### PAGE TWO

**Leahy Claims** 

**Petain Wished** 

**German Defeat** 

PARIS, Aug. 1 -(AP)- A letter

from Adm. William D. Leahy.

President Truman's chief of staff,

to Marshal Henri Philippe Petain

was dramatically introduced by

the defense today into the aged

Leahy, American ambassador to the Vichy government in the cru-

cial days after the fall of France,

said Petain "often expressed the

fervent hope that the nami invad-

ers would be destroyed." But

Leahy added that at times the

marshal declined to oppose the

nazis during the German occupa-

A statement attributed to for-

mer British Prime Minister

Churchill also was introduced by

the defense to support the argu-

ment that the Franco-German

armistice benefitted both France

and the allies. Churchill was quot-

ninth day of Petain's trial on

charges of intelligence with Ger-

did Britain "a good service."

tion.

Vichy chief's trial for treason.

The OREGON STATESMAN, Salem, Oregon, Thursday Morning, August 2, 1945 Battleship Mississippi, Blasted New Federal

**Budget Drops** 

Government spending now is

forecast at 85 billions in the fiscal

year 1946, which began a month

ago. A record-breaking 100 bil-

lions were spent in fiscal 1945.

The new estimate is slightly

above the 83-billion estimate sent

Here's a quick look at the new

federal budget estimates for the fiscal year 1946, showing changes

from the fiscal year that ended a

Total spending-decrease from

\$100,000,000,000 to \$85,000,000.000.

War spending - decrease from \$50,000,000,000 to \$70,000,000,000,000

Receipts decrease from \$46,-

to congress last January, mainly

because of this country's brand-

new obligations in the field of in-

The January estimate of 70 bil-

lion dollars of war spending still

stands, though the European war

Smith said the administration

is sticking to the 70-billion war-

spending figure "on the assump-

tion that the Pacific war will con-

has collapsed in the meantime.

ternational finance.

500,000,000 to \$39,000,000,000.

Sum ner or longer.

month ago:

### Thumbnail General Arnold Speaks Out for of War! By the Associated Press

Japan-Record flight of 800 B-29s drops more than 6000 tons of bombs on four Honshu cities-WASHINGTON, Aug. 1 -(AP)-A revised federal budget of 85 Mito, Hachioji, Nagaoka and Toyama-and on Kawasaki petrolbillion dollars was issued today eum center near Tokyo. on the assumption the war in the Pacific will rosr on until next

Fleet - Carrier planes and ships, including battleship, bombard and shell Wake island installations.

Other Aerial-Navy privateers damage airfields, factories and rail facilities on Korea and bomb Sakishima islands.

Borneo - Several Jap planes raid Miri and Brunei in Borneo, causing some native casualties.

CHINA-Chinese troops capture Pinglo, Jap supply base in south central China, and send spearhead toward Lingling air-

Sen, Downey **Praises** Coast Longshoremen

WASHINGTON, Aug. 1 -(P)-Shiploading accomplishments of Pacific coast longshoremen compare favorably with those of any other ports in the United States. Senator Downey (D-Cal) told the senate-today.

Downey referred to an April 26 speech by Senator Willis (R-Ind) which, he said, accused Harry Bridges, president of the International Longshoremen's and Warehousemen's union, of encouraging a slowdown in stevedoring activity on the Pacific coast. The accusation, Downey said, "is wholly without foundation."

He said a comparison of tonnage per gang which Willis used failed to consider the fact that a gang on the west coast is smaller than

Chinese troops have captured the Downey quoted Undersecretary bomb-battered Japanese supply of War Patterson as saying "it base of Pinglo in south-central would be improper to assume that China and have hurled a new any particular labor group in the spearhead at the old Flying Tigers' longshore industry engaged in a airfield at Lingling, 370 miles concerted slow-down.' southeast of Chungking, the Chinese hight command said today.

**Underground** Swim Leaves

Maintaining Strong Air Force NEW YORK, Aug. 1 .- (P)-Gen. H. H. Arnold said tonight "the future of America may depend" on maintaining a constantly revitalized air force capable of "inflicting instant deadly blows at the heart of an aggressor anywhere in the world." "Surely we must face the fact that a true love of peace is not enough for decent peoples of the world to count on,"

said the army air forces chief.

