News Photos Three photo services bring pictures of world news events to readers of The Oregon Statesman in every



The Weather Unsettled, light rain to-day and Wednesday. Normal temperature. Max. t-emp. Monday 39, min. 28. River .6 feet. South wind.

EIGHTY-EIGHTH YEAR

Salem, Oregon, Tuesday Morning, December 27, 1938

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No. 235



Huckestein, Cyril A. Suing and Daniel McClelland, along with other Catholic laymen, assisted.

Rev. T. J. Bernards, director, an-

nounced last night. The charities

board, T. A. Windishar, August

Salem's transient visitors also were not forgotten, according to Patrolman Hobart Kiggins of the city police force, who has charge of Hotel de Minto. Twenty-six hungry knights of the thumb and rails were treated Sunday to a sumptuous dinner that included roast turkey, duck and goose, nuts, candies, cakes, pies and the other customary trimmings. After dinner they enjoyed cigars and height of the last-minute Christcigarettes.

"The men were more than amply provided for," Officer Kiggins commented. "The many contributors to this dinner would have tion note, slipped into a cashier's had their thanks in full had they. cage, said was set to explode at been able to see the 'guests' gather joyously around the 'hotel' time employe of the store they tables.'

From school rooms and church groups also came generous donahim. tions of foodstuffs and clothing distributed to needy families through private an dpublic agen-

More Receive Toys **Than Ever Before**

So many boys and girls found the Salem Elks lodge and the city fire department a true Santa Claus Saturday, when toys, clothing and candy were given away to all comers at the Elks club Saturday, that the committee yesterday had not been able to complete its count of registration cards.

"More boys and girls than we while detectives fruitless search. ever had before," reported Lou Thomas at the Elks office. "There were between 1500 and 1600. We

ran out of candy before they stopped coming but sent out for more so that none had to go away disappointed."

NEW YORK, Dec. 26.-(AP)-Ha-zel Forbes Richman, wife of Har-Others on the Elks committee were Robert Cole, chairman; Wilry Richman, night club entertainliam Hammond, Joseph Kreuger er and actor, who was admitted and Percy Blundell.

The hundreds, or possibly thoucands, of toys given away were the handiwork of Salem's firemen, who for three months had been busy in their station shops repairing and repainting toys brought in by townsfolk.

Needy war veterans' families were supplied with a large number of Christmas dinner baskets through the Associated Veterans, headed by Hans Hofstetter.

Thirteen other families late last week received large boxes of foodstuffs, clothing, candy and toys, the gift of the Salem Lions club and auxiliary. Cash donations to charities were made by the Rotary

Elliott Roosevelt **Attacks Mexicans**

FORT WOR'TH, Texas, Dec. 26 -(AP)-Observing that "it would appear on the surface that the 'good neighbor' policy has gone far enough," Elliott Roosevelt asserted in a broadcast tonight that Mexican sales of oil from expropriated properties to Germany, Japan and Italy has created a prob-lem for this nation which must be steady advance in their thrust

"If Mexico wants to be a friend the government capital.

Police Search Portland Store but Find not

Held Crank's Job

a Single Clue PORTLAND, Ore., Dec. 26-(AP

3 p. m. They questioned a part

time to prevent its explosion.

locked the doors for the day

began thei

arrived in Salem on December 25, a check of local hospitals yesterday revealed. Mr. and Mrs. E. L. Smith of

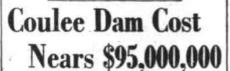
-Detective Captain John J. Kee Gervais were presented with a 91/2-pound baby girl, Mary Lee, gan expressed belief today that born Christmas noon at the the extortion-bomb threat that Bungalow maternity home. forced evacuation of the Sears A baby boy born to Mr. and Roebuck & Co. store at the Mrs. Yoshikazu Horikoshi, route 7, just missed the day by mas rush Saturday was probably a few hours. He was born at a hoax perpetiated by a crank.

