

Huge Cache Of Gold Captured ★ Tanks Roaring Toward Berlin ★ Reds Encircle City of Vienna ★ Nip Fleet Gets Knockout Blow

IT SEEMS TO ME

By Charles F. Squire

Without doubt interest in the coming conference of the United Nations in San Francisco is rising. So greatly are the hopes of the world pinned on forming some organization that will prevent the horror of a third world war that there is deep concern that the conference be a success. Recently worries over the coming conference have arisen, sprung from some dissatisfaction with decisions at Yalta and with the tardiness of disclosures of some of the Yalta proceedings.

However the air seems to be clearing under the general inclination of friends of international order to keep minor disagreements from wrecking the whole undertaking. The statement of Secretary Stettinius that proposals could be submitted to modify the plan of Dumbarton Oaks has helped to allay opposition, and evidently the fears of Senator Vandenberg that the proceedings would be largely cut and dried have been abated.

Much preliminary work has been done to acquaint the people with the issues of the conference. The state department has tried to inform the people by pamphlets and radio and interviews with the press. Many organizations are publicizing the peace plan and encouraging popular study of the subject. The very fact that the meeting is to be held in San Francisco directs the eyes of the people to a new spot, well away from battlezones and from world capitals. The atmosphere at least will be fresh!

Meantime San Francisco is busy preparing for the sessions which will be

(Continued on editorial page)

41st Conquers Southern Part Of Mindanao

MANILA, Sunday, April 8.—(AP)—Doughboys of the 41st division virtually have completed conquest of southern Mindanao, Gen. Douglas MacArthur announced today, while on Negros island elements of the 40th division advanced 30 miles, capturing two airfields in their sweep.

The far eastern air force, maintaining its daily devastation schedule, blasted Formosa's Kiriun shipping base with 144 tons of bombs and poured 87 more onto Hong Kong's Kowloon dock.

Direct hits were reported on a tanker in Hong Kong harbor and at nearby Kaitan airfield. A 3000-ton freighter and several smaller freighters were severely damaged by other bombers ranging the southern coast. Two other small vessels were sunk east of Formosa.

Medium bombers found a Japanese light cruiser in Soemba strait in the Lesser Sundas and scored two direct hits. MacArthur said the warship was either sunk or heavily damaged.

Voulgaris Will Head Greeks

ATHENS, April 7.—(AP)—Adm. Petros Voulgaris, head of the Greek navy, was named by the regent archbishop Damaskinos today to form a new government succeeding that of Premier Nicholas Plastiras, who was dismissed.

Earlier today Plastiras told a press conference he would resign, but the archbishop informed him by letter tonight that he had to dispense with Plastiras' services.

Dismissal of Plastiras climaxed a cabinet crisis which arose when a monarchist newspaper published a letter which it said Plastiras had written in 1941 favoring German intervention to halt the Greek-Italian war.

More Shrubs for Hospital Needed

A partially-filled truck of shrubs, destined for Camp Adair hospital, today awaited more complete loading, the American Legion has asked that anyone with extra greenery call The Statesman (phone 9101) on Monday so that the truck can be sent on its way. Such phone calls will be relayed promptly to those aiding in the work of beautifying the hospital grounds for the benefit of the sick and wounded service men.

Netherlands to Rebuild Fleet to Pre-War Level

LONDON, April 7.—(AP)—The Netherlands, which lost half of its 3,000,000-ton merchant fleet in the war, is placing orders for materials and machinery to rebuild to a pre-war status, it was learned today. The orders are being placed in Britain, Belgium, Switzerland and Sweden.

The Oregon Statesman

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Price 5c.

No. 11

Weather			
	Max.	Min.	Rain
San Francisco	59	49	20
Eugene	54	42	20
Salem	48	42	100
Portland	48	42	100
Seattle	44	38	20

Willamette river 3 ft. 5 in.

FORECAST: (from U. S. weather bureau, Albany, N. Y.) Cloudy with light rain showers and some early morning fog.

JAP NAVAL FORCE SMASHED

3rd Seizes Hitler's Fortune; Red Forces Encircle Vienna

Monies, Art Work Captured

WITH THE U. S. THIRD ARMY, April 7.—(AP)—The golden treasure of Adolf Hitler's collapsing reich—more than 100 tons of gold bullion, the currencies of many nations, and stacks of priceless art works—was captured today by the Third Army in an unexpected haul that may shorten the war by robbing the German army of its payroll.