"We must maintain the strength to enforce that peace." In remarks prepared for a din-ner celebrating the 38th annivers-

lined a five point "national air policy" to assure this country an "air component" strong enough

for immediate use when and if These were Arnold's "cardinal points"

"1. We must have in being preeminent air forces able to handle any eventuality that arises. "2. We must have within the airforces trained personnel adequate for rapid expansion.

"3. We must have adequate re search and development so that our equipment will be the best in a month ago. the world.

"4. We must have a strong dustry also capable of rapid ex-pansion to produce enough of the best possible equipment in the shortest time.

"5. We must have bases-stracan opecate effectively." Arnold warned against "public

**Rotary Hears** ner celebrating the 38th annivers-ary of the air force, Arnold out New Oregon **U. President** 

Appreciation and values, rather than skills and abilities which now receive the major emphasis, will be stressed in the education of tomorrow, Dr. Harry K. Newburn,

new president of University of Oregon, predicted here Wednesday. And the shift toward new educational policies are slow but steady across the nation, he declared in his first address outside Eugene since his arrival in Oregon

Salem Rotary club, which heard President A. L. Strand of Oregon State college deliver his maiden Oregon speech, was host for the luncheon meeting Newburn addressed yesterday. "Educators must redefine and

tegic springboards from which we clarify their goals . . . change the ways of measuring educational growth" and recognize the potency of the goods they handle in the

The great influx of students already has come to the colleges and universities, he said, and educators must recognize the military influence, that "federal aid is on the way whether we like it or not, creating a problem of handling it without being too closely regulated by it, and that the pinnacle on which this nation rests in the eyes of the world is high." Only with a well-educated people can the United States hope to retain its position and to fulfill the great expectations of other nations CHUNGKING, Aug. 1 -(AP)

# Newburn, said. Europe Air Veterans to

Stay in U.S. WASHINGTON, Aug. 1 .- (AP)-The army air forces disclosed to-Boy Uninjured Chiang Kai-Shek's troops who bat veterans from Europe and the Mediterranean will be as-





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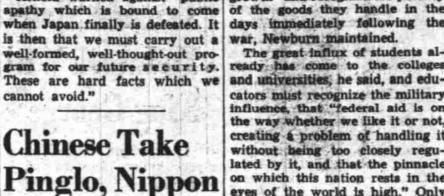
KATE"

ANN SAVAGE

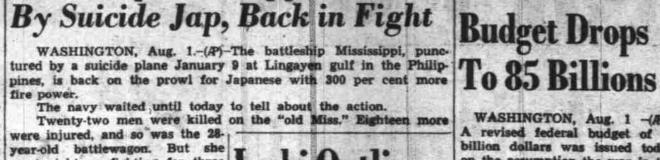
TOM NEAL

**GLENDA FARRELL** 

Pinglo, blasted repeatedly by U. S. 14th air force bombers and fighters, was one of the most important Japanese supply depots in Kwangsi province. It was reoccupied last Friday by Generalissimo night that 80 per cent of its com-



**Supply Base** 



Laski Outlines went right on fighting for three months, then went to Pearl Harbor for permanent repairs and general overhaul.

Labor's Plans The extra fire power, added during the overhaul, the navy said, "probably will save the lives of For England hundreds in the future." It was early in the afternoon

when a carrier-based dive bombe danced around on the Mississippi's superstructure, grazing the navi-

onomic reform planned by the gation bridge, damaging several anti-aircraft guns, putting two new British, labor, governm Prof. Harold J. Laski, one of the larger guns out of action temporparty's chief intellectuals, assert-ed today that the people-had come into power and intended to arily, and ripping out some communications channels. Before the enemy plane went benefit by it. over the side, its bombs ripped Labor's sweeping victory in the general election, Laski said in an loose and exploded 15 feet from

ed as saying that the armistice the battleship's side. Seventy-five shrapnel holes were found in the These were the highlights of the skin of the old Miss, and the bomb blast bashed in four watertight compartments along the port

"Forced into position by flota-

tion pressure, the cofferdam stop-

ped the leak long enough to en-

able welders and cutters to repair

the shrapnel holes, and eventually

"Holes lower in the water were

empty the flooded areas.