Deaconess hospital Monday Police searched the store but night. found no time bomb the extor

Is Santa's Gift

Just one Christmas baby,

fitting symbol of the season



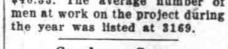
thought manifested undue interest in the plot but exonerated

GRAND COULEE, Dec. 26-(AP)-The note made its appearance Estimates of the US bureau of sbortly before 2 p. m. Saturday reclamation and Consolidated when 5000 last-minute shopper: Builders, Inc., indicated today the jammed the store. It demanded total expenditures in construction payment of \$2500 at an eastof Grand Coulee dam to the end Portland address to a man who of the year would be \$95,000,000. was described. It stated that The figure for equipment, mawhen the money was paid the terials and supplies, including acstore would be given the loca-

tual expenditures and items for tion of the bomb by telephone in which contracts have been made, is about \$56,000,000 and for Police and store executives wages and salaries nearly \$29,hustled the customers and 300 600,000. employes from the store and

The figures for 1938 alone were estimated at \$22,000,000 and \$7,000,000 respectively.

The CBI listed the hourly pay rate of \$1.09 for the year, with average weekly pay checks of Harry Richman's Wife \$40.33. The average number of Hospitalized, Pneumonia



Stork vs. Santa PORTLAND, Ore., Dec. 26-(AP)-

to Mount Sinal hospital yesterday Santa got stiff competition from suffering from bronchial pneumo- the stork in Portland. Twelve nia, was reported today to have babies--eight boys and four girls passed a "comfortable night." -were born Christmas day.



HENDAYE, France (At the | Blancas apparently were endeav-Spanish Frontier), Dec. 26-(P)- oring to form a junction at Mont-The Spanish insurgent military blanch, 20 miles to the east for a command reported tonight the combined push against Tarragona, capture of Borjas Blancas, strate- 20 miles south southeast. gic town 16 miles southeast of Montblanch is a junction on the Lerida on the main Catalonian curving main Lerida-Tarragona

highway to Tarragona on the highway. Mediterranean coast. Insurgent planes, flying ahead Insurgent radio stations broad- of the land forces, bombed Reks, cast a report from Gen. Francisco about 10 miles from Tarragona

Franco's general headquarters on the highway. Government adthat this important position fell vices said nine persons were in the fourth day of their general killed. offensive in to the heart of the Government dispatches said the

government stronghold in northnorthern defenses of Catalonia astern Spain. Borjas Blancas is approximate-

around Tremp, famed hydroelec-tric center, were holding firm against relentless insurgent as-saults. Several Italian troops were reported taken prisoner in ly 35 air miles from Tarragona and is in the center of the insurgent campaign on the southern end the Segre river sector.

Elsewhere in Catalonia Fran-Insurgent advices said, how-ever, that of 27 divisions taking part in the Catalonian offensive aimed ultimately at Barcelona, only one was made up of Italians.

and a good neighbor, she might Just south of Borjas Blancas, The battle lines, along which show it first of all by inviting an the insurgents reported they pene- were arrayed 500,000 men on

of the Catalonian front.

Held Achievement **On Salem's Yule**

defense

Note of Optimism Sounded ber 30 and given official encouragement by the . Italian govern-

tectorate, in a tour of military

Both territories have been

ment's renunciation of the 1935

treaty, which also assured citizen-

They reported they had won

200 miles northwest of Kaifeng.

Severe fighting was reported

JERUSALEM, Dec. 26-(AP)-Re-

The abduction was one of sev-

Blizzard Crimps

Europe Airliners

German, Belgian, Netherlands,

swiss and French air lines oper-

ating from Le Bourget air field

to central eastern Europe were

Heavy snow fell in northern

France and on the English chan-

nel following several days of

Purse Is Snatched

also grounded.

freezing weather.

fanfare.

as Delegates Prepare for Last Session

ship rights of Italian subjects in LIMA, Dec. 26-(AP)-United Tunisia until 1965. Daladier announced his trip States delegates today hailed the eighth Pan-American confertentatively scheduled to start January 2, after the tension over colence which closes tomorrow as a onies arose and touched off anremarkable monument of achievement and an excellent example for gry demonstrations on both sides. future assemblies of the western Despite the pointed warning vesterday of Virginio Gayda, auworld's 21 republics.

thoritative Italian editor, that It-This note of optimism was regaly would consider such a voyage istered as the various delegations an unfriendly act, Daladier conwhich produced some 130 resoluferred on arrangements with Erik tions and declarations, including Labonne, resident-general in Tuthe momentuous "Lima declaranisia, the French possession most tion" for new world solidarity and coveted by Italy.

Amid the hurry and bustle of preparations for the final session there were evidences that the

Japanese Troops United States delegation did not intend to rest on the gains made here for improving Latin American relations.