The stupendous cache, its full value as yet undetermined but possibly worth billions of dollars, was found in a hidden salt mine at Merkers, 18 miles southeast of Herford, when two talkative German women spilled the secret to military police.

Reichsbank officials on the spot said the bullion represented "all the gold in Germany," and the German army gave some confirmation by trying desperately to get back into Merkers today with a heavy counterattack in the Muhlhausen area 30 miles north, in which the U. S. Sixth armored and 65th infantry divisions knocked out 40 enemy tanks and smashed the attack.

Some 2000 British prisoners of war who had been employed in the mine, which is called the Werks Kaiseroda, said they had seen 20 ten-ton truckloads of gold unloaded in the mine. This would mesh 200 tons of gold, but the German bankers insisted that something over 100 tons was the correct amount.

The gold still is under seal in a huge subterranean vault, and Third Army officers said its value would not be known until American finance officers break the seals and audit the hoard. They expressed the belief, however, that the German bankers undoubtedly were telling the truth.

The booty in the mine comprised 100 tons of gold bullion (about \$100,000,000); three billion German marks, two million dollars in American currency, one hundred million French francs, 110,000 Norwegian crowns, four million Norwegian pounds and lesser amounts in Turkish pounds, Spanish pesetas and Portuguese escudos.

The art treasure, assembled from Germany's national art galleries last February, included originals by Raphael, Van Dyke and Durer. There also were 120 cases of Goethe's original manuscripts.

A few days ago, as Patton's troops pressed ever nearer the hiding place, the Germans started frantically to move the treasure from the salt mine, the bank official said. But their efforts were thwarted by blown-up bridges and they had to return it a few days ago to the 2100-foot-deep mine.

Himmler, Goering Trying to Sell Valuable Stolen Property

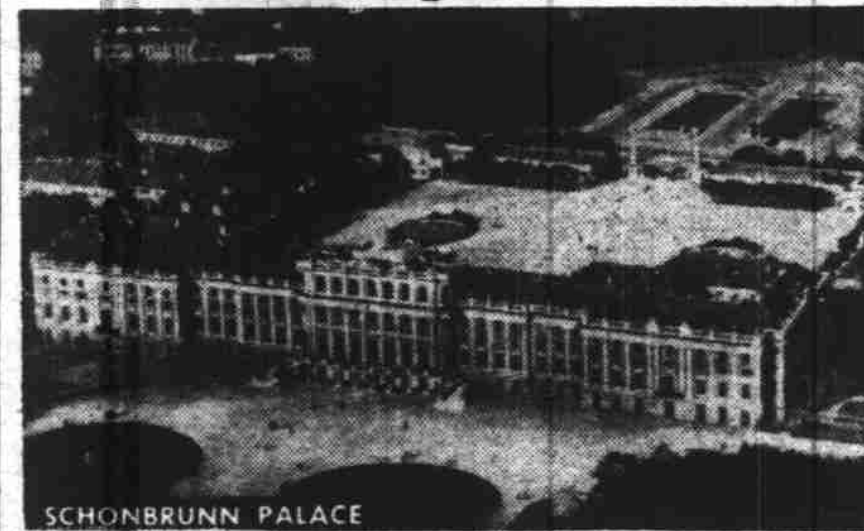
WASHINGTON, April 7.—(AP)—Heinrich Himmler and Hermann Goering, were disclosed officially tonight to have agents abroad trying to sell works of art and other valuable properties. Two possibilities appear:

1. That they are preparing to finance postwar Nazi activities throughout the world.

2. That Himmler and Goering may be trying to build up funds for their own escape from defeated Germany if they can make it.

These and other bits of information about what the Nazis are up to in the final days of war in Europe were reported in a state department broadcast.

