes a year for the next three years. Dunwoody said, "That's enough to keep the lumber industry, and maybe all building industry, rocketing along at a terrific clip until 1952."

Dunwoody, who was quoted in the Oregon Journal, said that the only dark spot in the picture was the "squeeze on working capital of lumber planing mills and wholesalers."

"Because of the rise in equipment and labor costs, slower collections and higher taxes, a working capital of \$500,000 is required today to do the same amount of unit business that \$250,000 did in 1930," he said. "Operating capital has not doubled in many instances. Taxes have tended to cut into earnings from which operating capital might normally be built."

"Moreover, an increasing volume of merchandise is being sold direct from mill to building contractor. As a result, the mill which formerly had only a limited number of strong financial wholesalers or distributing concerns on its books now has to carry a far greater number of customers and a larger total of receivables. This, too, has strained working capital in the lumber industry," he said.

Grasshopper Eggs To Be Poison Target

Lakeview, Ore., May 2—(U.P.) Grasshopper eggs covering more than one million acres in four Oregon and Nevada counties will be attacked from three baiting camps being set up this week.

Men and equipment left here Monday for the Hart mountain, Ore., area. Eggs of the western range locust will soon begin to hatch in Oregon's Harney and Lake counties and Washoe and Humboldt counties in Nevada.

Entomologists expressed the fear that the fertile Warner valley in Lake county would be overrun if the insect horde continued its northwesterly movement.

Egg beds will be baited with poisoned bran until the end of next month. The grasshoppers began their march in central Nevada 11 years ago. The hopper concentration is the largest in the nation.

BULLETINS

The Far West league baseball game, scheduled for 10 to night at Fairgrounds park between the Medford Rogues and Marysville Braves, was postponed this afternoon because of wet grounds. The game will be played tomorrow night, weather permitting, Mel Carpenter, business manager, said.

The same opening ceremonies, including the downtown town parade at 4:30 p. m., which had been scheduled for tonight will be held tomorrow night, it was stated.

New York, May 2—(U.P.)—Crooner Frank Sinatra suffered a throat hemorrhage while singing at the Copacabana night club and has been ordered to take a complete rest, it was disclosed today.

A spokesman for the club said Sinatra sang for the dinner show last night against doctor's orders and that the hemorrhage occurred while he was singing.

Students Assured of Music Contest Trip

Sufficient funds have been earned and donated for Medford high school music students to attend the state music contest in Eugene this week-end, it was reported today by L. A. Mirick, supervisor of instrumental music in Medford schools.

"I wish you would express our heartfelt thanks to those who gave so generously that the students may go to the contest," Mirick told The Medford Tribune.

"Many music groups and a large number of individuals made these contributions," he said.

The first bus load, of soloists and ensemble instrumentalists, will leave at noon Thursday, and the rest of the contestants, five buses of them, will leave at 8 a. m. Friday, Mirick said. The band orchestra choruses will compete Saturday.

Woman Injured as 3 Cars Collide on Hill

Mrs. Iris B. Foster, Portland, received a compound fracture of the knee, an ankle contusion and a face laceration early yesterday afternoon in a three-car accident at highway 99 milepost 301 on Blackwell hill north of Central Point, it was reported today.

She was taken to Sacred Heart hospital by Conger-Morris ambulance. State police said no one else apparently was seriously injured.

According to police, Mrs. Foster was a passenger in a south-bound sedan driven by Jack N. Foster, Portland. It collided head-on with a truck operated by Wilbur J. Rung, Medford. A north-bound sedan driven by Robert L. Cameron, San Francisco, struck the rear of the truck, police said. Louise C. Cameron was a passenger in the San Francisco car.

METZGER ELECTED

The Elementary School Principals association held its final meeting of the school year last night and elected Bruce Metzger, principal of the Oak Grove school, as president for the coming year. Frank Hale of Phoenix was named vice-president and Floyd Robinson of Griffin Creek, secretary-treasurer. The association also made plans to broaden the scope of its activities for the next year.

Month's Building Permits At \$119,620 in Two Days

May building permits issued by the city building inspector's office up to mid-morning today had a total estimated valuation of \$119,620, the office reported.

The report showed a possibility that May could be one of the biggest building months ever noted in Medford.

Permits for 13 separate projects issued yesterday first day of the month had a combined value of \$54,820. Another \$65,000 was added this morning when A. B. Barnes Jr., applied to build a two-story apartment house at 600 Whitman avenue.

Barnes said the brick veneer structure will have eight apartments. It will be identical to a Barnes apartment at 718 King street. Construction will commence about May 10.

George L. Johnson applied yesterday to build \$6,000 residences at 914 Stewart avenue and 1020 and 1024 South Peach street. Other residence projects were John Henderson, \$8,000, at 31 Windsor avenue; W. S. Spence, \$6,500, at 24 Keene Way drive; E. C. Welch, \$5,000, at 1136 West Eighth street; and A. B. Ivershop, \$4,000, at 1015 Niantic street.

H. C. Witham will erect a \$7,000 warehouse at Fifth street and Riverside avenue, and Medford Ice and Storage company will construct a \$5,000 office building at 501 South Fir street. G. C. Sherlock will build a \$750 real estate office at 947 South Riverside avenue.