Many of the Washington delegates already were laying plans for technical Pan American conconquered south Shansi province ferences to be held shortly. in north China, announced today Among them were assemblies on their forces had captured four the Pan-American highway and towns and killed 600 Chinese in on intellectual cooperation, both of which will be held in Santiago. a new offensive. Chile

Protest Renewed Against Bombings

under way near the juncture of Shansi, Shensi and Honan prov-WASHINGTON, Dec. 26.-(AP)inces, near the point where the State department officials said to-Yellow river turns eastward after day that because the Japanese

flowing from the north. government failed to reply satis-factorily to earlier protests **British Bank Head** against ten bombings of American property in China, United States Ambassador Joseph C. Grew made **Kidnaped by Arabs** a renewed protest today.

They said the ambassador's lat est protest covered the numerous bombings in recent months which the Tokyo government previously bellious Arabs today kidnapped a British bank manager, Louis Lé had promised to investigate, Grew called the matter to the attention Bouvier, near Jericho. of Foreign Minister Hachiro Arita, repeating his requests that eral Christmas disorders in the Japanese warplanes cease such at Holy Land in which four persons tacks. were killed and five injured.

A royal air force armored car found Bouvier's abandoned auto-**Nazis Are Silent** mobile beside the Jerusalem-Jericho road. Troops started a search **On King Proposal** of the surrounding area.

BERLIN, Dec. 26 .- (AP)-The propaganda ministry said today nothing was known of United States Senator William H. King's proposal that Washington sever diplomatic relations and commercial ties with Germany.

PARIS, Dec. 26-(AP)-A blizzard caused suspension of all air trans-The propaganda ministry was port services between the contione of the few government offices nent and England today for the manned during the Christmas holfirst time in 10 years. iday which ends tomorrow,

Since all newspapers close shop for the holiday, there was no published comment on the propo-sal made by Senator King, Utah democrat, in a Washington interview yesterday.

Bernarr McFadden Safe

As Plane Noses Over

rominent in the fascist territor- were falling steadily as far east North Carolina. Readings of ial clamor raised in the Italian as entire state of Nebraska.

Temperatures had dropped be-

low zero in North Dakota and

tas and into Minnesota, where it drifted and halted highway traffic in some sections. Flurries were reported in Wisconsin, Indiana, Illinois, Iowa and Michigan, with more snow predicted for tonight. Kansas and Missouri were out of the path of the storm, but the and severed telephone lines in mercury dropped 20 degrees at valleys around Rovereto. Kansas City, and near zero tem-

states during the night. Eastern states, the weather bu-

and most of New England. ports that Wang Ching-Wei, for-New York City and New Eng land generally enjoyed clear, crisp weather today. Temperatures hovered around the freezing mark.

Claim Victories the weather bureau for Lake Mi SHANGHAI, Dec. 26-(AP)-The chigan, over which strong north Japanese, striving to pacify unwest winds will blow, and for the Atlantic coast from Cape Hatteras to Sandy Hook, N. J.

> ported in Colorado, Montana and (Turn to Page 2, Col. 1)

control of hilly regions north of **Father and Sons** the Fen river radiating from Linfen, city which lies about 60 miles east of the Yellow river and about **Die at Crossing**

> WEST MANCHESTER, O., Dec. 26.-(AP)-A father and three sons were killed tonight when an automobile in which they were riding was struck by a fast passenger train during a blinding snow

tions.

The dead were: Oca Stivers, 50 the father; and Noah, 28, Oscar, 15, and Cletus, 12. Coroner Walter McCool said he day.

had not been able to determine who was driving the auto.

the Rumanian border where snow chamber of deputies last Novem- 10 below were forecast for the blacked trains and disrupted electric service to 36 villages. Snow swept through the Dako-

ROME, Dec. 26-(AP)-Temperatures fell to/12 degrees at Milan today and snow cloaked the summit of Vesuvius. Similar temperatures were reported along the Italian Riviera. while snow slides blocked roads

In Chinese Circle

peratures were forecast for both "Truce" Is Talked

reau reported, would feel the worst of the cold wave tomorrow night. Snow tomorrow was forecast for Tennessee, Kentucky Virginia, Maryland, Pennsylvania

mer president of the Chinese executive Yuan, was en route to Hongkong to discuss "truce" terms with Japanese emissaries

have caused lively discussion in Storm warnings were issued by diplomatic circles here. First reports were that Wang, who is head of the so-called "peace party," would arrive today, but tonight his whereabouts were a mystery. He has left Chungking,

Sub-zero temperatures were re provisional Chinese capital, on a

to be coming here by way of Hanoi, French Indo-China. The reports of impending "truce" negotiations could not be confirmed.