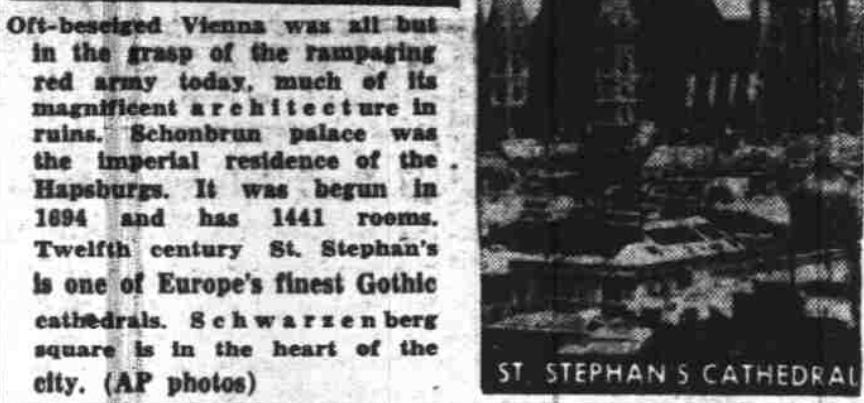
Russians Fight in Vienna



SCHONBRUNN PALACE



SCHWARZENBERG SQUARE



ST. STEPHAN'S CATHEDRAL

New Jap Cabinet Formed As Bombs Rain on Tokyo; High Command Reshuffled

SAN FRANCISCO, April 7.—(AP)—Japan's third war cabinet, headed by Baron Kantaro Suzuki as premier, was formed today in a shower of American air bombs and installed in imperial palace ceremonies held under a black cloud of naval defeat.

The war ministry straightway announced a reshuffle of the Japanese army high command, said Tokyo radio in FCC-monitored broadcasts, and Suzuki warned his countrymen the "very basis of our empire's existence will be threatened if the situation is allowed to pass as it has been."

Domestically, Japanese news agency announced that Suzuki, successor to Premier Gen. Kuniaki Koiso whose cabinet fell Thursday, personally took the portfolios of foreign minister and greater east Asia minister, two top rank posts.

A shakeup in the Japanese army high command was announced by the war ministry even while the cabinet was being installed in the presence of Emperor Hirohito at the imperial palace.

Tokyo radio announced that Field Marshal Gen. Sugiyama, war minister in the Koiso cabinet, and Field Marshal Shunroku Hata were appointed commanders of the army command and Gen. Masakazu Kawabe commander of the air force.

Koiso's cabinet resigned as the result of the "war situation" Tokyo said, and to make way for a "stronger" government. But Suzuki was internationally known as a moderate who often has opposed Japan's military extremists.

Sgt. Sam H. Schooley, Missing Since Feb. 13, Is Safe at Base in Italy

Staff Sgt. Sam Harold Schooley, missing since February 13 in a flight over Austria, is back on duty with his 15th air force in Italy. That was the heartening word his mother, Mrs. Pearl Couey of 244 Marion st., had from the war department today. And a letter direct from her flying son said he was in good health and soon would be aloft again. The sergeant was protected by the Russians after bailing out over Austria.

Fighting Rages In Streets

By Richard Kaslichke

LONDON, Sunday, April 8.—(AP)—Red army tank columns, in a headlong 14-mile sweep around western Vienna, three-fourths encircled the Austrian capital yesterday, leaving the Nazi garrison a 2 1/2-mile escape gap, as other shock troops gained in a frontal assault through the city's rubble-strewn streets.

Reaching the Danube river northwest of the city, Russian troops sliced across six of Vienna's escape routes and left the imperiled capital with only seven of an original 22 major railroads and highways.

Berlin reports said that the escape gap to the north already had been narrowed. Soviet cavalrymen were said to have forced the Morava river northeast of Vienna and to have established bridgeheads that threatened to close the enemy's last retreat routes.

At the same time, Berlin reported that tank spearheads, had broken 23 miles through the Vienna Woods west of the capital and were plunging westward within 125 miles of Hitler's mountain retreat at Berchtesgaden in Bavaria.

While Moscow officially confirmed that Soviet tommygunners had broken across the Vienna's southern city limits and were battling toward its cratered heart, Soviet troops elsewhere on the eastern front carved out new gains.

Cleaning out southwestern Poland, the Soviets moved within 12 miles of Teschen, and in Czechoslovakia gained 10 miles on a 80-mile front. In Yugoslavia, other Russian units battered to within 100 miles of Italy at a point 42 miles northeast of the Croatian capital of Zagreb.

Yankees Blast 173 Warplanes On Japan Raid

GUAM, Sunday, April 8.—(AP)—American B-29s and their P-51 escorts destroyed or damaged 173 Japanese fighter planes in their 300-plane bombing of Tokyo and Nagoya yesterday, air force officials disclosed today.

