

The Statesman is proud of its men in service—the soldiers, sailors, marines and defense workers from its territory. Read of their activities daily in this newspaper.

PORTLAND, Jan. 23—(AP) Pvt. Harold B. Curryer is \$464.66 richer and the envy of every soldier here Friday. The money was back pay from his civilian job. He's buying defense bonds.

Japs Start Reign of Terror In Philippines

Rio Meet Approves New Pact

Compromise Act Allows Each to Make Decision

RIO DE JANEIRO, Jan. 23 (AP)—A compromise resolution recommending but not requiring rupture of relations with Japan, Germany and Italy was approved unanimously late Friday by the full 21-nation political committee of the Pan-American conference.

The change, representing a major concession to Argentina and Chile, dashed United States hopes that all the Americas would sever axis ties forthwith.

Summer Welles, US undersecretary of state, frankly acknowledged that the United States would have preferred a more definite and stronger action, but voted for the greatly-modified resolution.

The softened language resulted from the prolonged objections of Argentina, followed by Chile, to the original resolution for an outright severance of diplomatic ties with the axis powers and to an earlier compromise providing for congressional approval of a break.

Argentina and Chile both on Wednesday had agreed to the first compromise, but later Argentine reservations caused new and lengthy negotiations resulting in the final simple recommendation.

As finally approved at the oratory-laden open session of the political committee shortly after dusk Friday night, the resolution read:

"The American republics, following the procedure established by their own laws and within the position and circumstances of each country in the present international conflict, recommend rupture of their diplomatic relations with Japan, Germany and Italy, inasmuch as the first of these states attacked and the other two declared war on an American nation."

Only the formality of approval by the full conference is required to complete the action. Signatures will be affixed at a plenary session.

The formula was agreed upon at a secret meeting of the chief (Turn to Page 2, Col. 5)

Salem Closing Defense Bond Pledge Drive

The defense bond pledge drive in Salem is winding up rapidly, with excellent response, declared "General" Joseph E. Felton Friday night. He said he expected three-fourths of the captains to report in by tonight.

Mrs. G. F. Lobdell, captain of one-half of precinct four, finished Friday and turned in her cards. A number of minute men report 100 per cent of those contacted have signed pledge cards, including young people as well as older.

Japs Strike Near Australia

NEW BRITAIN, New Guinea



Shortly after a strong Japanese naval force was sighted off Rabaul (1), capital of the Australian-mandated island of New Britain, communications with that city ceased, indicating an invasion was under way.

Half an hour later Japanese aircraft raided the Solomon islands (2). New Britain lies only 800 miles northeast of the nearest point of Australia proper.

Jap Troops Take Three Islands Near Australia

MELBOURNE, Australia, Jan. 24—(Saturday)—(AP)—Japanese landings in at least three places on Australia's protecting arc of outer islands were announced today by the government, which appealed urgently to Prime Minister Churchill and President Roosevelt to furnish arms quickly.

Deputy Prime Minister Francis Forde said the Japanese had forced a landing at Rabaul, capital of the Australian mandated island of New Britain at 12:05 p.m. today (5:05 p.m. Friday, PST). The point is 800 miles from the Australian mainland.

He said his news came from NEW YORK, Saturday, Jan. 24—(AP)—The British radio in a broadcast heard today by NBC said "scouting forces have verified that 11 Japanese merchantmen were in the harbor of Rabaul, New Britain, while three Japanese cruisers, one destroyer and one aircraft carrier were sighted somewhere off the coast."

Port Moresby, on the Australian half of the nearby Dutch-Australian island of New Guinea.

Already, there had come official word that the Japanese had landed at Kieta, the principal city of Bougainville, at the northern end of the Solomon island chain, and on the large island of New Guinea itself, possibly at "a number" of points.

The last previous direct word from Rabaul was a radio flash at 4 p.m. Thursday that 11 Japanese vessels, including warships, had been sighted 45 miles offshore. The city already had suffered from a cold wave.

From Budapest came reports that Hungary was suffering from 31-below zero cold accompanied by violent snowstorms.

Russ Use Aero-Sleds Against Germans



Moscow reported that Russian ski troops skimmed snow-drifts in speedy propeller-driven sleds similar to this to strike at Nazi troops fleeing from the Moscow front. This picture shows a Russian aero-sled which took part in races on the Moscow river.

Great Air Fund Gets Approval

House 389 to 0 In Voting for Aerial Mastery

WASHINGTON, Jan. 23 (AP)—Less than four hours after it received the request from its appropriations committee, the house voted unanimously Friday to pour another \$12,525,872,474 into this nation's drive to seize aerial mastery over the foes of the United States wherever they may be found.

The appropriation, which now goes to the senate, will pay mainly for 23,000 combat planes and 10,000 trainers, only a starter toward President Roosevelt's goal of 60,000 US-built flying warcraft in 1942 and 125,000 in 1943.