OSC-Barometer's Editor **Suspended From College**

CORVALLIS, Ore., Dec. 26-(P) -Dick Kennedy of Portland, edi-tor of The Barometer, Oregon State college student newspaper, has been suspended from school for the next two terms, George W.

Peary said Kennedy had violated a college regulation.

Congress Eager to Find out Roosevelt Reaction to Vote

WASHINGTON, Dec. 26 .- (AP)- | hour bill for months. Since the Congress will be back in town election, the possibility of such next week eager to learn, first of a combination standing squarely all, what policy changes President | in the path of the new deal has Roosevelt may have adopted as a become a very real threat to the consequence of the obviously con- president. servative trend of last fall's elec-

Whether it develops from. possibility into an actuality de-For, upon the president's repends, by all accounts, upon the action to November's voting defuture course of Mr. Roosevelt

pends much history to be made and the new deal. in the near future-the course of If the president, with the con servative wing of the party still smarting at the attempted party legislation for two years to come, and a chain of influences both great and small reaching into the "purge" of last summer, and with residential campaigns of 1940.

the republican conservatives anx-ious to test their new voting foreover, the third term question is still a very lively issue. strength, insists upon a militant-Congress will return with its ly liberal course, he will encoun republican voting strength great- ter, most observers believe, a mil-

ly increased, but with the demoitant opposition. cratic party still holding a "paper majority" in both houses. That is, "We've got him stopped," was the laconic way in which one rewhen the new deal democrats and conservative democrats vote to-gether they will command the situation. But, last year, even before the

frozen to death today along vocating, at least up to recently, a comparatively small air force of high quality. Early in October Maj. Gen. Hen-

BUDAPEST, Hungary, Dec. 26 pecially in view of the fact that

-(P)-Three Hungarian peasants some high army officers were ad-

gram has caused surprise here, es-

ry H. Arnold, new chief of the army air corps, declared that the country didn't need a great many more military airplanes, but needed faster ones. Under the development program being carried on at that time, the army was to have 2,320 craft by 1940. Gen. Arnold, in an interview, called this "a very good figure as things now stand.

These remarks were made about the time of the signing of the Munich four-power accord Whether implications of that accord and the post-Munich events abroad have now changed Arnold's mind is not known. He could not be reached for comment to-

HONGKONG, Dec. 26-(AP)-Renight **Discord** Rumor

Denied by Craig

There have been reports that some other high officers of the army could not see eye to eye with the administration on de fense plans. These were denied ten days ago by Gen. Malin Craig, chief of staff, who said:

"The administration and the war department have been working in intimate accord on a program regarding which absolutely no decision has yet been finally "sick leave," and was supposed made.'

Shortly before that a retired officer, Maj. Gen. George Van Horn Moseley, had told the New York board of trade that "fear and hysteria" were being engendered in support of heavy expenditures for national defense.

Supporting the president's forth coming proposals, congressional circles have heard, will be "startling evidence" that Germany's aerial force and aircraft factories geared to war demands threaten to upset completely the world of military and political power.

Developments Are Reported Peavy, college president, said to-

From usually well-informed administration and leislative sources come reports of these developments

1.-Details of the new rearmament program are complete. They were shaped in close cooper-ation with Gen. Malin Craig, army chief of staff, and other military advisors, since Euroeps' uneasy peace agreement was reached at Munich. War and navy depart-ment budgets already have been

approved. 2. Convinced that American air power must be quickly augment-ed, Mr. Roosevelt has been unmoved by arguments of some congressional critics that the United

(Turn to Page 2, Col. 1)

Holiday Tragedies Claim Four Lives

PORTLAND. Ore., Dec. 26-(P)-Auto accidents and fire took four lives over the Christmas weekend in Oregon Mrs. Marie Liesman, 40, Port-

land, was struck and killed by a car as she dismounted from a bus.

Carl Tittle, 45, farmer, was burned to death when his log

cabin near Damascus, northeast-ern Claskamas county, was de-

stroyed by fire. At North Bend Adolph Aslack-