The superfortresses, running in to their greatest aerial battle of their many attacks on Japan's war-important industrial centers, alone destroyed or damaged 136 enemy fighters.

The P-51 Mustangs, making the army's first land-based fighter sweep over the Japanese homeland, accounted for 37 interceptors. Of these, 21 were shot down, six probably destroyed and 10 damaged.

Wayne L. Baker Lost in Sinking Near Iwo Jima

Wayne Louis Baker, gunner's mate 2/c, previously reported missing, lost his life in the sinking of an aircraft carrier off Iwo Jima on Feb. 21, 1945, his sister, Mrs. Ida Bales of route seven, has been informed by the navy department.

Baker was born May 17, 1925, at Oregon City and attended Grant and Parrish junior high schools in Salem.

Prior to enlisting in the navy in May, 1943, he was employed by the Salem Hardware Co.

Surviving are three sisters, Mrs. Ida Bales of Salem, Mrs. Bessie Wied of Eugene and Mrs. Esther Cook of Estacada, and three brothers, Judson Baker of Salem, Sgt. Fred Baker with the 7th army in Germany, and Darrell Baker of Hoquiam, Wash.

9th Army Outflanks Hannover

Patton's Forces Smash 40 Tanks Of Counterblow

PARIS, April 7.—(AP)—U. S. Ninth army tanks outflanked Hannover today in an 18-mile drive that swept across the Leine river 10 miles southeast of the city and roared down in the direct road to Berlin—140 miles ahead.

On their south flank the U. S. First army crossed the Weser river at numerous points against light resistance and west of the stream was locked in a raging battle with German troops held in their battle positions by their pistol-pointing officers.

On the north flank the British Second army drove on east of the Weser to a point 20 miles west of Hannover as its tanks speared northward to within 20 miles of the big port of Bremen.

At the same time, the Third army shattered the first big counterblow aimed at its spearheads thrust within 130 miles of Berlin by knocking out 40 tanks in a melee west of Muelhausen.

Blind white by disasters east and west of the Rhine, the once-mighty German army seemed powerless to stem the big push on Berlin and a U. S. First army staff officer declared confidently:

"The German army no longer is capable of maintaining a cohesive front. We are entering the final mop-up stage."

From the salient thrust up near the North sea southeastward for 300 miles to the Siegfried line in the edge of the Black forest, this was the front by front situation in what the Germans themselves called "the battle of decision."

The Canadian First army fanned out 35 miles south of the North sea, cutting road after road on the diked lowlands of Holland which two hemmed-in German armies must have for attack or retreat.

Allied planes clamped an aerial seal-off on the 19-mile lane of retreat running up around the Zuider Zee from Amsterdam and Rotterdam, roaring out of the clouds and pounding everything that moved.

The British Second army in gains up to 35 miles was quickly sealing the fate of Bremen, seat of Germany's once vast sea traffic, and was threatening to cut off the Danish peninsula and every enemy naval base on the North sea.

Flood Drives Out 25,000

NEW ORLEANS, April 7.—(AP)—Flood waters of the rampaging Red river in northwest Louisiana had driven more than 25,000 persons from their homes tonight as tributaries of the lower Mississippi poured high waters southward toward the already flooded major stream.

A main levee at Hargis plantation on Red River eight miles below Colfax, a town of 1100 persons broke today, and engineers held little hope of preventing a break above the farming community, adding to the total homeless.

Soldiers from Camp Livingston joined the fight today to strengthen the levee above Colfax and prevent a break. Sand bagging crews have battled the rising Red river for three days.

Galloway, Fisher Re-named to Tax Commission by 2 to 1 Vote

Charles V. Galloway and Earl L. Fisher held four-year re-appointments to the Oregon tax commission today by virtue of a 2 to 1 vote of the state board of control at a session Saturday. These present terms expire June 4. Annual salary set by statute is \$4900.

Nips' Largest Warship, 391 Planes Bagged

By ELMONT WAITE

GUAM, Sunday, April 8.—(AP)—U. S. navy carrier aircraft smashed probably the last strong Japanese naval force, including the super-battleship Yamato, in the East China sea Saturday as the Nipponese steamed out apparently in a "banzai" effort to turn the tide of war.

