

MAINLAND ILWU STRIKE FEARED

In The Day's News

By FRANK JENKINS

As a part of the job of re-making Japan that he handed over to him, General MacArthur announces that he has broken up the Zaibatsu. The Zaibatsu were the big shots who prey much on Japan before the war.

They operated through tight family trusts, and we are told that some eleven families controlled practically all of Japan's banking, heavy industry and big business.

THE moral to the story: That was too much power in too few hands too long AND IT LED TO THE DOWNFALL AND RUIN OF JAPAN.

That always happens, sooner or later, when too much power is held in too few hands too long.

THE Riviera, the narrow strip along the Mediterranean where the world's rich come to show off, is all steamed up over the theft from the Aga Khan and his wife, the Begum (better known to us as Rita's new in-laws) of a lot of money and jewels.

The Aga Khan and the Begum were starting out in their car for a little trip to Deauville, another French show-off place. Bandits with guns suddenly appeared and told them to FORK OVER. What they forked over is said to have been worth in excess of a half million dollars.

THAT'S a lot of money and criminals to be carrying around loose. When some poor devil of a commoner loses his life's savings of a few hundred or a few thousand dollars because he insists on carrying it on his hip instead of putting it in the bank, we say he's a sap and what can you expect from saps?

I'd say the same goes for the Aga Khan and the Begum.

THE Aga Khan's money comes to him in the form of voluntary contributions from the members of a sect of which he is the head. It seems to me effluent that those who put up the money fall into the sap category, along with those who carry too much money around on their persons instead of keeping it in a safe place.

But since it's their money, I suppose it's none of my business what they do with it. (But I still think I'm entitled to my opinion.)

Nudists Put Ban On French Bathing Suits

DENVER, Aug. 4 (AP)—Women nudists consider bathing suits—especially the French ones—"the most sex-provocative things in existence."

This comes from Mildred of Tukpe, Kas., who is attending the nudist conference near here.

Mildred (they don't use last names), interviewed yesterday in her nothing-at-all, explained:

"They're simply horrible, those French suits. And they're no good for swimming. You get out of the water and they're soaking wet. The water drips down your body. Ugh."

Mildred said also that nudism was a handy thing around the house.

"I get twice as much housework done in the nude than when I'm wearing a house dress. No clothes to bind me. I feel free."

Ed, from Texas, supported Mildred's arguments. He strode up during the interview, dressed handsomely in sun visor and shoes and said: "Folks don't understand our attitude. But shucks, you'd think you were in the dressingroom of any respectable golf club if it weren't for the mixed company. Now, wouldn't you? I ask you?"

West Side Fire Under Control

The forest service has reported that there was a fire yesterday on the westside of Klamath lake north of the old Crystal post office. The grass and small timber fire, which started at 2:30 p. m., was overcome at 6 p. m.

No great damage was done although about half an acre was burned.

Possibility That Work On South Sixth Viaduct May Start By 1951 Voiced Here

Possibility that work can start on the South Sixth street viaduct by 1951 was reported to the city highway committee last night by T. B. Watters, committee members who discussed the situation with state highway commissioners in Portland this week.

Watters said that his opinion on the starting date hinges on the continuance of community unity behind the viaduct project. He implied that any local disagreement as the viaduct's priority among in-the-city projects would probably mean delay.

Last week, there was general agreement by all interested parties that the viaduct occupies No. 1 spot among urgent in-city highway construction projects.

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The Klamath Falls News

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KLAMATH FALLS, OREGON, THURSDAY, AUGUST 4, 1949

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Belgrano Blasts Legion



IDENTIFIES ATTACKER—Seaman Edmund M. Guger, 18, struggles with police as Mrs. Margaret Zuteff, 22, identifies him as the man who sneaked into the yard of her home in Long Beach, Calif., and tried to rape her. Her injured mother lay inside the house, unable to help her. The sailor is a crew member of the hospital ship Repose.

Town Dogs Back In Pound Again

BARTLESVILLE, Okla., Aug. 4 (AP)—Bartlesville, which went to the dogs earlier this week, was normal again today.

The normally followed a brisk roundup of dogs freed from the pound by a pair of 13-year-olds who, Poundmaster Claude Smith said, "wanted to see them go home."

Smith found the boys when 14 of the 38 dogs freed were seen tagging along behind them.

