

THE WEATHER

Humidity 4:30 p. m., yesterday 70% Highest temperature yesterday 49 Lowest temperature last night 42 Precipitation for 24 hours

Roseburg News-Review

THE DOUGLAS COUNTY DAILY

WAR, POLITICS

They still highlight the day's news—and perhaps will for months, Daily NEWS-REVIEW wire service will keep you posted on developments in both, together with other leading current events.

VOL. XLIV NO. 26 ROSEBURG REVIEW ROSEBURG, OREGON, TUESDAY, FEBRUARY 13, 1940. VOL. XXVIII NO. 163 OF THE EVENING NEWS

SLASHED NAVY BUDGET OFFERED TO HOUSE



By FRANK JENKINS FOR the week just ending, Dun & Bradstreet reports that in the country as a whole retail trade was five to ten per cent ahead of the corresponding week a year ago.

WHEN you hear of factories expanding their operations, it is interesting. It means better times for the moment, at least. But it doesn't necessarily mean that times are going to STAY better.

In that event, the factory will have to close down until the accumulation of goods is disposed of.

THE wholesaler and the retailer, for one reason or another (such as the belief that prices are going up), may buy heavily, and their buying may start the factories humming. But even that isn't a sure sign of sustained good business.

The wholesaler and the retailer may have guessed wrong. The sales they anticipated may not materialize. Prices may go up, and the higher prices may cause consumers to BUY LESS. Many things can happen.

If the wholesaler and the retailer don't sell their stocks as quickly as expected, their buying from the factory will decline. While the factory is waiting for further orders from the wholesaler and the retailer, it may have to close down.

BUT when the retailer sells to the consumer he turns around and immediately buys again from the wholesaler and the wholesaler

(Continued on page 4.)

Girlie Show Ousts U. S. Men From Jobs

BALTIMORE, Feb. 12.—(AP)—Four federal social security board employees were under indefinite suspension today and scores of others were being questioned as an aftermath of a Sunday night "strip-tease" stag show which ended in a police raid and arrest of 157 men.

Joseph L. Fay, chief of the board's office here, announced the suspensions last night after an all-day inquiry. He said 72 of the men arrested had been definitely identified as board employees, and added:

"Any others found to be associated with the promotion of the affair will be suspended immediately." Five women performers also were arrested in the raid on the show, held at a resort near Baltimore.

Meanwhile, Representative Eugene C. Miller sent an open letter to Federal Security Administrator Paul V. McNutt requesting a full report on the affair. Engel said he particularly wished to know if tickets to the stag party were sold in the board's offices.

Board officials will attend a preliminary hearing in the case, scheduled tomorrow.

Crash Kills Two Eugene Men, Third Badly Injured

REDFING, Calif., Feb. 12.—(AP)—Lawrence Miller, 21-year-old Portland, Ore., photographer, was in a critical condition today from injuries received yesterday in a truck-automobile collision which killed two of his companions.

Elmo N. Gamrath, 21, and Joe Cobb, 23, both of Eugene, Ore., were killed when the machine, driven by Gamrath, and a heavy milk truck operated by Henry Astolini, collided head-on 12 miles south of here. Astolini escaped injury.

The three photographers had worked here for several days and were en route to Red Bluff when the accident occurred.

County Road Program Sets \$42,773 Fund

Year's Work Fixed by Court Lists 27 Projects; Oiling, Widening, Surfacing, New Construction Included.

Adoption of a Douglas county road program for the year 1940, with appropriations totalling \$42,773 to 27 projects, was voted by the county court today. The program provides for considerable road oiling, particularly in the vicinity of rural stores, various road widening and surfacing projects, repairs to existing roads and some new construction work.

Major expenditures proposed under the schedule provide for operation of the Wilbur rock quarry, construction of a new road along the North Umpqua river eastward from a connection with the Pacific highway near Wilbur, further cooperative construction on the Bullock road, purchase of rights of way on the North Umpqua highway, and cooperation with the state forestry department on the Schofield road from the Umpqua highway north to the county line.

