

# Ruth Alexander Sunk By Japs In Far East

Story Column Four, Page One

## In Manila

Salem has an "investment" Read Col. Carl Abrams' thrilling story of Company K there in 1898 on The Statesman's Sunday feature page.

# The Oregon Statesman

FOUNDED 1854

## Weather

Forecast, temperature, rainfall and river reports withheld by request of western defense command, US army.

NINETY-FIRST YEAR

Salem, Oregon, Saturday Morning, January 10, 1942

Price 3c; Newsstands 5c

No. 248

## Senators Vote Veto On Prices

### Wickard Given Control Over Farm Ceiling

WASHINGTON, Jan. 9—(AP)—By a 48 to 37 vote, the senate late Friday rejected a personal appeal of President Roosevelt and gave the secretary of agriculture a virtual veto power over wartime price ceilings on farm prices.

Democratic Leader Barkley (Ky.) attempted to avoid the direct administration defeat by offering a last-minute compromise amendment to the broad price control measure but leaders of the powerful and bi-partisan farm bloc held their lines to reject this, 48 to 39.

Then they demonstrated their power again by rolling up the 11-vote margin in favor of an amendment by Senator Bankhead (D-Ala.) which would require "prior approval" by the secretary of agriculture over any price maximums on agricultural commodities fixed by the price administrator.

Sensing defeat earlier in the debate, the senate democratic leader offered to require "prior consultation" with the secretary. This brought an immediate protest by Bankhead that there would be nothing "binding" about such consultation.

The second roll call found 31 democrats, 16 republicans and one progressive voting for the Bankhead proposal while 26 democrats, 19 republicans and one independent opposed it.

Barkley immediately notified senators they must attend an unusual Saturday session in an effort to complete action on the general price control legislation intended to save the government billions of dollars in war costs and at the same time put the brakes on rising living costs for the millions of ordinary citizens.

President Roosevelt, in a telegram to the senate Thursday, had asked defeat of the proposal to divide the authority over farm prices.

Bankhead, who had led many senate fights for new deal farm legislation, said the originator of the idea of giving the secretary of agriculture control over farm prices, was former President Herbert Hoover, who was food administrator during the last war.

Senator Brown (D-Mich), floor manager for the legislation, pointed out that farmers already had been given special treatment because the bill limited the price administrator's power to fix maximum prices on their output. Senator McNary (R-Ore), republican leader who seldom opposes (Turn to Page 2, Col. 2)

## Named Aide



JAMES M. LANDIS

## FDR Quashes Defense Row

### Harvard Law Dean Will Share Job With LaGuardia

WASHINGTON, Jan. 9—(AP)—President Roosevelt responded Friday to arguments that the task of administering civilian defense was too big for a part-time job by appointing Dean James M. Landis of Harvard law school to serve with Mayor Fiorella H. La Guardia of New York and handle the executive problems.

The peace-making compromise came as a swift aftermath to the house action Thursday in voting to strip La Guardia of much of his authority. The chamber passed a measure giving the war department control over expenditure of \$100,000,000 to provide defense equipment.

Influential congressmen, some privately and others on-the-record, expressed conviction that the president's move would pave the way for approval of the legislation in the form approved by the senate, leaving the purse strings in La Guardia's hands as national civilian defense chief.

The White House, in announcing the partial reorganization, (Turn to Page 2, Col. 6)

## 'Sleepy-Head' On Altar of Patriotism

WASHINGTON, Jan. 9—(AP)—The author of the bill to set clocks up an hour, which the house passed Friday, admitted she is "a sleepy-head." "No one knows how I hate to get up in the morning," mourned Mrs. Edith Neourse Rogers (R-Mass) who introduced the daylight savings measure as a war-effort.

## US Planes Aid Raids In Libya

### Guard Bombers As RAF Smashes African Units

CAIRO, Egypt, Jan. 9—(AP)—Guarded by American-built Kittyhawk fighters, RAF bombers are dealing smashing new blows to axis sea and land supply lines in the Mediterranean and North Africa while British mobile columns are keeping General Erwin Rommel's retreating forces under constant attack.

Outnumbered more than 5 to 1, the Kittyhawks were credited Friday with downing seven axis planes and damaging others in their latest clash with more than 50 German and Italian craft in the area of Agadabia. These Curtiss models, an improvement over the famed Tomahawks, were manned by Australians.

General headquarters here announced that RAF bomber squadrons scored direct hits on coastal shipping bringing supplies from Tripoli, the chief axis North African port, to "beached at various points on the Gulf of Sirte" as well as on transport columns on the coastal highway.