Smith and the youths finally caught 20 of them.

But today the pound's population was back to 36.

"Those extra 16 are new dogs," Smith said, "but I'm satisfied."

Draft Act Due To Die Next June 25th

WASHINGTON, Aug. 4 (AP)—Senators told Army Secretary Gordon Gray today that the peacetime draft act probably will be allowed to die next June 25 unless defense officials anticipate an emergency.

Chairman Tydings (D-Md.) of the armed services committee said this was a subject of a secret session with Secretary Gray and General J. Lawton Collins, vice chief of staff for the army.

After the conference, from which even committee staff members were excluded, Tydings said no action on selective service appears necessary at this session. He said congress would meet again next January—in time to consider an extension or revision.

Last year, after much dispute, congress enacted a peacetime selective service act. Under it men from 19 through 25 years were subject to draft for 21 months.

No draft calls have been made since January of this year because volunteers have more than filled quotas for the armed services.

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Ex-Chieftain Says Leaders 'Racketeers'

SALEM, Aug. 4 (AP)—Frank L. Belgrano, Portland banker and former national commander of the American Legion, lashed out sharply today at national Legion officers who he said are "a well-oiled machine" serving their own interests.

Before 1200 shocked and surprised delegates to the state American Legion convention, Belgrano said the national Legion will become bankrupt because of "a machine of racketeers who are running the whole Legion set-up."

Belgrano said he would go to the national convention in Philadelphia late in August and start a campaign against all of the national officers.

He declared the Legion is one of the most powerful organizations controlling the nation's economy and government.

"Therefore," he said, "a person who is a leader in the Legion is able to control much in the manner he sees fit."

Big Salaries

He charged that national Legion officers vote themselves big salaries, and make deals to appoint each other to fat commissions.

"If there are not enough committees to accommodate these men," he said, "then new committees are organized—not because the committees are needed, but so that machine members will not be left out of the picture."

Belgrano declared that the problem of "racketeers" in national Legion offices has arisen only since World War II.

More World War II members are needed, he said, in order that the Legion "can break away from this corrupt condition."

He said national Legion officers "don't believe in the cardinal principles of the Legion. They only believe in themselves."

The delegate, after they began to get over being shocked, applauded him vigorously.

Business sessions of the convention started today as almost 4000 delegates were in town.

11 Killed In Convict Battle

MORELIA, Mexico, Aug. 4 (AP)—Fighting between police and convicts who staged a mass jail break here has resulted in 11 deaths, police announced last night.

Ten of the dead were prisoners and one a guard.

Only 13 of the 72 convicts who fled the Michoacan state penitentiary Tuesday and seized weapons were still at large. They were being hunted by officers in the hills surrounding Morelia.

Forty-nine of the prisoners surrendered yesterday.

Shoe Safe Not Very Good Safe

PORTLAND, Aug. 4 (AP)—This will teach Harold Wurtz not to use his shoes for a safe. His old ones, especially.

Mrs. Wurtz asked police to help her hunt for a pair of Wurtz' worn-out shoes which she gave to a relief agency three weeks ago.

She has just found out, she explained, that her husband had hidden his \$500 diamond ring in one of them.

Rains Relieve Fire Danger

By The Associated Press

Light rain along the Oregon coast and heavy drizzle in other Northwest sections of the state further relieved the forest fire danger today.

But fire danger remained high in the Southwest, Oregon and east of the Cascades.

Newport reported .09 of an inch of rain.

The Portland weather bureau said a new mass of cool air moving in from the coast extended as far south as the Umpqua national forest east of Roseburg, but dissipated at the Cascades.

Slightly cooler weather, with a high from 85-95, was forecast today for Eastern Oregon. Ontario had 105 and Baker 100 yesterday.

In the Southwest, Medford had a maximum yesterday of 91, with a high of 80-90 forecast for the area today.

Other readings yesterday: Salem 81, Eugene 80, Roseburg 84, and Portland 78.

TOO MUCH!

SEATTLE, Aug. 4 (AP)—Sheriff's Deputy Elmo Hudgens said it took a blast from his siren to break up a young couple's prolonged kiss on Aurora avenue today.

Hudgens said he overtook an automobile going 35 miles an hour and swerving over the highway with the driver and a girl "holding a long kiss."