many and plotting against the security of France - a day marked Fixing the partly floored blisby sharp, bitter recriminations ters was the first consideration. between the military and political "A cofferdam was constructed leaders of France in 1940 and the of metal, manila, canvas and matjury's lack of interest. tresses,' the navy said, "and rigged to conform to lines at the ship's

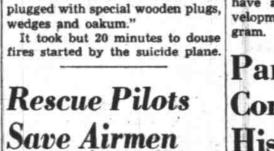
# **Czechs** to Get **Butcher** for **Atrocity Trial**

FRANKFURT, Germany, Aug. 1.-(AP)-Authority for the immediate surrender of Karl Hermann Franck, the "butcher of Lidice," to the Czech government was received from the US state department today by Dr. Bohumil Ecer, Czechoslovak representative on the United Nations war crimes commission.

Ecer said arrangements had been completed to transfer Franck from an interrogation center at Wiesbaden to Prague, where he At Japs' Door will be tried by the Czechs on atrocity charges, probably, late in August or during the first week of September.

The transfer was agreed upon by Ecer and Robert H. Jackson, chief US counsel on the war crimes commission, in London and was approved by the US state department and the Czechoslovak government.

shore.



GUAM, Thursday, Aug. 2-(AP)-Two army air force rescue pilots,

using the army air and sea rescue facilities in support of the navy for the first time, saved two Third fleet airmen within a few miles of Japan July 30.

Pa., flew his Catalina plane across ust 15 with an address outlining

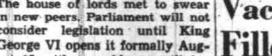
belts into the sea of Japan to pick With 388 members in a house

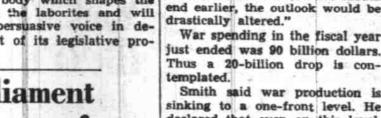
up a navy pilot on Honshu's north of 640 seats, Prime Minister Cle-

Rairigh, flying out of Iwo Jima, to work with the strongest labor



The house of commons sat for exactly one hour and reelected carrier plane attacks against Japan Col. Clifton Brown as speaker. The house of lords met to swear in new peers, Parliament will not

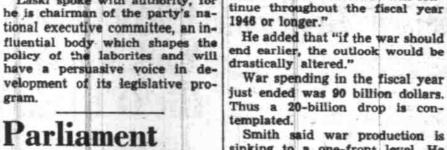




atmosphere of age-old tradition. the British parliament convened today for a historic session under

control of the labor party.





LONDON, Aug. 1.-(AP)-In a

frank discussion of social and ec-

interview, held as much econom-

ic and social significance as em-

ergence of the middle class in England in the 1830's.

He said public ownership of the

ancient bank of England was the

"key" to the labor party's nation-

alization program and that legis-

lation would be proposed at once

to take it over. He said the party

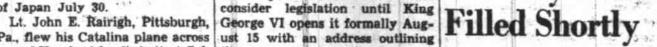
then would proceed with the na-

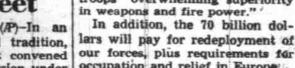
tionalization of coal mines, all

forms of inland transport, and

Laski spoke with authority, for

the iron and steel industry.





declared that even on this level. war production will be "enorm-

War spending in the fiscal year just ended was 90 billion dollars. Thus a 20-billion drop is con-Smith said war production is sinking to a one-front level. He

ous"-enough to assure U. S. those at other ports. troops "overwhelming superiority

our forces, plus requirements for occupation and relief in Europe: Senate Post

PORTLAND, Ore., Aug. 1.-(AP)

Servicemen Lack Dorms

received word the pilot was down majority in British history. His PORTLAND, Aug. 1-(#)-About in the Japan sea. Despite the fact lieutenants were prepared to 500 servicemen who were forced he knew his gasoline supply was plunge at once into their program to sleep on floors and stairways insufficient to get him back to of nationalizing the country's balast Saturday night will be pro- his base, he flew across Osaka sic industries. vided beds from now on in the and Nagoya and landed in a rough Swan island dormitory.