Axis troops covering Rommel's withdrawal on the 70-mile stretch southwest from Agred— (Turn to Page 2, Col. 6)

## NW Industries Board Formed

### Bonneville Power Body Bills War Action With Oregon and Washington

PORTLAND, Ore., Jan. 9—(AP)—A Pacific northwest war industries board, representing Oregon, Washington and the Bonneville power administration, was organized here Friday.

The board, established as a development of a conference at Olympia last week of Gov. Charles A. Sprague of Oregon, Gov. Arthur B. Langlie of Washington and Paul J. Raver, Bonneville administrator, set as its goal the unification of efforts to obtain war and peace industries on a regional basis.

Members of the board include Ivan Bloch, chief of Bonneville's market development section, chairman; David Eccles, Oregon's budget director, and Pat Heatherton, director of the Washington planning commission.

Bloch will leave for Washington, DC, tomorrow to confer with OPM and other federal agencies on the regional development plan and to obtain information on the president's war industries expansion program.

# Bloody Battle Rages In Malaya As Japs Push Toward Singapore; Luzon Is Quiet

## Noted Pacific Freighter Hit By Submarine

### Most of Crew Saved By Dutch Air Boat; MacArthur Waiting

WASHINGTON, Jan. 9—(AP)—The navy announced Friday night the destruction of an American ship by an enemy plane in Far Eastern waters, while the nation awaited word of a renewed attack upon the gallant defenders of the Philippines.

The vessel was the Ruth Alexander of the American Presidents lines. She was formerly owned by the Pacific Steamship company and was once in regular passenger service between Los Angeles and Seattle.

One member of the crew was killed and four were injured. The remainder of the ship's personnel was said to be safe in a friendly port. The air attack apparently did not sink the vessel but inflicted such damage that she had to be abandoned as a total loss.

(A Dutch communique on January 1 reported that an American freighter was attacked and set afire by Japanese planes in East Indies waters and that a Dutch naval flying boat had rescued 48 of its crew. It said one crewman remained missing.

(The navy said Friday night it did not know whether this ship and the Ruth Alexander was the same, but added that from available information this was assumed to be the case.)

Making this announcement, the navy added that operations against enemy submarines in the central Pacific were continuing, and that off the west coast the activities of undersea raiders had been reduced. An investigation of reports of an enemy submarine off the New England coast had produced nothing definite.

Meanwhile, the weary fighting men of Gen. MacArthur were steeling themselves to withstand another savage Japanese effort to drive them off their rocky, grimly held peninsula and into the sea.

The enemy was obviously gathering his strength and forces for a major attack, moving fresh troops and equipment into the areas of direct assault.

The actual fighting had reduced itself to sporadic jungle skirmishes, the apparent result of chance encounters between advance patrols. (Turn to Page 2, Col. 2)

## Legs Broken In Collision

Blaming their collision with a heavy truck on the Pacific highway south of Salem Friday night to the slippery paving on which their lighter vehicle spun when they attempted to pass another car, William B. Muetze and Wilbur Fuller Enslay of Lebanon are in a Salem hospital, each with a broken leg.

Muetze, driver of the passenger vehicle, who was rushed to the hospital by Salem taxi ambulance, told state police he was unable to control the skidding spinning car in the path of an oncoming Portland freight truck driven by Ray F. Pound. The accident occurred in front of the Alder club six miles out of the city at approximately 9:30.

## Nazis Rushed To East Front

KUIBYSHEV, Russia, Jan. 9—(AP)—Germany was reported Friday by the army newspaper Red Star to be rushing reinforcements by airplane from western Europe in an effort to stop the Russian counter-offensive.

One hundred German officers were brought from France Dec. 23 to the Kalinin front, but most of them now are dead, the newspaper said.

Another case was cited where 60 nazis were flown from Germany.

## Where Far East Struggle Concentrates



Cheered by word that reinforcements were en route, British armies struggled to hold back increasing hordes of Japanese on the Malayan peninsula. Violent fights raged in the west and central areas below Ipoh, tin center, now in enemy hands. On the east coast, defenders were locked in battle with the Japanese near Kuantan, 190 miles from Singapore. This map shows the areas producing rubber, iron, tin and gold, all of which Japan covets, and the railroads serving the area. Inset shows the strategic position Singapore holds in relation to the Dutch Indies, Australia, the Philippines and China.

## OPM Policies Outlined To Salem Plant Owners

### Defense Contracts on Competitive Basis, City Group Told at Meeting; Pooling of Tools Advocated; Office Service Offered

No governmental bureau, no promotion organization can get defense contracts for Salem industry, representatives of Oregon's new office of the division of contract distribution from the OPM told business and industrial leaders at a luncheon session Friday.