The officer said he charged the 18-year-old driver with negligent driving and the girl with "aiding and abetting" the driver.

Southwest Says Suspension Of United Service To KF Not It's, But CAB Proposal

The president of Southwest Airways emphasized in a letter to The Herald and News today that Southwest has not suggested or proposed suspension of United Air Lines service to Klamath Falls in connection with Southwest's desire to enter this community.

John H. Connelly said in his letter that the CAB's current consideration of substituting Southwest for United, rather than making Southwest service supplementary to the mainline service, "attended entirely from their (the CAB's) own original thinking."

The substitution issue is now being investigated in a hearing at San Francisco.

"We have presented conclusive evidence Southwest should be permitted to link Klamath Falls with its existing system via connecting routes to Medford and Redding," said Connelly. "Although we mentioned that such links would provide Klamath Falls with supplementary service to San Francisco and, via connections, to Portland, those links were proposed basically to serve a new, untouched volume of short haul traffic."

"We did not at any time suggest or propose that United's service should be suspended in favor of our own."

"Regardless of the board's decision on the matter of United's service to you, we still are anxious to join Klamath Falls to the Southwest system. We hope that your citizens continue to want our service, too."

Connelly reminded Klamath people that Southwest is still anxious to establish a feeder line from Klamath Falls to Reno via Lakeview, Alton, Susanville and Portola. He said Southwest is confident this can be made into a

profitable operation and maintain the service should be established.

"I can assure you Southwest remains deeply interested in this route," said Connelly. "While the die has been cast for some time, we are determined, after seven continuous years of fighting for this route, to keep it an active part of our future plans."

The Klamath-Reno service was rejected by CAB earlier this year after its examiner had recommended that Bonanza Air Lines, a Nevada corporation, be given the job rather than Southwest. Klamath's attitude in this and other airline matters has been that it wants the service, regardless of what firm provides it.

Police Comb France For Khan Bandits

LE CANNET, France, Aug. 4 (AP)—Thousands of police today combed Southern France for the four bandits who stole a fortune in jewels from the Aga Khan and his wife.

Roadblocks were thrown up from Mentone on the Italian border all along the Riviera—the playground of the world's wealthy—to the sprawling port of Marseille, known as a criminal hideout.

Hundreds of cars were stopped. But no trace has been found of the robbers who yesterday held up the Aga Khan and the begum outside their villa here and grabbed about a half million dollars in jewels and 200,000 francs (\$600) in cash.

Police guards around the mansions of the rich have been doubled. Many of the millionaires here are reported hiring private detectives as an additional security.

In the past few days bandits have gotten away with about \$400,000 in the robbery of a bank at Aix-en-Provence, the theft of jewelry in a store at Deauville and the robbery of the Aga Khan.

Police found the abandoned automobile used by the robbers of the Aga Khan near the scene of the crime.

Halleck Is Newest Hope In GOP Race

WASHINGTON, Aug. 4 (AP)—The name of Rep. Charles Halleck (R-Ind.) cropped up today as a possible compromise candidate in the battle over the republican national chairmanship.

Halleck was put forward as a candidate by a group opposing Guy G. Gabrielson, New Jersey committee member, whose supporters claim he has a majority of the 162 ballots expected to be cast in a showdown later in the day.

Earlier the anti-Gabrielson forces had proposed Axel J. Beck of South Dakota as a compromise candidate. But the campaign for Beck apparently had collapsed.

Garlic-Smelling Smog Covers LA

LOS ANGELES, Aug. 4 (AP)—A foul, garlic-like odor covered much of Los Angeles early today.

The odor, which extended from downtown Los Angeles to Pasadena—caused hundreds of people to call newspapers and the police.

There were no hospitalizations reported although many of the callers reported they had difficulty breathing because of the foul air.

The Southern California Gas company sent out emergency crews to find leaks in mains but found none. A gas company spokesman said the odor was similar to that in oil refinery areas and that fog prevented the fumes from being dispersed.

Baseball Scores

NATIONAL

PITTSBURGH, Aug. 4 (AP)—Pounding out 14 hits, including three home runs against a trio of Pittsburgh Pirates, the Brooklyn Dodgers whipped the Pirates, 11-3, today to sweep the four-game series. Gil Hodges, Duke Snider and Tommy Brown hit the four-runners as Don Newcombe went the route to register his 10th triumph.