Principal oiling projects provide for improvement of one mile of road from the Pacific highway towards Hiddle, one mile of oiling on the Garden Valley road from Brown's bridge west, one-third mile from the Glide bridge east, one-third mile at the Lookingglass store, one-fourth mile at the Umpqua store, one-eighth mile at Melrose store, one-half mile on Yoncalla-Eldred road and three-fourths mile on Stearns lane.

The budget also includes \$1,500 for repairs to the Sutherland-Norland pavement. The sum of \$5,000 is included to start work on a proposed new road east from Wilbur following the north bank of the North Umpqua river toward the Kent ranch. Acceptance of the project and construction of the road is subject to certain conditions. Those conditions are that property owners shall furnish rights of way without charge, that rights of way shall be donated to provide access to gravel bars where road surfacing material may be secured and that the county shall have the right to use any of such gravel without cost and that all fencing shall be

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Bribery Charges Hit N. Y. Bigwigs

NEW YORK, Feb. 12.—(AP)—Tammany District Leader William Solomon and Assistant H. Mulvaney were indicted today on charges of bribery and extortion growing out of an investigation into state and city printing contracts.

The indictment was made public a day after Solomon was depicted by a witness in the current labor racket trial of Louis (Lenke) Buchalter as recipient of \$1,500 of a fund for settlement of a bakery strike.

The accusation in the Lenke trial and the charges in the printing inquiry apparently were not related. Solomon is the second Tammany district leader to be prosecuted on criminal charges by District Attorney Thomas E. Dewey, a republican presidential aspirant now campaigning in the west. Dewey brought about the conviction some months ago of District Leader James J. Hines as the political protector of the Harlem policy racket empire of the late Arthur (Dutch Schultz) Fleckenheimer.

Deficit Spending Policy of New Deal Denounced

NEW YORK, Feb. 12.—(AP)—The government's deficit spending policy was termed an obstacle to business recovery today by Harley Lutz, professor of public finance at Princeton University, addressing the American Bankers association.

"We have before us," Lutz said, "the outline of a beautiful vicious circle. . . . The taxes that can be collected from a \$90,000,000,000 national income will not suffice to cover the kind of spending program that was launched to build us up to the \$90,000,000,000 income level, and we shall be told that the government is shooting at \$100,000,000,000 where it hopes to balance the budget."

"This kind of logic belongs in the same class with theories of perpetual motion and bootstrap levitation. . . . The needed driving force must come from private economy. It will never come from a policy of governmental deficit financing."

Lincoln-Day Appeals of G. O. P. Heads Rally Party For Presidential Battle

(By The Associated Press) Republican leaders rallied their party for the presidential campaign last night with Lincoln day appeals to encourage private enterprise and keep the American government free from dictatorship.

While former President Hoover was declaring that the United States must abandon a "nationalist drift toward statism," active and potential presidential candidates were criticizing the new deal and forecasting a republican victory in November.

Senator Vandenberg (R-Mich.), speaking at Grand Rapids, Mich., described Abraham Lincoln as "our first candidate for president." He said that Lincoln's reelection in 1864 by "all like-thinkers, regardless of party affiliations," set the pattern for 1940.

Thomas E. Dewey of New York said at Portland, Ore., that the new deal failed to recognize a "constant erosion of capital." American development is lagging, he asserted, "because of the nationwide undercurrent of distrust and fear of the shifting of policies of the administration."

Dictator Threat Seen Senator Taft (R-Ohio) told a Greenham, N. C., audience that continuation of the new deal would mean a "modern, streamlined totalitarian dictatorship." The nation, he declared, faces a fundamental decision just as it did in 1864.

Senator Bridges (R-N.H.), another presidential candidate, said at Oklahoma City that Lincoln would want for present-day Americans "freedom from economic dependence or domination from the government as well as from private groups."

