

# Treasury Department Ends Red China Extortion Rocket

WASHINGTON (AP)—Treasury law enforcement officers think they have beaten down Communist extortion of "blood money" from China in this country — but at a cost of many lives.

An enforcement official said the indictments yesterday in San Francisco of the Min San Trading Company and its manager, Tom Hancock, charged on 17 counts of violating foreign assets control regulations by sending \$181,842 through Hong Kong to Red China, would be followed by a number of other similar cases.

The official, who asked not to be named, declined to say how many such cases have been placed in the hands of U. S. attorneys. But he said they are scattered across the country, and not confined to New York and San Francisco where there are big Chinese communities.

He gave a glimpse into a somber struggle between Treasury law officers and Chinese sought between the millions of the law and fear for loved ones in the old country.

Communist Chinese worked the extortion racket by sending letters to Chinese in the United States saying friends or relatives in China would be tortured or killed, or both, unless a certain amount of money was sent to a specified person.

Chinese here sent millions of dollars. An enforcement official said as much as one million dollars or more in blood money was going from the United States to

Red China every month in late 1951.

Then the Treasury stepped in. It ordered a halt to remittances of any money for any purpose to Communist China.

Chinese in this country were told that sending money would only encourage the Reds to demand more, and in the long run would not save their people.

"They finally came around to our view," an enforcement official said. But, he added, "We know of cases where we persuaded people not to send, and their families were killed."

Reporting success of the drive, he said not only has the flow of blood money all but ceased, but few Chinese get extortion letters any more. He said the Communists have halted their organized attempt to terrorize Chinese here into sending money to Red China.

The official said that when the Treasury decided to wipe out the extortion racket,

"We ran into a pitiful situation. We had to tell these people we would arrest them if they did what they were told to do to save their families in the old country.

"We got long leaders, and leaders of Chinese churches, veterans associations, chamber of commerce and so on together in New York and San Francisco late in 1951. We told them we meant to stamp out the racket. . . . They said they would do anything to help. Chinese newspapers gave the drive a lot of publicity."



SAM COON (left), Republican candidate for U. S. Representative from Oregon's 2nd district and Sig Unander (center), GOP candidate for state treasurer, accompanied Dwight Eisenhower (right) on his presidential campaign trip through Oregon.

# Teenage Footman Berserk; Murders 2, Wounds 2 More

PRESCOT, Eng. (AP)—A teenage apprentice footman was charged Friday with murdering two butlers in the stately country home of the Earl of Derby after slightly wounding beautiful Lady Derby in a berserk machinegun attack as she dined alone Thursday night.

Lord Derby's valet also was wounded in the hand as he tried to wrest the gun from the assailant — 18-year-old Harold Winstanley — who was picked up two hours later in a Liverpool hospital, then carrying a British army sten gun.

Police, who brought the young ex-guardian in the British army to magistrate's court here Friday to charge him, said Winstanley admitted wounding the 32-year-old mistress of the household, then killing the two butlers who rushed into the dining room to take the gun away from him.

The youth did not speak during the brief hearing.

After the charges were formally lodged, Winstanley was led away to jail to await a preliminary hearing Oct. 17.

Lord Derby, 34-year-old president of the British Cotton Growers Association and scion of an ancient

family of noted politicians and sportsmen, was attending a territorial army dinner at Aitcar at the time of the wild shooting.

He rushed back to his 15th century home at Knowlsey Hall when he heard of the shooting, then went quickly to the hospital where his wife had been taken for treatment of a bullet wound in the neck and for shock.

Doctors at the Liverpool Royal Infirmary said Lady Derby's wound was not serious and that her condition Friday morning was "slightly better."

The police report of the shooting said Lady Derby was dining alone in the palatial Derby mansion when the youth rushed in and let go with a burst of gunfire.

Chief Butler, Walter Stallard, rushed to the aid of Lady Derby and went down under a fresh burst of fire from the Sten gun. He died a short while later. The shooting brought Assistant Butler Douglas Stewart running into the room, where he too, was mowed down by a fatal spray of bullets.

