

Recommended

A feature story on a motor trip to the Sterling mine area appears on Page 12 of today's issue of The Mail Tribune.

MEDFORD

United Press—Full Leased Wire



TRIBUNE

United Press—Full Leased Wire

Weather

FORECAST—Fair through Monday with some early morning clouds. Warmer daytime temperatures. High Sunday 83; low tonight about 56; high Monday about 85. Highest yesterday 73. Lowest Saturday morning 43. To 5 p.m. yesterday 55.

48th Year

28 Pages

MEDFORD, OREGON, SUNDAY, AUGUST 30, 1953

No. 138



RAIDING MOUNTAIN HIDEOUT. FBI agents capture two fugitive Communist Party leaders and four others accused of harboring them. Robert G. Thompson (right), who fled after conviction in New York under Smith Act, was taken immediately to Alcatraz Prison. Sidney Steinberg, who has been hiding since 1951, is at right in group picture. Others, from left, are: Carl Edwin Rasi, Mrs. Shirley Keith Kremen and Samuel I. Coleman. All were captured in cabin near Twain Harte, Tuolumne County, Cal., where they had been living. (International)

Air Force Generals Disagree on State Of Atomic Defenses

Colorado Springs, Colo. — (U.P.) — Gen. Benjamin W. Chidlaw, Air Defense commander, warned Saturday the nation's air defenses are a "far cry" from what is needed to stop a Russian H-bomb attack.

The Air Force general said U.S. air defenses have improved "appreciably" in the past year, but he cautioned that the improvement should be measured against a previous low state of preparedness.

Long Way To Go
"There is still a tremendous long way to go until we near a point of perfection," he told reporters at the headquarters of his sprawling Air Defense command. "In this period of the H-bomb, anything short of nearly perfect, is not enough, and we are a far cry from that point."

Chidlaw declined to give an estimate of how many enemy bombers might be able to reach their targets in case of a mass air attack. He said there were many "intangible factors involved." He said the number of planes that could get through U.S. air defenses could range from "little to sizeable," depending upon such factors as the size of the attack, the weather and the timing.

Prepared for War
St. Louis, Mo. — (U.P.) — The United States is prepared for atomic war if it is forced upon the nation, the advance guard of American Legionnaires gathered here for the Legion's annual convention was told Saturday.

Lt. Gen. Erle E. Partridge, Air Force Deputy Chief of staff, said "any thinking" the Armed Forces does now must be based on the fact that Russia has the hydrogen and atom bombs. "We are prepared for atomic warfare if it is forced upon us," he told a meeting of the Legion's National Security commission. "Our prime objective, however, is to prevent war."

Door-to-Door Tax Check Scheduled

Washington — (U.P.) — Officials of the Internal Revenue Service said Saturday their recent door-to-door check of tax evaders in New England probably will be extended on a nationwide basis in the next few months.

The New England check brought in \$35 for every dollar spent. It disclosed that hundreds of persons had failed to file income tax returns. Officials believe this is symptomatic of the nation generally and that expanding the door-to-door drive will bring in millions of dollars.

Two checks were made in six New England states. A band of tax agents spent two days this week ringing doorbells of tax delinquents not covered in a two-day canvass in July.

Rhee Threatens War Resumption

Pusan, Korea — (U.P.) — President Syngman Rhee threatened Saturday to resume open warfare if the political conference fails to reunite his country.

Rhee renewed the threat he has made before in a speech delivered at the docks as a relief ship arrived with the first shipment of U.S. rehabilitation goods for war-torn Korea.

"I don't know what the political conference will bring about," he told 1,000 persons assembled for the ceremony.

ADMINISTRATION SET TO EXTEND BANS ON NEW POWER PLANTS

By A. ROBERT SMITH
Mail Tribune Correspondent

Washington — The Eisenhower administration has decided at the highest level to extend well into 1955 the current ban on federal construction of new hydroelectric projects in the Pacific Northwest.

This decision, made known in a confidential letter from Budget Director Joseph M. Dodge to the heads of all government agencies, would extend the so-called "no new starts" policy on public works projects which was launched as a budget balancing effort in the closing years of the Truman administration.

No new major river projects has been initiated in the Columbia basin since the Dalles dam was begun in 1951. There are no funds in the current federal budget, which runs until next July, for any new projects.

The Dodge letter deals with the government fiscal year which begins next July and runs to mid-1955. It calls on all agencies to cut their budgets for that forthcoming year by approximately the same amount they trimmed them during this year. Dodge's directive is pertinent now because all agencies must submit to him their budget requests for fiscal 1955 by Sept. 15—two weeks from now.

In specific language for the benefit of the Bureau of Reclamation and the Army Engineers, Dodge informed these two government dam construction agencies that money to start new projects or new features of going projects is not to be proposed. And he warns that funds for continued work on projects now underway should be continued at the minimum economic rate.

This fall's activity at the Budget Bureau is to prepare the way for President Eisenhower's annual budget message to Congress next January. It will be the new Republican administration's first crack at preparing a detailed federal spending program inasmuch as the budget approved by Congress during this past session was originally drawn up by the Truman administration, later revised downward by Eisenhower.

The keynote is the Dodge letter is found in these sentences: "The levels of government employment, operations and constructions will continue to decline in 1955 as they will in 1954."

"The 1955 budget will reflect the continued withdrawal of the federal government from activities that can be more appropriately carried out in some other way."

Entwined with the administration's vow to bring federal spending into balance with tax receipts are two factors influencing the "no new starts" policy continuation.

First, Dodge, a former Detroit banker, is known to be neither well informed about nor sympathetic to multi-purpose river development programs. This was the discovery of several delegations of Northwesterners who called upon the Budget Director last spring.

