

### Budget Balancing Held Top Problem

Start Should be Made on Job Now, Angell Says; McNary Cites Short Session Wish.

WASHINGTON, Jan. 4.—(AP)—Representative Angell (R-Ore.) said today balancing the budget was the most important problem facing congress.

Senator McNary (R-Ore.), minority leader, said there will be a general desire to quit early this year because of the political conventions and elections.

McNary also looks for fights on appropriations. He said that if the president "whittles normal appropriations to make way for increased defense items, there is going to be some squawking."

### Aged Woman Asks Worst Census Duty in Idaho

CORUR DALENE, Idaho, Jan. 4.—(AP)—A 67-year-old woman, Mrs. Elva L. Canfield of Florence, Idaho—has applied for the toughest census taking job in Idaho in the wild Salmon river country.

Mrs. Canfield, he said, took the special census in the sparsely populated area along the "river of no return" five years ago.

### Finland Relief Fund Counts Another Donor

The contribution of J. H. Stininger to the Finnish relief fund was received by the News-Review today to be forwarded to national headquarters.

### Missing Hunter Found Dead of Cold and Wound

NORTH VANCOUVER, B. C., Jan. 4.—(AP)—A hunting tragedy was revealed late yesterday when searchers found the body of 25-year-old John Leroy, who had been missing nearly a month.

### Searchers Fail to Find Boy Lost in Lassen Area

REDDING, Calif., Jan. 5.—(AP)—Searchers resumed today what appeared to be the hopeless task of finding 14-year-old Billy Coleman alive in densely wooded terrain near Lassen peak.

### OUR BOARDING HOUSE



### ATTACK ON AMERICA!

Startling Expose of U. S. Lack of Defense  
By GENERAL ARED WHITE

WHO'S WHO AND WHAT'S HAPPENED:  
CAPTAIN BENNING, darling young American intelligence officer, is sent to the United States ambassador in Paris to obtain confidential information about the Mexican picture.

LIEUTENANT BROMLITZ, formerly of the United States army, selected by VAN HASSEK's agents for service in Mexico, is arrested and held incommunicado in the fortress of Vincennes.

CHAPTER III  
A francus took Benning from the Columbia station in Mexico City to Plaza Mayor, whence he crossed the broad Mexican thoroughfare to the great stone bulk of the Palacio Nacional.

Benning smiled inwardly as he turned to the Porto Mariano and entered the palace. Marty (times since arriving at Vera Cruz he had inquired of Van Hassek to find the name unknown. It meant that Van Hassek, a real master of the Mexican forces, was entrenched behind a stout incognito, moving his pawns in the name of young Ruiz, the used dictator who had been placed in power by a swift, furious, and mysterious coup d'etat of European planning.

An elevator shot Benning to the fourth floor. He presented his credentials to a staff officer with easy assurance. So far, his carte d'identite had passed him without question. The staff officer directed him down a tiled corridor that rang with the clatter of military typewriters and all the hum and buzz of a general headquarters.

Benning found himself in an immense chamber whose rich furnishings ran a riot of vivid colors. His eyes centered in some perplexity upon the solitary figure in the room, a man sprawled in a deep crimson leather chair placed at one side of an immense blackwood desk.

Was this Van Hassek? The recumbent man's figure was lost in

### Major Hoopie



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not deived beyond purely military matters.  
"The profession of arms is so vast and intricate, Bromlitz, I've given up all hopes of mastering it in detail," Van Hassek rejoined.

"You mean that many will die in war, I take it, sir," Benning suggested.  
"Millions," Van Hassek answered, stifling a yawn.

"You were, I'm advised an American army officer," Van Hassek said, now speaking briskly in German. "I'm told there are serious charges standing against you in the United States."

"I have you'll not judge me by that, General Van Hassek. Despite my past misfortunes I'm a soldier, sir, and hold the view that there is no other profession worthy of a man. That being so, when circumstances beyond my control placed a price on my head in one country, having a right to find service in another."

"Ja, a soldier is always a soldier, Bromlitz," Van Hassek answered with an approving nod. "I enjoyed my three years in China as much as my station in Vienna; and Mexico is even more to my liking because there are big events shaping up. Tell me in your own way, Bromlitz, what you think of the American army's fighting capacity."