Lord Derby's valet, William Sullivan, was then shot in the hand as he tried to take the gun away from the attacker.



FIRM FOUNDATION—Russell Anderson, 410 S. 9th Street, copped a long-standing and valuable prize at the Oregon Woolen Store here when he smuggled his titanic tootsies into the boots he's displaying above. The big boots had been on display for several weeks with an standing offer that they were free for any man they would fit. Anderson was the man; the boots were his exact size, 15 EE. Anderson stands only 6-feet, 8-inches as against the 6-feet, 11-inches reached by his father. His mother was an even 6 feet.

# Court To Hear Mac Issue

OLYMPIA, Wash. (AP)—The Supreme Court of the state of Washington has been handed the question of whether the name of Gen. Douglas MacArthur shall remain on the state's ballot as a candidate of the Christian Nationalist party for president of the United States.

The legal move was taken yesterday by Republican leaders who fear that the general's name on the ballot may cost them enough votes to lose the state for Gen. Dwight D. Eisenhower, Republican presidential nominee.

It has been predicted that the race between Eisenhower and the Democratic nominee, Gov. Adlai

Stevenson, will be very close in Washington. Republicans have made no attempt to hide their fears that MacArthur would draw votes from Eisenhower and not from Stevenson.

The action filed yesterday asks that Secretary of State Earl C. Warren be prohibited from certifying the general to county auditors as a candidate. The court instructed Coo to appear Oct. 14 to show whether he should not withhold the general's name.

The entire nine-man court will hear the arguments. The action contends that MacArthur is not and never has been a member of the Christian Nationalist party and that his name on the ballot will "confuse and mislead" the voters.

MacArthur thus far has not made known his views on the matter. The party has placed his name on 19 other state ballots.

# No Support Of Bomb Charge

SEOUL, Korea (AP)—The U. S. Eighth Army said today an investigation has found "no direct evidence to prove" a report that American warplanes last Sept. 28 accidentally bombed Greek troops in Western Korea.

Preliminary reports of the heavy fighting that night on Big Nori Hill said five Greeks were killed by explosives dumped by four U. S. F4 Thunderjets.

The U. S. Fifth Air Force two days later insisted that "no bombs fell on friendly positions" during the fighting northwest of Yonchon.

# Martha Raye Still Critical

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.

# UN LEADER

TAIPEH, Formosa (AP)—Foreign Minister George Yeh left today by plane for New York to lead the Chinese Nationalist delegation at the United Nations General Assembly.

# Internal Security Committee Wants To Hear About Davies

WASHINGTON (AP)—The Senate said today it was "gravely concerned" because (1) the Justice Department has not taken perjury action against John P. Davies Jr., and (2) he continues to hold an important government post.

In a letter to Atty. Gen. McGranery, the subcommittee requested that the advise Chairman McCarran (D-Nev.) of the Justice Department's "position and intentions in this matter."

Involved in the case is a mystery-shrouded operation of the Central Intelligence Agency (CIA), the government's top counter-espionage organization, and the part played in it by Davies, a senior State Department official.

The subcommittee's letter to McGranery indicated the members feel that undisclosed evidence in the case should be made public now that Gen. Walter Bedell Smith, the CIA director, has said Communist agents may have infiltrated all federal security agencies.

"In our judgment," the subcommittee wrote, "the national security issue involved outweighs the narrower interest of any one particular agency."

The subcommittee charged in a report to the Senate on July 2 that Davies testified falsely "in denying that he recommended the CIA employ, utilize and rely upon certain individuals having Communist associations and connections."

Davies, now deputy political adviser to U. S. authorities in West Germany, denied it, but the subcommittee report recommended the Justice Department submit to a grand jury the question of whether he had committed perjury.

The subcommittee questioned Davies at closed-door sessions in August, 1951, asking him whether he had recommended in 1949 that the CIA employ six persons for consultation and guidance.

Of the six, the subcommittee said three had been named in its

hearings as Communists.

Davies' testimony was made public last night for the first time. It disclosed he told the subcommittee he had recommended that the CIA utilize, but not employ, these individuals.