Brooklyn 000 322 011—11 14 1 Pittsburgh 001 100 010—3 11 3 Newcombe and Campanella; Lombardi, Dickson (5), Casey (7) and Masi.

CHICAGO, Aug. 4 (AP)—Southpaw Johnny Schmitz pitched the Chicago Cubs to a 1-0 triumph over New York today to snap the Giants' six-game winning streak and end an eight-game losing skid for the Bruins. Andy Pafko's 13th home run in the second inning off Larry Jansen was the only run of the game. Schmitz allowed only three hits, none before the eighth inning.

New York 000 000 000—0 3 1 Chicago 010 000 000—1 4 0 Jansen, Higbe (8) and R. Mueller, Westrum (6); Schmitz and Owen.

Philadelphia 001 021 001—5 8 3 Cincinnati 002 001 010—8 11 9 Meyer, Kenstanty (1), Trinkle (5), Donnelly (7) and Seminick; Peterson, Blackwell (6) and Cooper.

AMERICAN

BOSTON, Aug. 4 (AP)—The Boston Red Sox rattled a quartet of St. Louis Browns pitchers for 14 hits and a 12-3 victory today, sweeping the three game series and lengthening their current victory streak to five.

Dom DiMaggio, with two safeties, ran his consecutive games hitting streak to 31. Right-hander Joe Dobson gave up six hits, one Roy Sievers' 10th homer of the season.

St. Louis 000 010 001—2 6 1 Boston 001 040 030—12 14 1 Embree, Kennedy (1), Ferrick (5), Papp (6) and Lollar; Dobson and Tebbetts.

NEW YORK, Aug. 4 (AP)—Pat Mullin's fourth hit, a single to right, scored Eddie Lake from third with two out in the top of the 11th inning to give the Detroit Tigers a 3-2 victory over the New York Yankees today. Fred Hutchinson, helped by Virgil Trucks in the 11th, was credited with his ninth victory. Vic Raschi, Yankee ace, went down in his sixth defeat.

Detroit 011 000 000 01—3 9 0 New York 000 000 000—2 5 0 (11 Innings)

Hutchinson, Trucks (11) and Robinson; Raschi and Berra.



Pacific Men May Back Up Hawaii Unit

By LEIF ERICKSON

HONOLULU, Aug. 4 (AP)—The threat to spread Hawaii's 96-day dock tie-up to the mainland ballooned today. A union spokesman said CIO Pacific coast longshoremen can walk out to support the strikers.

The reason, said Robert W. McElrath, is that the west coast contract never has been ratified by the rank and file of the International Longshoremen's and Warehousemen's union. He is the ILWU press spokesman here.

ILWU headquarters in San Francisco has advised the Pacific coast contract will not be ratified "if Hawaii employers and their agents in the territorial government continue with their strikebreaking program," McElrath said.

Memorandum

Coast longshoremen, he said in a radio address last night, have worked a "back to work" memorandum since December 6, 1948. That was the date of signing a contract ending a 93-day west coast dock strike.

This memorandum, McElrath asserted, was to be effective until the ILWU membership approved or rejected the general contract.

In San Francisco, ILWU headquarters said only that a formal statement "relative to the matter" will be issued later today. Coast employers likewise declined immediate comment.

Meanwhile, all negotiations to end the Hawaii tie-up were at a standstill.

The Hawaii legislature, in the midst of effort to pass a bill aimed at ending the strike by putting the government in the stevedoring business, recessed until Friday.

Late Flee

Both house and senate yesterday bowed to Gov. Ingram M. Stainback's last minute plea to modify a house-approved bill banning the use of strikers or management employees. They passed resolutions to give the governor a free hand in hiring workers.

Before recessing, house and senate set up committees to draft an amendment to the house bill.

The 2000 ILWU stevedores struck Hawaii's seven dock firms May 1 for an hourly raise of 33 cents.

ILWU President Harry Bridges due here tomorrow from San Francisco. His office said only that his trip is in connection with the strike. Some observers were inclined to think, however, his coming might signal resumption of negotiations.

Politicians Hauled Up On Liquor Count

ATLANTA, Aug. 4 (AP)—Former Gov. M. E. Thompson and other Georgia political leaders were accused last night of protecting bootleggers who flooded the state's dry counties with illegal whiskey.