"There are four army infantry divisions and eighteen national guard infantry divisions together with some four cavalry divisions. All are at peace strength, and it would take months to put them on a war footing, fully equipped. In total manpower count on 300,000 men within the territorial limits."

"Ja, very good. What about their fighting equipment?"  
"Pitiable, when you consider the whole picture. Their artillery is largely world war vintage stuff. They're short on ammunition, anti-aircraft, instruments of precision, modern rifles. Their anti-tank weapons aren't out of the factories yet. It would take them a year to make the weapons they'd need, if they couldn't purchase them in foreign markets as they did for the world war. But they have a high-class officer personnel, thor-

### Machinery Show Attracts Farmers

Attendance Sets New Record at Exchange in Roseburg; Delicious Dinner Served.

Nearly 600 Douglas county farmers were guests of the Douglas County Farm Bureau Exchange at the annual farm machinery show held Thursday at the exchange plant at Spruce and Washington streets, Roseburg.

### Youth Admits Slaying Yet for Improper Act

LOS ANGELES, Jan. 4.—(AP)—Jack Rhyanne, 18, former sailor, was ordered held today by a coroner's jury after an inquest into the necktie strangulation slaying of Lawrence Grover Marple, 45-

roughly trained and—  
"Ja, I know of that," Van Hassek interrupted with a dash of impatience. "But it takes modern equipment and plenty of training to fight a battle these days. Now, tell me another thing, Bromlitz, would the mass of Americans stick together in event of invasion?"

"Excellency, it is probable that anyone would be audacious enough to attack the United States on her own soil," Benning asked.  
"I mean this here existing resources in wealth and manpower are taken into consideration?"

"That's precisely why she must be attacked on her own soil because of her latent strength."  
Benning pretended perplexity and countered, "I'm not sure I understand just what Excellency means."

"I mean it was America's stupid intervention that wrecked the world in the great war."  
"But didn't her strength turn the balance in the last war, Excellency?"  
"Strength, ha!" Van Hassek scoffed. "Not for more than a year after the United States jumped into the war did her soldiers fire a shot in battle. Then only after the French supplied her with cannon, the British with rifles, helmets, and gas masks, and both sides conducted a military kindergarten to instruct her divisions in the art of war. Ja, that was her latent strength!"

Van Hassek got up abruptly and with an amazing agility. He went to his desk and touched a call button. The captain from the ante-room responded promptly.  
"Captain Schreff," Van Hassek instructed. "I'm very well satisfied with Bromlitz. You may have him report for the time being to Colonel Bravot. Later I may have more important use for him."  
(To be continued.)

### Yule Trade Boost Cited by Hopkins

WASHINGTON, Jan. 4.—(AP)—Secretary Hopkins said today industrial activity in the last three months of 1939 matched the best quarter in 1929, but some decline in production appeared certain early this year.

The extent of the "readjustment" in productive activity, Hopkins said in a statement, depends on the attitude of business toward inventories built up during the last quarter rush.

He listed four factors which he said would "mitigate against illiquidation" of the inventories:  
1. Advance of prices has been less than appeared likely two months ago, and thus an expanded volume of consumer purchasing may be expected.

2. Prospects for farm income have been strengthened by December rises in the price of staples, principally wheat and cotton.  
3. Construction industry activity has been well maintained, and a continuation into the spring would help stimulate the economic structure.

4. Business has made a sizable increase in commitments for capital expenditures during the last four months, and the effect of this should begin to be felt soon. Hopkins said that the increase in Christmas trade was a result of "higher payrolls, income, and the extended holiday buying season."

A survey of large department stores showed that the dollar sales for the week ended Dec. 23 were 12 per cent above the pre-holiday week of 1938 and for the four weeks before Christmas were five per cent above the 1938 period.