He said he couldn't say any more about the matter because "it touches on an operation which is only slightly less sensitive than that of atomic energy."

Describing it as a project with "A top secret classification," Davies told the senators "it is one which very few people in the government are clear to know about."

He testified that his action was "in the line of duty, within the framework of standing orders that I had from my superiors." He said, however, that so far as he knew the project never was put into effect.

At the time he was on assignment at the State Department here. A few months later he became a member of the department's top-level policy planning staff. He previously had been a Foreign Service officer in China and at the U. S. Embassy in Moscow.

The subcommittee's letter to McGranery said "the Department of Justice has not indicated any intention of laying the facts in this case before a grand jury," adding that "meanwhile Mr. Davies continues to hold an important official position in an extremely sensitive area."

"We are gravely concerned by this situation," the subcommittee said.

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# U.N. Rights For Clergyman

LONDON (AP)—The Rev. Michael Scott, a champion of the rights of African Negroes, says U. S. immigration authorities finally have given him permission to attend the U.N. General Assembly opening in New York next Tuesday.

The Anglican clergyman told a news conference Oct. 1 he had been unable to get a U. S. visa because he refused to take an oath as to his political affiliations.

Scott said he did not believe a person should be required to list his political beliefs to get to a U.N. meeting.

There was no immediate indication whether U. S. officials had waived their oath requirement in Scott's case.

The clergyman said he was going to the Assembly because South Africa has refused to let non-white Africans plead their case in the U.N. against Prime Minister Daniel P. Malan's white supremacy policies. Scott has appeared at previous U.N. Assemblies for the same purpose.

# Boeing Wins 3-Year Deal

SEATTLE (AP)—A letter contract calling for nearly three years continued production of B47 medium jet bombers has been received from the Air Force, Boeing Airplane Company announced today.

At current rate of production this could mean the Air Force will take delivery of upwards of 1,500 more B47s. The new contract extends Stratofort operations at Wichita, Kan., to mid 1956.

Boeing officials said Thursday they are producing more than one of the 600 mile-an-hour sweep-wing, six-jet planes each working day and that more than 300 already have been delivered to the Air Force.

The company said additional Stratofort deliveries are to start early next year from two other plants. They are the Douglas Airplane Company at Tulsa, Okla., and Lockheed Aircraft Corp. of Marietta, Ga.

# Princess Sets Precedent

TOKYO (AP)—Former Princess Yori, who became a commoner yesterday when she married a wealthy gentleman farmer, set precedent a few hours after the ceremony by granting newspapermen an interview.

She told them she wants three children.

Her husband, Takamasa Ikeda, 25, son of a former nobleman, put in a word. He said he wanted only one.

The 21-year-old daughter of Emperor Hirohito also shook up tradition by laughing gaily at the interview. Before World War II, it was bad form for a bride to smile at other men. To laugh with them was just never done.

Thousands of couples were married throughout Japan yesterday so they could have the same wedding anniversary as the former princess.

In one of these, Ojiro Yamamoto, 29, a wrestler weighing 394½ pounds, married Miss Tomoko Ishida, 22, weighing 82 pounds.

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# Russian Leader Warns Of U.S. War

By EDDY GILMORE and THOMAS P. WHITNEY  
MOSCOW (AP)—Soviet Deputy Premier Marshal Nikolai A. Bulganin has told the 19th Soviet Communist party congress there is a real danger that the United States will launch a war against Russia.

Because of this, the Soviet economy is kept in constant readiness to go on a war footing at a moment's notice, he said in a speech to the congress last Wednesday.

The text of his address was made public here Saturday as party delegates prepared to wind up this historic congress session—the Soviet Union's first in 13 years.

Only the last item on the agenda remained. This is the election of party officers, including members of the central committee's ruling

secretariat.

Prime Minister Stalin most likely will be re-elected secretary-general.

Under the party reorganization congress, a new Presidium is to be chosen to carry on the work of the Central Committee when it is not in session.

The Presidium will take over the functions of the Politburo and the Organization Bureau, both of which are to be abolished.