It is the largest single outlay for military purposes ever proposed in congress, but only a small part of the \$56,000,000,000 of war expenditures which President Roosevelt, in his budget message at the start of the session, outlined for the fiscal year beginning July.

Provided are \$933,000,000 to expand aircraft plants, build bomber assembly plants and construct facilities for production of explosives and incendiary materials; \$7,144,056,340 for complete planes; \$1,547,948,529 for armament, cannon, ammunition, bombs and pyrotechnics; \$3,900,000,000 for spare engines and parts, and approximately \$1,000,000,000 for signal corps and chemical warfare service supplies.

With this money the United States will "build toward our offensive knockout blow," the appropriations committee was told by Lt. Gen. H. H. Arnold, deputy chief of staff for air.

The vote of 389 to 0 by which the house sent the bill on its way toward final enactment was a foregone conclusion. No sign of opposition to the plane program developed during the debate and except for inclusion in the bill of \$30,000,000 to build another dam in the Tennessee valley authority system the vote could have come in the first round.

WU Centennial Plans Speeded

Student participation in centennial events at Willamette university surged forward Friday with the announcement of Nancy Austin as Century Girl and plans for a "date bureau" for the Centennial ball of February 14.

In addition, students will take part in the symbolic inauguration of Pres. Carl S. Knopf, slated for February 2. Public administration majors will be called on for aid in the Institute of Citizenship of March 17, and will carry on their long tradition of Freshman Glee in the centennial theme.

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Swiss Report Cold Worst in Century

BERN, Switzerland, Jan. 23—(AP) The lowest temperature in 100 years—11.2 degrees below zero Fahrenheit—was recorded Friday at Basel as all of continental Europe continued in the grip of an intense cold wave.

From Budapest came reports that Hungary was suffering from 31-below zero cold accompanied by violent snowstorms.

Linfield College Term To End One Week Early

PORTLAND, Ore., Jan. 23—(AP) Dr. William G. Everson, president of Linfield college said Friday the school's spring term would end May 31, a week earlier than usual.

Faculty and students have voted to drop spring vacation and other holidays in order to end the year as soon as possible because of the war emergency, he said.

Civilians Forced To Take Army Currency Under Death Penalty; All Enemy Assaults Hurlled Back

British Still Holding Line In Malaya

Japs Threatening to Turn Left Flank as Battle 'Confused'

SINGAPORE, Jan. 23—(AP) Japanese troops threatened Friday night to turn the British left flank at Batu Pahat, 60 miles northwest of Singapore, but elsewhere across the peninsula the outnumbered Imperials were reported holding on doggedly against increasingly heavy blows.

The British command acknowledged evidence of Japanese penetration in the Batu Pahat sector, the west coastal anchor of a line stretching across Johore state through Chaah in the center to Mersing on the east coast.

These infiltrations coincided with reinforced Japanese frontal assaults in an effort to force the withdrawal of defense units at Bukit Payong, a hill area some nine miles north of Batu Pahat.

Major General Gordon Bennett, Australian army commander, said the situation was "very confused" and more dangerous than a few days ago.

Heavy fighting continued at Bukit Payong, and also around the central Chaah sector, 70 miles north of Singapore and 25 miles north of Kluang, important railway and road junction.

On the east coast at Mersing the British said their artillery was effectively harassing the Japanese who had pushed down from Endau. Mersing is approximately 65 miles north of here, and the thick jungle growth makes any Japanese fighting operations there almost impossible.

Japanese planes sprayed explosives all along this 80-mile line, and also attacked Singapore this morning—following up Thursday's destructive raid which killed 58 civilians and injured 170.

British fighters destroyed one Japanese bomber and probably another Friday, the communique said, whereas six or eight of the 54 raiders were claimed Thursday.

The Japanese infiltrations in (Turn to Page 2, Col. 7)

Price Control Accord Nears

WASHINGTON, Jan. 23—(AP)—Under the compromise price control bill the government could prohibit any further price rises in four major farm products, while other agricultural products could rise well above current levels before a ceiling could be imposed.

The four which could be pegged at current levels are beef cattle, veal calves, wool and rice. Congress members from farm states expressed belief, however, that no ceilings would be established on these products until prices go higher since the wartime program calls for increased production of meat, wool and food and rising prices bring quickest results.

Such crops as cotton, wheat and corn, could advance from 20 to 40 per cent above recent prices before ceilings could be imposed.

Nazi Air Ace Killed LONDON, Saturday, Jan. 24—(AP) The German radio reported tonight that Helmut Wagner, German air ace, had died in action. He was credited with 47 victories and was a holder of the knights' cross of the iron cross.

River Highway Closed PORTLAND, Jan. 23—(AP)—The Columbia river highway was closed Friday at Multnomah Falls, 30 miles east of here. Probable length of the closure was not given.