Addressing a three-state rally in New York, republican Chairman John Hamilton said: "The people of America know that when Mr. Roosevelt steps from the white house next January, he will leave to his republican successor a country in as critical a condition as Buchanan left to Lincoln."

Relief Must End "Americans cannot allow their fellow Americans to go hungry," he said, "yet relief cannot go on forever. The current cost of relief, in all its aspects, federal, state and local, is nearly four billion yearly. . . . We must restore the people to self support before relief fails."

Declaring the country must keep out of war and turn from "government spending to national thrift," (Continued on page 6)

Senate Nearing Vote on Finn Aid

WASHINGTON, Feb. 12.—(AP)—The congressional session which leaders hoped wistfully would be short and harmonious ended its sixth week today, with the two prime topics—federal economy and foreign relations—still in the talking stage.

The senate was winding up debate on extension of financial aid to Finland. It scheduled a vote by 2 p. m. (PST) on a measure to double the \$100,000,000 capital of the export-import bank and thereby to make possible additional loans both to Finland and China.

After the problem of helping Finland is disposed of, the next big question that congress probably will face is continuation of the reciprocal trade program. The house ways and means committee approved a three-year extension, and the house is expected to do likewise next week.

Reports spread that the administration had sufficient senate votes for the proposal, but opponents will make a determined effort to require senate ratification of such trade pact.

Negro Savant Gives His Savings for Foundation TULKEGEE, Ala., Feb. 12.—(AP)—To perpetuate his work in creative chemistry, Dr. George Washington Carver, negro scientist, today gave all his savings—\$23,000—to a foundation established in his name.

Born a slave, Dr. Carver has become internationally known by developing new industrial uses for agricultural products.

The aged negro recently received the Roosevelt science award.

The foundation also will be charged with the responsibility of preserving the Carver museum which houses many articles he has received from native materials.

Farley's Aim In Campaign Thought Seen

Nomination of Himself or Of Roosevelt Believed Plan; Dual Slate in Wisconsin In Line With Purpose.

WASHINGTON, Feb. 12.—(AP)—Formation of a Roosevelt-Farley delegate slate in Wisconsin strengthened the belief of many politicians today that the chief executive and the postmaster general are in accord on the democratic presidential campaign.

One senator in close touch with Farley told reporters the cabinet member and national democratic chairman was "resolved to do one of two things—nominate himself or Mr. Roosevelt."

The Wisconsin democratic state convention, meeting last night at Wisconsin Rapids, declared that the president should be drafted for a third term. Another resolution expressed the hope that Farley "may continue in public life in the interest of the people of the nation."

The convention adopted a slogan of "officially endorsed Roosevelt-Farley delegates" for its slate in the April 2 primary. National Committeeman Charles E. Broughton said, however, that the mention of Farley did not mean he was endorsed as an alternate presidential candidate.

Farley Strategy Seen Farley has given his consent to forming a delegate slate pledged to him in the Massachusetts presidential primary, but has made no other direct indication that he is a candidate for office.

Close friends of Vice President Garner, himself a presidential candidate, expressed the belief that Farley was ready to turn over any delegates he might win to Mr. Roosevelt if the latter decides to run.

The Garner supporters voiced disappointment that Farley, in his Massachusetts declaration, did not say he would be a candidate even if the president seeks another term. Garner, in fact, is the only democrat who has made such a statement.

A slate of 12 delegates to the democratic national convention pledged to Farley was picked yesterday by the Massachusetts state chairman at Boston with the announced assumption that if President Roosevelt seeks reelection "Farley and the democratic party as a whole will support his candidacy."

PHOENIX, Ariz., Feb. 12.—(AP)—Superior Judge M. T. Phelps sentenced Hershel Marsh, 29, Paisley, Ore., to five to 10 years in state prison yesterday for burning the body of a dead acquaintance whose pockets he admitted robbing of about \$500.

Marsh robbed Henry J. Loisele, 45, whose body he found in a tourist cabin last New Year's eve. Later he poured kerosene on the bed and floor and ignited the cabin.