### Mrs. C. A. Watkins, Former Roseburg Resident, Dies

Word has been received here of the death of Mrs. Caroline A. Watkins, 86, at Moscow, Idaho. She was born in Boston, Mass., and was the widow of the late Dr. W. W. Watkins, prominent Idaho physician. She leaves two daughters, Mrs. Elsie Pfeil, of Moscow, and Mrs. Wanda Armour-Althaus of Roseburg. She was well known in Roseburg, having resided here with her daughter for many years. Mrs. Watkins was "Caldie Woodlawn," the heroine of the late book of that name written by her granddaughter, Carol Ryle Brink. Funeral services will be held in Moscow. On account of being ill, Mrs. Althaus will be unable to attend the funeral.

### Accused Quarter-Breed Blames His Red Hair

PORTLAND, Jan. 4.—(AP)—Arthur J. Ladderoite placed part of the blame on his red hair for the trouble that brought him to Federal Judge James A. Fee's court today. Accused of providing liquor for Indians at Chiloquin, Ladderoite explained he himself was one-quarter Yakima Indian and a ward of the government. Few persons believe him because of his red hair and ruddy complexion and he has no difficulty in obtaining liquor permits.

The judge studied a petition for leniency from Ladderoite's Toppensh, Wash., friends and referred the case to a probation officer.

### British, Nazi Tars Drink Together

BUENOS AIRES, Jan. 4.—(AP)—With glasses of beer, German and British seamen who engaged in the running naval battle off Montevideo Dec. 13 washed away their ill feelings last night.

In bars and clubs, the one-time rivals in the greatest sea fight in the present war drank toasts and told each other they harbored no ill will.

The British sailors were off the cruiser Achilles, one of three British warships which put the German pocket battleship Admiral Graf Spee to flight. The aftermath of the encounter was scuttling of the pocket battleship after Uruguay ordered it either to leave its Montevideo refuge or be interned.

As surprised Argentines looked on, the erstwhile combatants raised their glasses in friendship. It was a strange spectacle—the mixed groups of men whose headbands bore the words, "Panzer-chiff Admiral Graf Spee" and "H. M. S. Achilles."

The arrival of the Achilles yesterday at Buenos Aires followed that of the cruiser Ajax, flagship of the British South Atlantic squadron, at Montevideo.

### FINANCIAL CONDITION OF THE Douglas Building & Loan Association AS OF DEC. 30, 1939

ASSETS	
Cash	\$ 3,705.87
Federal Home Loan Bank Stock	2,500.00
Real Estate Loans	42,028.30
Advance to Borrowers	2,963.59
Real Estate Subject to Redemption	1,128.98
Real Estate Owned	47,090.62
Real Estate Contracts	63,686.60
Stock Loans	11,736.11
Life Insurance Advanced	9.93
Furniture & Fixtures	369.37
LIABILITIES	
Investment Stock	\$154,360.45
Loan Federal Home Loan Bank	10,788.97
Reserve for Taxes	450.45
Deferred Profits R. E. Sales	5,617.65
Reserve for Interest, A. D. & F.	476.51
Accrued Interest "I"	2,163.79
Permanent Reserve Fund Stock	14,290.00
Prepaid Fire Insurance	153.32
Prepaid Taxes	840.46
Undivided Profits (Deficit)	11,331.83
\$178,019.77	

State of Oregon, County of Douglas, ss:  
I, J. E. McClintock, Secretary of the above-named association, do solemnly swear that the above statement is true to the best of my knowledge and belief.

Attest: B. L. Eddy, President.  
J. E. McCLINTOCK, Secretary.  
Subscribed and sworn to before me this 4th day of January, 1940.  
(Seal) LEON E. McCLINTOCK, Notary Public for Oregon.  
My commission expires June 12, 1940.

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- 1936 Ford Tudor Sedan.
- 1937 Ford Deluxe Sedan.
- 1938 Ford Tudor Sedan.
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- 1939 Ford Deluxe Coupe.

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You keep the spoon.

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A bargain like that would sell out most any shoe store in a few hours—yet, that's exactly the kind of a bargain you get in fuel savings when you put a "Caterpillar" Diesel Tractor to work on your farm. How? Because the average "Caterpillar" Diesel burns only half as much fuel (costing half as much per gallon) as the average gas tractor, doing the same work. Result: 1/2 the cost—\$2 against \$8—\$200 against \$800! Ask for an economy demonstration on your own farm.

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