Carl F. Freilinger, chairman of the USO council, announced the main-island, set his plane down dormitory will have rooms for the soldiers and sailors at 75 cents a up the fliers. \* night. Special buses will run from Lt. Stuart M. McCabe, High-

Swan island from 1 to 4 a.m. The shortage of hotel rooms has been accentuated since more servicemen, many from Camp Adair, swarm into Portland on weekend

**German Submen Arrive** later by navy craft. MIAMI, Fla., Aug. 1-(79-Four-

teen members of the crew of the German submarine, the U-539, **Plane** Plants which surrendered at Maari Del Plata, Argentina, July 10, arrived-To Be Rated in Miami by navy plane today. They were turned over to the army and placed in a prisoner of war compound.

survey of west coast aviation going to rush him. CUBA ALLOWS "INVASION" plants to determine which should HAVANA, Aug. 1.-(A)-The be retained in the interest of na- Outsider Pays United States army has been autional security after the war will thorized to hold landing maneube undertaken next week by the vers "at certain points along the senate's committee investigating Cuban coast," the ministry of the the war effort. presidency announced tenight. A subcommittee headed by Sen-

Rainiers 6, Seals 1 amine possible postwar facilities SAN FRANCISCO, Aug. 1 .- (P) for maintaining an adequate air

-The Seattle Rainiers behind the force. six hit pitching of veteran Hal Chairman Mead (D-NY) com-Turpin tonight made it two-in a mented that "if we had had aderow by defeating the Seals, 6-1, quate plant facilities for turning in a Pacific Coast league game. Seattle 146-901 000 5 12 1 San Francisco 008 691 000-1 6 3 Turpin and Finley; Barthelson, Pier-cey (2) and Ggradgwaki.

SONG TO REM

out airplanes we could have saved a lot of lives. Instead, we had to spend six months building before

we could turn out the planes."

443 State St.

The committee also will inquire into the effect of production cut-



ment R. Attlee's government goes

land Park, N. J., flew his Catalina into Suruga bay, about 60 miles guard shot and killed three Gersouthwest of Tokyo, to help an- man prisoners of war who apother pilot. He crashed in landing, parently threatened to rush him, but another plane of the emerg- after refusing to work in a field ency rescue squadron dropped a 14 miles from Ovid, Colo., this motor launch and the fiters headed morning, the Camp Carson public

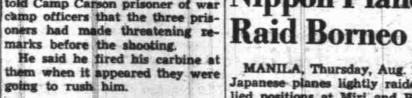
toward Iwo and were picked up relations office announced. The guard, Pvt. Harold W. Gar land, Columbus, Ind., who had been wounded in combat overseas, told Camp Carson prisoner of war camp officers that the three pris-

them when it appeared they were WASHINGTON, Aug. 1 -(AP)- A

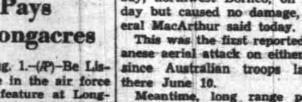
Well at Longacres

SEATTLE, Aug. 1.-(AP)-Be Listo romped home in the air force handicap, \$920 feature at Longacres racetrack today, but his gallop was forgotten in the excitement over the victory of an outsider in the second. Saltese Buddy, in his first start at Longacres, copped the second race and paid

mutual windows for the high mark of the meet to date. Be Lis-



to paid \$17, \$7 and \$3.90.



county resident.

-A recommendation to fill the Fifteen-year-old Daniel Wilkins is state senate vacancy left by aptaking it easy today after being pointment of Coe McKenna to the state tax commission probably washed half a mile through an underground storm sewer. will be made by the executive Daniel was wading in the flash committeee of the Multhomah flood overflow last night of a county republican central comlittle creek feeding into a storm mittee within a week. sewer. Suddenly he was swept

Jack Lynch, nosed out by Mcfrom his feet and battered against Kenna in the last election, was named in political circles as a opening. likely choice. The board of coun-The grating swung open.' He ty commissioners, all republicans, clung to it until the water rose will make the final choice. They above his head. His only chance need not take a cue from the parwas to let the torrent sweep him ty committee, however, nor under a 1945 law - - need they name a republican.

through and out of the sewer. He took it and quickly found himself out in the Anacostia river, a half With only faint hope, some mile from where he started. democrats suggested Rep. Man-When he swam ashore after his ley J. Wilson as a prospect. Wil-

harrowing trip he was minus his son, now employed here, would swimming trunks. be ineligible if still a Columbia

Mrs. Millie Smead Nippon Planes **Funeral Set** for

**Friday Afternoon** 

day but caused no damage, Gen- ter a long illness. Funeral services will be held a This was the first reported Jap- 2 p.m. Friday at the Pioneer anese aerial attack on either area church and burial will be made

since Australian troops landed in the Pioneer cemetery north of Brooks beside her late husband. Meantime, long range patrols Survivors are two daughters, of the Australian seventh and Mrs. Mariam Ballannan of Seaninth divisions probed Japanese side and Mrs. Kral.