As in the pre-war era, contracts for all business must still be "rusted," they assured the more than 75 men who gathered at the Quelle.

Development of programs for conversion of plants and industries from civilian to defense production with government financial assistance if necessary is, however, one of the purposes of the DCD, John G. Barnett, acting manager for the Oregon office, explained.

Advice to manufacturers and other businessmen as to procedures and practices of the procurement divisions of the armed services; provision of engineering and technical assistance to contractors who may need such help in order to produce war materials; facilitation through regular commercial banking channels, the RFC and the Federal Reserve banks of the necessary financing of facilities for contractors, whether (Turn to Page 2, Col. 5)

He told editors and publishers at the annual Oregon press conference that the nation was indebted to newspapers for their cooperation in disseminating information during the war, but advised them to guard against rumors and misstatements of fact.

Gov. Sprague said newspapers already had erred several times, but blamed persons in high authority as well as journalists. (Turn to Page 2, Col. 3)

## Draft Boards Get Warning

### National Director Says 'Hysterical' Action Would Be Disruptive

WASHINGTON, Jan. 9—(AP)—Local draft boards were cautioned by Brig. Gen. Lewis B. Hershey Friday against "hysterical" reclassification of men for military service now that the United States is at war.

The selective service director, speaking at the National Press club, said that it was the duty of these boards to see to it that the armed forces were supplied with all the men needed to win the war, but that care must be taken to avoid disruption of armament production.

Hershey predicted that the men from 20 to 44, inclusive, who will register for the first time on February 16 would not be called to duty for several months since there is still a large reservoir of man-power in class 1-A. He did say, however, that the time might not be far distant when men with slight physical defects who are now classified as 1-B would be reclassified for active service.

There will be no drastic change in selective service rules and regulations because the country is at war, he asserted.

"We must still have defer- (Turn to Page 2, Col. 2)

## Nazi Position Grave as Russ Extend Lines

### Berlin Admits Serious Condition; Sieges of Soviet Cities Lifted

By The Associated Press

The British imperial forces above Singapore were under enormous Japanese pressure Friday and although the invader's blood was deeply staining the forests and foothills and miasmal swamps of western Malaya he apparently still was creeping forward.

The disturbing allied position in this most vital and currently most active of the Pacific theatres was somewhat compensated, however, by the fact that the enemy lay all but idle before the indomitable American-Philippine line in Luzon and still was not able to loose that second major offensive which had been foretold.

In Russia, too, as the fifth week of the extension of the war to a global conflict drew near an end, the German arch-enemy appeared about to lose his key positions before Leningrad, as he already had lost them before Moscow, and was in growing peril in the Crimea in the far south.

The German armies in Russia late Friday night plainly were in the gravest position yet to befall and official Nazi accounts showed an extraordinary, cumulative melancholy unparalleled since the beginning of the war.

While new Russian successes at north, south and center were being announced in Moscow, Adolf Hitler's personal press chief, Dr. Otto Dietrich, declared in a bald and somber broadside published in all Nazi newspapers:

"Germany's military operations have entered an extremely serious and indeed critical phase. But Hitler will know how to overcome this crisis." The authoritative Berlin commentary Dienst Aus Deutschland, which often speaks for the German foreign office, warned the country that Hitler's retreat in Russia was far from ended and that the Nazi forces of the east had been forced to "the unaccustomed task of a stiff defense, withstanding the storming Soviet masses and giving way step by step, while covering preparations made for a winter combat line."