Fleet Adm. Chester W. Nimitz announced from his headquarters here that the battle was fought around noon Saturday, Japanese time (8 p. m., Friday, Pacific war time).

The communique reported six Japanese warships, including the Yamato, and 391 enemy planes were destroyed in Friday and Saturday sea and air actions.

A later count raised to 417 the number of enemy planes destroyed April 6-7.

In Washington an official navy spokesman said "a good 25 per cent of the remaining Japanese major combat force" was lost or put out of action in the engagement.

U. S. Pacific fleet losses were listed as three destroyers sunk, several other destroyers and smaller craft damaged and seven carrier planes destroyed.

In a second communique, Nimitz said additionally that "one of our heavy fleet units suffered minor damage during an aircraft attack, but is fully operational." The heavy units, presumably a battleship or large carrier, had participated in the naval battle.

The Japanese initiated the two days of desperate action in efforts to shatter the American amphibious force invading Okinawa island, some 325 miles south of the Nippon homeland.

A large force of Japanese aircraft attacked the invasion ships and Okinawa shore positions Friday. The communique said the desperate Japanese airmen succeeded in sinking the three destroyers and damaging the other warships. U. S. fighter planes and gunners brought down 116 Japanese planes.

The Japanese surface force—representing probably about all that remained of the emperor's once proud combined fleets—was sighted heading into the east China sea from Nippon's inland sea bases by U. S. fleet air wing one search craft before noon Saturday.

Mitscher Sends Planes

Vice Adm. Marc A. Mitscher immediately sent his carrier task force to intercept the Japanese.

The carrier planes struck the Nippon force "during the middle of the day" only 50 miles southwest of Kyushu island, which is a part of the Japanese homeland.

There was no air opposition over the Japanese ships—even that close to the heart of Nippon's empire—indicating the Nipponese had used all available aircraft in the heavy attack on Okinawa the previous day.

Swarming in from all directions, despite heavy gunfire from the ships, the American planes sent their deadly torpedoes and bombs into the hulls and decks of the Japanese force.

The 45,000-ton Yamato—which the U. S. communique said was the "most powerful ship left in the Japanese navy"—went down belching smoke and fire from at least eight torpedo and eight heavy bomb hits.

Other Sinkings Listed

Also sunk were a light Agano class cruiser, one other small light cruiser or large destroyer and three destroyers. Three other destroyers were left burning.

"About three destroyers," the communique said, were all that escaped from the attack.

It added that in "minor contacts" prior to the main action, 30 Japanese planes were shot down. The U. S. carrier force aircraft had destroyed 245 enemy planes the previous day in resisting heavy Nipponese strikes along the Ryukyus.

Nimitz announced that units of Mitscher's carrier force in the Saturday battle were commanded by Rear Adms. F. C. Sherman, A. W. Radford, G. F. Bogan and J. J. Clark.

Nazis in U.S. Tell Germans To Stop War

WASHINGTON, April 7.—(AP)—An appeal by German prisoners of war in the United States to German soldiers and people to "put down your weapons immediately" is being broadcast to the Reich.

The war department made public the text of the message tonight, saying that the "petition was signed voluntarily by 1391 of the 3102 German prisoners of war" held at Camp Devens, Mass.

The message was forwarded to the camp commander for transmittal and the war department said arrangements had been made to broadcast it to the German people.

Chinese Claim Major Victory In Honan Area

CHUNGKING, Sunday, April 8.—(AP)—A major Chinese victory in southwestern Honan province was claimed last night by the Chinese high command.

A communique said counterattacking Chinese forces killed 5000 Japanese troops driving for Shensi province, guarding the northern approaches to the Chinese capital.

The reported victory was at West Neisiang, on the Honan-Shensi highway, 25 miles northwest of the great central China city of Hankow.

The high command said the Chinese destroyed 15 Japanese tanks and captured a large quantity of war supplies.

Superforts Strike Targets in Kanoya

WASHINGTON, April 8.—(Sunday)—(AP)—A force of perhaps half a hundred Superfortresses struck military targets in the Kanoya area on the southern tip of Japan yesterday.

The 20th airforce gave no details yet of the attack; carried out Sunday Tokyo time, by the 21st bomber command based on the Mariana islands.