In his Wednesday speech, Bulganin left no doubt that the Soviet Union intends to keep itself in a state of constant preparedness so long as the international situation continues strained.

He called for the "constant battle readiness of our armed forces and of the armed forces of the entire Democratic camp."

While stressing the peaceful purposes of the Soviet economic program, Bulganin emphasized throughout his speech as "real danger of a war adventure from the direction of the United States in particular" and that the Soviet government keeps this "danger" always in mind.

The delegates were told Friday by N. M. Pegov of the credentials committee that the Soviet Communist party now has 6,012,299 members, but could have had more of induction of new members had been better organized. Moscow has the biggest individual group, 646,000 members.

Pegov revealed that there are at present 868,886 candidates for membership in the party.

Candidates must through a lengthy period of education and observation before they are accepted in party ranks.

When the party held its last congress in 1939, there were only 2,477,666 members in the Soviet Union.

# Lutherans Support New Bible

SEATTLE (AP)—The United Lutheran Church in America was committed today to support inclusion in its liturgy of the new revised standard version of the Bible—a decision made after three hours of argument and prayer last night.

Delegates to the 18th biennial meeting of the largest group in the Lutheran family voted 343 to 198 to request the Joint Commission on the Liturgy to include the new version in a forthcoming hymnal.

The commission is composed of members representing churches of the National Lutheran Council. It is not bound by the recommendation but convention officials said it most likely would agree because the U.L.C.A. is the largest church group in Lutherandom.

Opponents of the new version said the King James Bible is a work of art not to be quickly tossed aside and that the newer version should not be hastily accepted until it meets the test of usage.

But the Rev. Dr. T. A. Kantonen of Springfield, Ohio, told the convention "we cannot condemn God to speak the language of 300 years ago. The purity of the Word is at stake. The Lutheran tradition has always been to have the scripture in the language of the people."

And the Rev. Dr. L. H. Steinhoff of Portland, Ore., president of the Pacific Synod, asked:

"Are we to have one language for our people and another for our officials between Sunday worship and in promotional material, our church is leading the field; are we to continue to present God's word in the language of the past?"

Shortly after Rev. Steinhoff spoke, the three-hour argument quieted, delegates prayed briefly and voted to accept the new version which now is widely used in Protestant churches of the world.

# Chiloquin To Hear Green

CHILOQUIN—Mrs. Ruth Green, Democratic candidate for secretary of state, will be the chief speaker at an open meeting to be held next Wednesday evening, Oct. 15 at 7:30, place to be announced the first of the week.

Local Democrats are planning the meeting with Mrs. Ed Dohy and Mrs. William Priebe in charge of arrangements.

Mrs. Dorothea Buck of Klamath Falls is tentatively scheduled to be present. Rev. Phillip Mahoney, running for county clerk, and Marjorie Peterson, on the ballot to try for county commissioner. Any other candidates are more than welcome to attend.

Refreshments will be served at the close of the evening.

# Gifts For Eisenhowers

CHILOQUIN—Gifts symbolizing the Klamath Reservation were presented to Gen. and Mrs. Eisenhower as the Republicans candidate moved through Oregon a few days ago. Mrs. Cyril Cook of Klamath Falls, formerly president of the Wood River unit, Oregon Council of Republican Women, presented a beautifully made book to Mrs. Eisenhower from the unit.

S. E. Kirk, president of the Klamath tribes, gave a plaque of Captain Jack, leader of the Mowoc Tribes. William Lorenz made the actual presentation to Eisenhower at the same time giving him a personal gift of the book on Captain Jack and a clever sketch and historical background of the reservation.

Both Mrs. Cook and Lorenz were enthusiastic about the candidate and his wife, strongly praising their human, down to earth manner of speaking to the people presented to them.

# Local Attorneys On Demo Group

PORTLAND—William Ganong Jr. and Ben J. Goddard, Klamath Falls attorneys, have accepted membership on a statewide committee to work for the election of Robert Y. (Bob) Thornton, Democratic candidate for attorney general.

Lester Humphreys, Portland attorney, is chairman.

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