State Revenue Commissioner Charles Redwine exploded the political bombshell. He said he based the charges on the testimony of a former revenue department official, a special state investigator and other state agents.

Redwine already has made his information and exhibits available to a Fulton (Atlanta) county grand jury.

The testimony, as quoted by Redwine, centered on the 1947-48 Thompson administration. The commissioner also mentioned former Gov. E. D. Rivers, Thompson's political friend, former Revenue Commissioner Glen Phillips and Don-Ing Musgrove, former Liquor Enforcement Chief T. M. Price and big liquor dealers.

A two-foot stack of records was turned over to Fulton Solicitor Paul Webb. The exhibits show more than \$1,000,000 in 1300 illegal sales to dry counties in a six-month period, from June 14, 1948, to January 5, 1949, Redwine said.

He added they were seized in a raid on an Atlanta liquor wholesale firm.

The far-flung liquor ring apparently flourished under state protection, the commissioner charged. Three witnesses, he added, spoke of a 50-cent per case "fee" on the bootleg liquor.

Firemen Have Tough Night

All in all, suburban department firemen had a discouraging night of it last night.

At 12:35 a. m. a frantic call came in from neighbors near the 3800 block on Homedale that a house was afire. Between 25 and 30 volunteer firemen turned out to fight the blaze, only to find a rubbish heap burning. The small fire was extinguished and the firemen went back home and to bed.

A short time later, at 2:30 a. m., came another alarm and out went the firemen. This time the call was to Ward and Bryant and proved to be a false alarm.

Signs Building Up To Show Breathing Spell, If Not Halt, To Business Slump

By CHARLES MOLONY

WASHINGTON, Aug. 4 (AP)—Signs built up today of a breathing spell—but probably not a permanent halt—in business downturn that has run through 1949 so far.

A consensus produced by a top-flight official group of economists working as a team boiled down with some "ifs" attached to this:

1. The immediate outlook is that economic activity likely will hold at the mid-year level for the July-August-September quarter, and perhaps may rise a bit in September.

2. Longer-range prospects are darker, because it seems that, on the whole, fundamental readjustment has not been completed and employment, production, income and prices may continue to drift downward from October through mid-1950.

The men who drew up this appraisal would not be quoted by name.

The longer-range downdrift, it was noted, probably will be abated from recognition by its piecemeal character, a moderate tempo, and erratic upturns now and then in particular lines.

One sign of an economic breather or reversal was said to be a significant change in the attitude of businessmen (over the country) within the last two weeks, involving a swing toward optimism.

The "significant change" was reported by a strategically-placed Washington official with an unexcelled opportunity to keep in touch with business thought in all parts of the nation and to get a bearing on its general direction. He said an increase in orders for goods, President Truman's announcement against more taxes, easy credit poli-

cies, the inflationary effects of deficit financing by government, and the recent stock market climb had made businessmen more optimistic.

Traditionally, when businessmen think business is going to get worse—leaving them stuck with high-cost goods in a period of decline—they order less from manufacturers, causing the latter to cut production and lay off workers.

One immediate indication that business might have bounced up from a temporary bottom came in a federal reserve board report that a record-smashing 27-week-long, \$2,757,000,000 drop in the volume of business loans had been halted in the week ended July 27 and replaced by a \$16,000,000 upturn.

It might confirm that businessmen, backed up in confidence, have dropped reluctance to borrow to build up inventories. Still, as one official said, it also could be an entirely seasonal development, the start—a month or two behind normal schedule—on expansion of inventories for fall and the Christmas season.

This change in the business loan trend came in the wake of two other economic reports yesterday of mixed import.

1. The July upturn in employment is a new high for the year, 32,728,998, accompanied by a simultaneous increase in unemployment to a seven and half year high of 4,995,000. They went up together because out of some 100,000 new job seekers, about 100,000 found jobs, 350,000 did not.

2. The dollar volume of construction work broke records for July and for the first seven months of the year, thanks largely to a spurt in private house building.



MYSTERY BLAST NEAR COHEN HOME

Los Angeles police officers L. L. Lance (left) and John Hasko examine fragments of what is believed to be a bomb, which exploded in a driveway across the street from mobster Micky Cohen's home. Cohen was recently released from a hospital after recovering from gunshot wounds received when he was shot from ambush as he left a cafe in Hollywood.