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defenses in the Balikpapan and Brunei bay sectors, extending their gains further infand. Brunei bay sectors attending their gains further infand. Brunei bay sectors attending their Brunei bay Bombers of the 13th AAF and riage license applications hit a new \$182.10, \$62.60 and \$21.60 at the Australian fighters attacked Japa- July high last month-349, but nese airdromes, small craft and divorce applications totalled 498, minor installations in coastal sec- the county clerk's office revealed

Liuchow, 74 miles west southwest. States. One hundred and thirty three Mai, Gen. Frederick L. Andermiles north of Pinglo Chinese sol- son," assistant' chief of air"staff diers launched a new blow toward for personnel, said in a talk over Lingling from the northwest in a the Mutual Broadcasting system developing two-pronged drive that the other 20 per cent will go against the key Japanese strong- to the Pacific to provide "a nuhold in Hunan province.

the iron grating of the sewer More POWs Slated

For Hopyard Help

CORVALLIS, Aug. 1 -(P)- A shortage of Mexican laborers due to a halt in recruiting will be partially offset by more prisoners of do, will be cutting down in size

war and perhaps borrowing 600 Mexicans from Washington, farm labor supervisor J. R. Beck said today.

He said about 500 additional prisoners would be obtained for Marion and Polk county hop yards, and 500 for the Medford

## GRAIN ELEVATOR PLANNED MANILA, Thursday, Aug. 2-(P) Japanese planes lightly raided al-lied positions at Miri and Brunei bay, northwest Borneo, on Tues-New Marking nounced today.

fields of the Yukon. cleus of experience" for airmen and ground crews without combat experience. Anderson said the AAF will

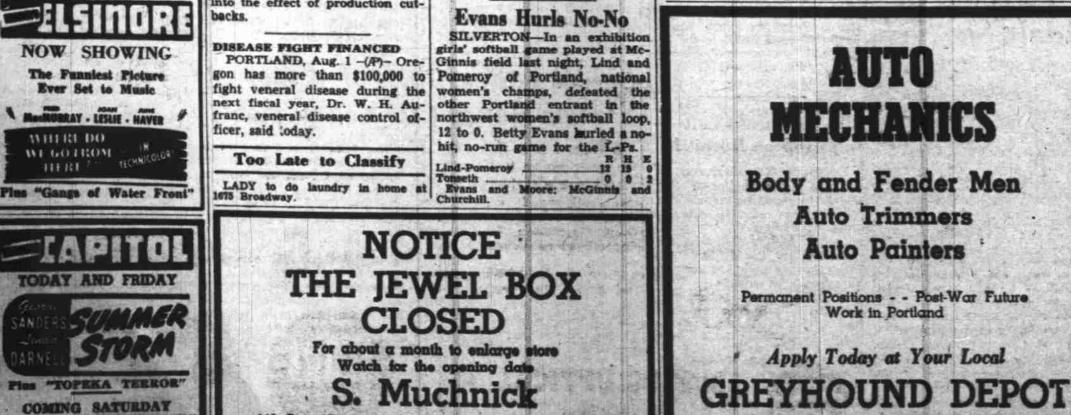
need 2,130,000 men for the hammering of the Japanese, whereas its strength on V-E day for the two-front war was 2,300,000. Thus he scuttled the idea that the and discharging large numbers of men into civilian clothing."

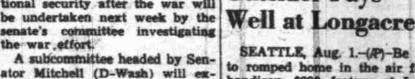
**Trusty Escapes From** State Penitentiary

Escapee from a work gang today was state penitentiary inmate Jesse pear harvest, but 750 now in Mal- Lee Webb. Webb, 31, cluded heur county will be retained there. guards at a project near Keizer school at 3 p.m. Wednesday. He had been serving a ten year sen-









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