Where Yank Airmen Rap Japs



When the Jap-Thai forces tried to follow up their push on Moulmein (1) and Rangoon Friday with a cloud of huge bombers American and British airmen knocked down 21 out of 60. At Myawaddi (2) the British claimed the advance had been stopped but another Nippon drive is expected from Tavoy (3). To the south, in the straits of Malacca, allied warships are reported pounding at Jap forces which are pushing their way toward Singapore (5).

Yank, British Airmen Bag 21 Nippon Planes

Third of Rangoon Raiders Blasted From Burma Skies in Short Fight; Former US Navy Pilot Shoots Down Five, Rest Flee

RANGOON, Burma, Jan. 23—(AP)—American and British fighter pilots, veterans all, knocked down 21 of 60 Japanese raiders over the Rangoon area Friday, putting a crimp in Japanese aspirations to strike a crippling blow from the rear in support of their operations in the South Burma panhandle.

The surviving raiders turned tail and fled and their utter rout, it was believed here, would strongly influence the enemy offensive, directed at present against the picturesque port of Moulmein, but which is intended ultimately to gain this terminus of the Burma road.

It was considered timely that the superb air defense here against greatest odds occurred while the British in the panhandle were falling back from the mountains to within 26 miles of Moulmein before a large mixed force of Japanese and Thai invaders.

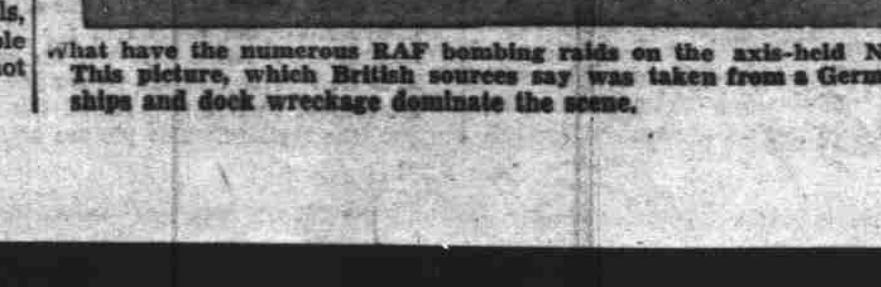
There were two main battles over Rangoon Friday. In the first seven Japanese planes were downed; in the second, 14 crashed. One American pilot, back in action (Turn to Page 2, Col. 1)

Salem Youth May Be Held By Nippon

Name of Kenneth C. Boley, private first class, who was on Wake Island when it was attacked, has not appeared on the marine casualty list, according to a letter received by his parents, Mr. and Mrs. George W. Boley, 537 South 23rd street, from the marine corps headquarters.

Pvt. Boley, who was radio operator on the island, is probably a Japanese prisoner, the letter said, advising that the department of state is making every effort to obtain information on the location and welfare of prisoners of war.

Prisoner's Picture of Tripoli Damage



What have the numerous RAF bombing raids on the axis-held North African port of Tripoli done? This picture, which British sources say was taken from a German prisoner, gives some idea. Smashed ships and dock wreckage dominate the scene.

Wavell Lauds US Stand in Luzon Sector

MacArthur Reports Invaders Attacking With Great Losses

WASHINGTON, Jan. 23 (AP)—A reign of terror in Japanese-occupied sections of the Philippines was indicated Friday night by a war department communique which told of the establishment of death penalties for trivialities such as questioning the worth of the Jap army's special "invasion currency."

General Douglas MacArthur, in command of American and Filipino forces, reported to the department that the commanding Japanese general, Masaharu Homma, had signed a proclamation warning the civilian population that capital punishment would follow this and a list of other presumed offenses.

Failure to obey Japanese orders was one of them. Others were hiding food and clothing to prevent commanding by the Japs, rebellion, spying, sabotage, looting, polluting drinking water, stealing arms, or "any other acts against the interests of Japanese forces."

Earlier reports from MacArthur had told of a continued series of Japanese attacks upon the American-Filipino defense line. All assaults, he said, were repulsed with heavy losses to the enemy.

The Japs came to the Philippines with currency already printed for forced circulation in the island. Filipinos are compelled to accept it in exchange for goods, or services or for the usual currency of the Philippines government, backed by gold and the credit of the United States.

It was made a capital offense, MacArthur said, to refuse to accept this bogus currency or to hinder "its free circulation by slanderous statements."

MacArthur's report was not the first indication that he is regularly receiving information from the Japanese-occupied sections and from behind the enemy lines. It is considered probable here that the general, who evidently overlooks nothing, has a well organized intelligence service.

The army's earlier announcement concerning the fighting on Luzon quoted MacArthur as saying that the Japanese, heavily reinforced, were attacking without regard to casualties in an effort to overwhelm his fighting men by sheer weight of numbers.

The army said, too, that Gen. (Turn to Page 2, Col. 7)