Burning, Robbing Body of Friend Draws Prison Rap

SALEM, Ore., Feb. 12.—(AP)—Nathaniel J. Swain, Salem, conductor on a freight train that was being made up for a run to Albany, was beheaded in the Southern Pacific yards here today.

Coroner L. E. Barrick said Swain was standing on the caboose when the engine backed up, knocking Swain to the rails.

Dave McRae, a trainman, was standing by Swain, but could not act in time to prevent the accident.

S. P. Conductor Beheaded By Train in Salem Yards

They're Smiling Over That 100-to-1 Bull's-eye

Karelian Area Fighting Goes Into 13th Day

Smashing of Russian Attacks Continue, Finns Announce; Britain Enlarges Plans to Meet Nazi Bomb Menace.

HELSINKI, Feb. 12.—(AP)—After 13 days of bitter fighting, Finnish military authorities announced tonight that all positions of strategic importance on the Karelian isthmus had been won back by Finnish counter-attacks.

The Finns acknowledged for the first time that they had "withdrawn" late Sunday from some of these positions in the sector about Summa.

A military interpreter explained that this often occurs in "battles of such fury as are now going on."

The Finnish high command announced today that its forces had repulsed day-long Russian attacks on the Karelian isthmus, making "several successful counter-attacks," and farther north had driven a Russian detachment back across its own frontiers.

The daily communiqué said fighting was continuing on the isthmus today, 13th day of the Russian assault there.

The Finns said they "destroyed" the greater part of an enemy column of 100 sledges among the Pihkaranta islands along Lake Ladoga's northern fringe, and reported they had repulsed Russian attacks northeast of Lake Ladoga and the Kuhmo sector still farther north.

The Finns said they had destroyed 23 Russian tanks on the isthmus and two miles northeast of Lake Ladoga. They said their pursuit planes and anti-aircraft guns had shot down four red planes in the various war zones.

A famous Finnish athlete, Gunnar Hoekert, was reported killed, however, in the isthmus fighting Sunday. Winner of the 5,000-meter run in the record time of 14:22.2 in the Olympic games of 1936, Hoekert also held the world record of 8:18 for the 2,000-meter run. He was the second noted athlete to die in the war. Speed Skater Waenala having been killed in December while leading a ski patrol across Lake Ladoga.

Britain bent new efforts toward warding off the German mine and bomb blockade of her coast by expanding the royal air force and recruiting 10,000 additional fishermen for patrol duty.

Though a big airplane construction program is in progress, the (Continued on page 6)

Raising Funds With a Wallop



Citizens of Capetown, Africa, combine contributions to war funds with the pleasure of seeing "Adolph Hitler" socked in the head by "Prime Minister Chamberlain." When they drop coin in the device pictured above, Chamberlain's umbrella cracks down on der Fuehrer's forehead.

PORTLAND, Feb. 12.—(AP)—Rain doused western Oregon today and penetrated eastward to many sections beyond the Cascade mountains.

The government weather bureau predicted showers again tonight and Wednesday with snow at higher elevations. Twenty-four hours of showers provided Portland with 3.3 of an inch of moisture and cut the season's precipitation departure for the year to 1.03 inches less than the normal 9.12.

Precipitation reports for the 24 hours ending at 4:30 a. m. included Bend 12, Brookings 1.28, Burns 25, Eugene 73, Hood River 61, Lakeview 94, Medford 15, Newport 61, North Bend 95, Pendleton 33, Roseburg 60, Stikony Summit 13.

VALSETZ, Ore., Feb. 12.—(AP)—This little coast range lumber town claims the national rainfall title and is proud of it.

There was 16.12 inches of rain from February 1 to 11, inclusive, of which 5.12 inches fell on February 6. In Salem, 40 miles east of here, the average annual rainfall is only 37.17 inches, or slightly more than twice Valsetz rainfall during the first 11 days of February.

WASHINGTON, Feb. 12.—(AP)—Secretary of the Interior today a \$2,883,354 contract for construction of what he described as the highest double-deck bridge in the world.