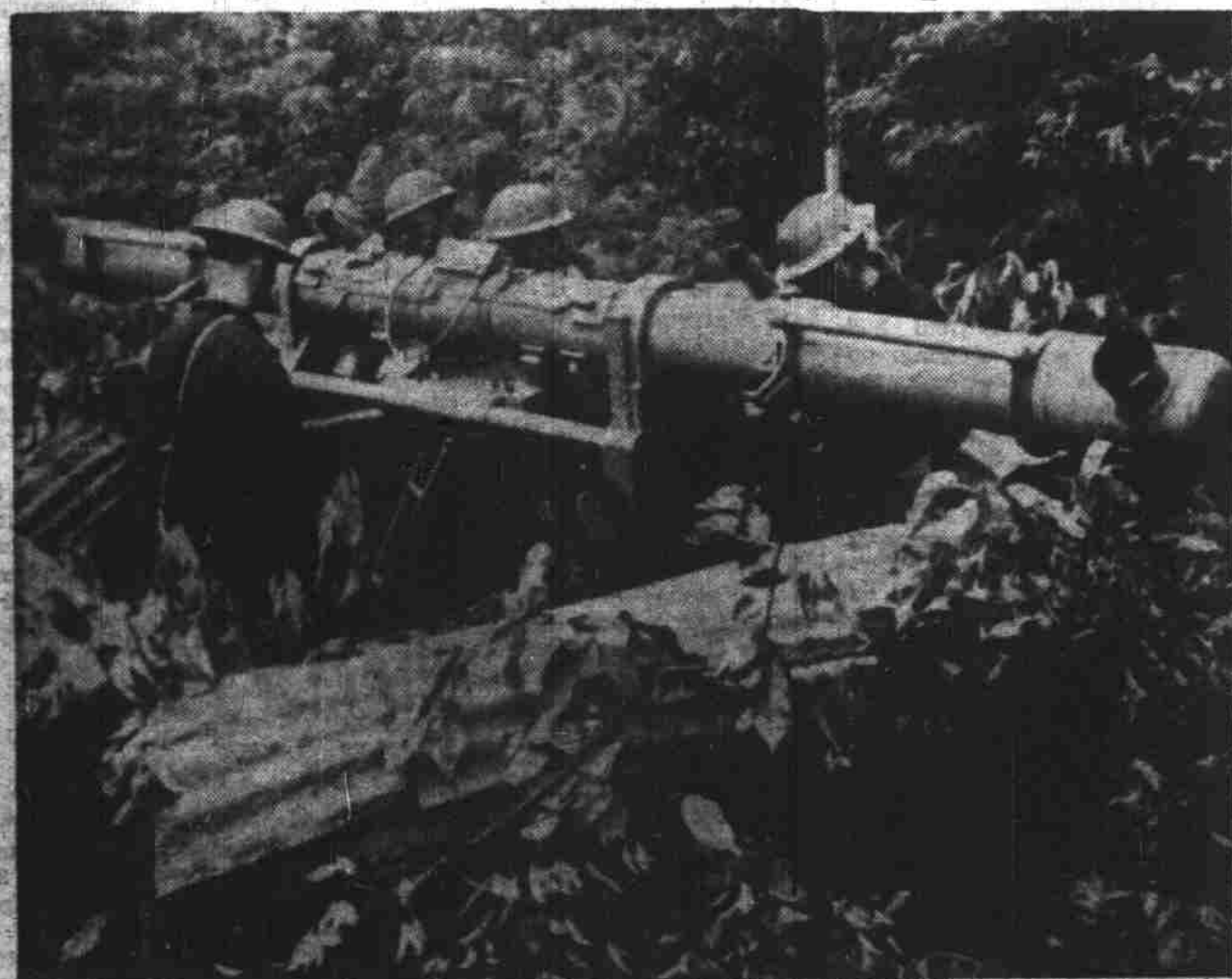
Where this line was to be was of course not indicated, but it was made plain that it was to the west and beyond any area in which the Germans now are struggling.

Before Leningrad, the Russians claimed to have substantially lifted the six-months-long siege and to have turned the vast Leningrad garrison into a powerful offensive force which was heavily assaulting the Nazis in cooperation with drives by other red forces along the Stalin canal near the city.

In the Crimea, a German army of seven or more divisions—100,000 men or more—was under growing threat of envelopment, for the erstwhile besieged garrison of Sevastopol was strongly on the offensive in aid of other thrusts by Soviet troops landed at a number of points on the peninsula.

On the central front, the Rus- (Turn to Page 2, Col. 1)

## Corregidor Men Bag Many Jap Planes



United States troops are pictured operating an aerial height finder on the island fortress of Corregidor at the entrance to Manila Bay. Fought with bombs and strafed with machine-gun fire, the courageous men of Corregidor have accounted for more than two score Japanese planes. And the island's great artillery rifles, aided by those of adjacent forts, have kept Manila Bay clear of the enemy while American and Philippine land forces under General Douglas MacArthur braced themselves shoreward for a large-scale general attack by the Japs.

## Now That It's All Over, It May Be Told

Worst ice storm here since 1912 was what struck Tuesday over the Willamette valley, resulting in untold damage. Military permission for disclosure of the weather information was given Friday after it had been requested withheld from radios and newspapers.

Electric power was largely restored. Many trees, especially evergreens, giving up their load of ice suddenly, broke during the day and caused additional line trouble. As many extra linemen as could be provided with equipment were added to repair crews, all working long hours.

"We all appreciate the fine spirit in which the public has accepted the catastrophe," stated W. M. Hamilton, district manager of Portland General Electric company, who said nearly everyone had been patient in requesting aid.

Local service is a little better, with probably 700 phones useless, but regular crews and men from other parts of the state will probably have the system mostly clear in a few days.