Whatever appeals might be made by other administration officials, such as Secretary of Interior Douglas McKay, Dodge next to the President has the final word on what goes into and what is cut out of the bulging budget. McKay, for example, wrote Dodge last spring in support of funds for staking Ice Harbor dam near Walla Walla, but to no avail. Congress, of course, can overrule the administration and vote such funds if it has the will.

Second, the administration looks at natural resource spending as a whole in deciding what can be done and what must be deferred, and unfortunately for river development financing, atomic energy research and construction is included in the category of resources.

Of the \$3.5 billions appropriated by Congress this year for resources, two-thirds is going into production of fissionable materials and atomic (and presumably hydrogen) weapons and procurement of uranium ore. The more that is budgeted for atomic energy, the less there is left for land and water resources, according to the Dodge system.

Whatever effect the first factor may have over the long haul is unknown, but so long as an international atomic arms race is in progress the second factor looms sufficiently large as to foster a continued "no new starts" policy on river projects.

Chicago — (U.P.) — Dissension in Democratic Party ranks blossomed into a full blown wrangle Saturday after the general chairman of a dinner honoring Adlai Stevenson resigned, apparently because he was miffed at the selection of the toastmaster.

Paris — (U.P.) — U. S. Mutual Security Administrator Harold E. Stassen left Saturday by air for New York after conferring with chiefs of U. S. aid missions to 16 European countries.

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Italy Sends Troops To Trieste Border As 'Grab' Feared

Premier Tells Stand To Big Three Envoys

Rome — (U.P.) — Italian troops, tanks and warships have been alerted as a result of reports that Yugoslavia may seek to annex part of the disputed "free territory" of Trieste, it was reported Saturday night.

Italian infantry and armor paraded Saturday in Gorizia, a few hundred yards from the Yugoslav border, in what was called a "routine exercise." A similar "routine" naval alert was ordered in Venice.

Italian officers said privately that the alerts actually were a direct result of the Yugoslav annexation reports.

Will Not Stand By
Earlier, Italy advised the United States, Britain and France that she will not "stand idly by if the Yugoslavs try to grab any part of the Trieste territory."

Premier Giuseppe Pella conferred with Gen. Elio Marzari, chief of the Italian general staff, for two hours. Then Pella, who is also foreign minister in his new government, called in the acting ambassadors of Britain, the United States and France to express his alarm.

The crisis developed over reports from Belgrade that Marshal Tito was toying with the idea of annexing the Yugoslav-held zone.

Italian sources said Pella told the western diplomats that Italy would move troops to its eastern frontiers, on the borders of Trieste, if the Yugoslavs tried to seize permanent control.

Yugoslav troops already are gathered near Trieste for large scale maneuvers.

French Troops Raid Vietminh Positions

Saigon, Indochina — (U.P.) — French union troops staged commando raids on two Communist Vietminh supply and troop centers Saturday, killing 67 rebels and taking 161 prisoners.

The twin moves were part of the French strategy of keeping the Reds off-balance so they cannot launch their threatened big autumn offensive when seasonal rains end next month.

One raid was designated "Operation Claude." This was aimed at cleaning out a Communist battalion which infiltrated the Red river delta and holed up on Tienlang, a river island about 40 miles south of Hanoi. The assault force was comprised mostly of loyal Vietnamese in the new light units now getting their first battle experience.

The other raid was called "Operation Savoy." Carried out by naval units and several infantry battalions, this action wiped out an ammunition dump, dispersed Vietminh troops threatening important rail connections, killed 50 enemy soldiers and captured 51.

Juvenile Delinquents Increasing Problem

By UNITED PRESS
Teen-aged gangs roved big city streets in a mounting wave of lawlessness, brawls and stabbings Saturday as the long summer vacation period neared its end.

Police in some cities were forced to take special measures to cope with youthful gangs. Depredations by unruly adolescents were reported in Chicago, New Orleans, Pittsburgh, Washington, D.C., and elsewhere.

Salvage of Flying Enterprise Expected To Recover \$210,000

New York — (U.P.) — An international mystery developed Saturday over stacks of sudden money secretly salvaged from the sunken freighter "Flying Enterprise."

The Flying Enterprise sank in January, 1952, shortly after being abandoned by Capt. Henrik Kurt Carlsen, who stuck to the ship for 15 days as a storm tore it apart.

Totals \$210,000
The money, in British and American currency, has been reported to amount to \$210,000. Officials of the Isbrandtsen lines said they knew of only \$350 to \$400 in cash being aboard their vessel.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin.

Any other money would have been in sacks of mail or express cargo. This is not the usual way of transporting currency legitimately, they said.

"The whole thing is fantastic," said Capt. Clayton McLaughlin, operations manager for the company. "There is much more to the story."

From 262-Foot Depth
The money was hauled up from a depth of 262 feet off the English coast by an Italian salvage crew employed by a British insurance firm and was taken to a bank in Brussels, Belgium.

The salvage ship steamed to the scene of the sinking again Saturday and resumed operations with its 27-man crew and diving bell. All aboard were

Sworn to secrecy about the contents of the 6,711-ton Flying Enterprise.

Employees of the Bank of Brussels labored in the bank's kitchen to separate the bills with electric hot plates and hang them on lines to dry like a family wash. The money had lain in the ship on the ocean's floor for more than 18 months, but bank officials said it was in surprisingly good condition.

Isbrandtsen officials were mystified by the salvage operation, about which they said they had received no advance notice. They were equally puzzled by a report that the money was reported to have been in the safe in the captain's cabin