The structure, to be known as the Pitt river bridge, will rise 560 feet above the present level of the Pitt river near Redding, Calif.

The contract went to the American Bridge company, Pittsburgh. The bridge will be a link in a 30-mile railroad relocation being constructed around the Shasta reservoir, Central valley project.

A combination railroad and highway bridge, it will carry two main line tracks of the Southern Pacific railroad and four lanes of U. S. highway 99 across an arm of the reservoir.

The bridge company is a subsidiary of the United States Steel corporation and will ship the 25,000,000 pounds of steel to be used from Gary, Ind.

Woman Kills Self When Husband Relaxes Vigil NEW YORK, Feb. 12.—(AP)—Louise Haberman kept an all-night vigil to prevent his wife from carrying out a suicide threat.

At 8 a. m. today his wife, Hilda, 48, saw her husband's head nod. At 8:20, Haberman awoke with a start—and found his wife's body dangling from a steampipe over the bathtub, with one of his neckties knotted around her throat. She was dead.

Committee Ax Swung In Record Gash

Ships of World Superiority Recommended; Approved Items Include Million to Improve Harbor at Guam.

WASHINGTON, Feb. 12.—(AP)—In the house today, the appropriations committee presented a slash of \$111,699,639 in President Roosevelt's budget for the navy—the largest yet made by the committee in any single budget recommendation.

The committee, urging that the nation build battleships and cruisers "superior" to those abroad, said the fleet's needs could be adequately met with the sum of \$966,772,878.

Included in the measure was \$1,000,000 to start work on a \$3,000,000 project designed to develop the tiny Pacific island of Guam as a naval "lookout" post. Guam improvements were turned down by congress last year after a heated controversy involving questions of foreign policy toward Japan.

(The president's budget figure of \$1,078,472,577 included funds which he classified as emergency national defense expenditures. These were responsible for the difference between that figure and a \$954,000,000 request by the navy to finance its normal, non-emergency, operation and construction.)

In sending the navy bill to the house floor the committee also cut \$16,316,250 from the amount of "contract authorizations" recommended in the budget. With such authorizations the navy may contract for work to be paid for later.

Thus a formal decrease in the amount the navy could spend or obligate in the fiscal year beginning July 1 amounted to \$128,016,549.

Superior Ships Wanted "The committee is of the opinion that definite advantage will be secured by making the new capital ships and the additional cruisers not equal to, but superior to, any pending foreign construction," the committee asserted.

"As a result of the nation of the world, the United States is charged with a high degree of responsibility for the maintenance of our peace. This responsibility requires a policy of construction which does not confine itself to imitation of other nations."

"Its economic strength and its position of leadership among the nations of the world demand such ships and in such numbers as will maintain a preponderance of power and thus insure the security and peace of the United States."

Defense Bill Signed Meanwhile the first appropriation bill of the session, carrying \$252,340,776 for emergency national defense and neutrality expenditures, was signed by President Roosevelt. The money is for use before June 30, end of the present fiscal year.

Congress trimmed the bill \$19,658,747 under the president's budget estimate of approximately \$272,000,000. The measure provides \$109,416,685 for the war department, \$137,172,238 for the navy, \$1,475,000 for the justice department.

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Hull Opposes Plan To Fix Neutrality

WASHINGTON, Feb. 12.—(AP)—Secretary Hull has expressed state department disapproval of a resolution to invoke the neutrality act in the undecleared Sino-Japanese war.

Chairman Pittman (R. Nev.) of the senate foreign relations committee disclosed this today, saying further that the committee probably would consider Hull's opinion as reflecting the state department's views, not only on the Sino-Japanese conflict but also on the neutrality act between Finland and Russia.

Although Pittman declined to make the letter public, he said it was apparent Hull felt that the peace and security of the United States were not directly involved in either of the undeclared conflicts and for that reason did not favor invocation of the neutrality act, which would greatly restrict American dealings with the belligerents.