

The Capital Journal is first with the latest news of the European crisis, United and Associated Press news dispatches. The only Salem paper carrying both services.

# Capital Journal

Weather  
Generally fair tonight and Tuesday; little change in temperature; northwest wind. Sunday: Max. 68. Min. 47. Rain 0. River 4 ft. Southwest wind, clear.

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## Neutral Nations Launch Peace Movement

### Fire Conditions Improving

#### Paul J. Raver Appointed to Head Bonneville

Illinois State Official Takes Reins of Columbia Dam Project

Washington, Aug. 21 (AP)—Dr. Paul J. Raver, chairman of the Illinois commerce commission, was today named administrator of the Bonneville power project in Washington and Oregon, effective September 15.

Dr. Raver, born in Logansport, Ind., will relieve Frank A. Banks, federal construction superintendent of the Grand Coulee project in central Washington who has been acting administrator at Portland, Ore., since the death of J. D. Ross.

In announcing Dr. Raver's appointment, Secretary Ickes, nominal head of the Bonneville project, said he was grateful to Governor Horner for releasing the official from his Illinois post.

Ickes said he felt that Dr. Raver was especially well qualified to handle the Bonneville assignment "as a result of his long and brilliant record."

"He has demonstrated ability to handle in the public interest the marketing of the power from Bonneville dam," Ickes said.

Dr. Raver, who is 45 years old, graduated as a civil engineer from the University of Nebraska in 1917, received a degree of master of business administration from Northwest university in 1927 and a degree of doctor of philosophy in 1933.

During the war he served as a lieutenant in the 18th field artillery. Upon his return from France he served until 1927 as a valuation and estimating engineer in Chicago. For the next six years he was, in turn, instructor, assistant professor and associate professor of public utilities at Northwestern university.

In 1933 he became supervisor of the section of rates and research of the Illinois commerce commission, organizing the section directing special research on revenues, rates, cost of capital, incorporate relations, rate returns, securities and related subjects.

Two years ago he was appointed executive officer of the Illinois commission and resumed part time teaching at Northwestern.

Dr. Raver also served as a member of the Illinois state rural electrification committee for the past four years.

Ickes said Banks would return to his regulation work at Grand Coulee after September 15.

"Mr. Banks has done a fine job on his temporary assignment," he said. "Good progress has been made on the construction of transmission lines and in negotiations of power contracts."

Mr. Banks is an outstanding construction engineer and he let me know when I drafted him for acting administrator at Bonneville that the completion of Grand Coulee dam was his ambition.



Slays Nurse in Break Attempt—Hulen Presley, escaped Washington state convict, is shown handcuffed in a Portland, Ore., hospital bed after he had seized a guard's pistol and slain his nurse and wounded two men in an attempt to escape from the hospital. Presley had been wounded in the leg during his prior capture. In his attempt to flee the hospital he was shot in the neck. — Associated Press Photo.

### \$25,000 to Fight Tillamook Blaze

The state forestry board agreed today to advance the northwest Oregon forest fire protective association \$25,000 to fight the Tillamook fire, which has roared over 200,000 acres of the 268,000 acres that were burned in 1933. The association told the board it would have to stop fighting the fire immediately because the association and its member logging companies, which are salvaging the timber which was burned in 1933, are "busted wide open."

### 4 Convicted Of Oil Frauds

Tacoma, Aug. 21 (AP)—Four defendants in the People's Gas and Oil mail fraud trial were found guilty in varying degrees and three others were acquitted by a federal court jury which returned a verdict at 11 a. m., today.

A disagreement resulted in the jury's consideration of evidence against an 80 year old defendant, Dr. H. Harry Meyers of Los Angeles.

Joshua F. Simons, People's Gas and Oil company president, and William Markowitz, his long-time business associate, were found guilty on all 13 counts contained in the government's indictment.

Milton Simons and Samuel Markowitz were convicted on the last three counts in the indictment, two of them involving violations of the securities exchange act and the third a conspiracy count.

William A. Broome, geologist and president of the People's Gas and Oil Development company; Louis Roth, listed by the government as a financial backer in the development; and Maurice "Pat" Robbins, company bookkeeper, were acquitted.

The government had charged the eight men with defrauding some 30,000 investors out of approximately \$1,880,000.

### Announce Suspension Of News-Telegram

Portland, Aug. 21 (AP)—The Portland News-Telegram announced it would suspend publication with today's editions because of "greatly increased costs of production" and "an ever-growing tax burden." In a statement published in this morning's edition, the paper announced:

"In spite of the un-remitting efforts of an able and loyal organization, this newspaper has encountered increasing difficulties, ranging from greatly increased costs of production to an ever-growing tax burden in the face of which continued operations on a sound basis are not possible."

The paper publishes the United Press leased wire report, announced that the competitor Oregon Journal had taken over features and other comics, and had acquired the circulation list.

The News-Telegram was established in 1877. In 1921 it and the Scripps-controlled Daily News, which was established in 1906, were consolidated.

The News-Telegram was a member of the Scripps league of newspapers. About 150 editorial, circulation and other employees were on the

### Cool Weather, Coast Fogs Aid Fire Fighters

Meadow Lake and Hood River Fires Hottest—Tillamook Blaze Creeps

Portland, Aug. 21 (AP)—Fire conditions in western Oregon continued to improve today, as the humidity rose and cool, misty weather prevailed on the coast.

The favorable weather conditions gave hope to the more than 5000 fire fighters who have doggedly fought against the flames for more than a week.

The Meadow Lake area, 16 miles northwest of McMinnville, and the Mt. Hood national forest were the hottest spots in the state.

A huge stand of virgin timber in the Clackamas river watershed of the western Cascades was being menaced by the Mt. Hood blaze and crews of workmen were engaged to stem the flames' march.

In the Meadow Lake area fire fighters were fighting against spread of the flames into several sections of government-owned timber outside the Siuslaw National forest.

The 200-man camp of the Flora Logging company in Tillamook county, near the Yamhill county line, was wiped out, with loss set at \$200,000. Twenty buildings, 10 donkey engines and other equipment were burned.

An unconfirmed report said the Trask-Willamette logging camp in Tillamook county also was burned, with a loss of \$250,000. The U. S. forest service camp two miles northwest of Meadow Lake was moved back eastward, within nine miles of Carlton.

The huge Tillamook blaze, largest in the nation, as it has covered 150 miles in the Coast range between Forest Grove and Tillamook, crawled within six and a half miles of the city of Tillamook at one point.

Fire lines have not been completed around the Eagle Creek fire in the Clatsop district, but it was virtually under control.

The 13,000-acre fire in the Columbia national forest, 30 miles north and east of Stevenson, Wash., was under control.

Flames from the Oregon-American fire near Elsie, on the new Wolf Creek highway, were moving toward the Markham operations on Sweet Home creek. No damage was reported.

An unidentified man was injured fighting the blaze in the hillsides a half mile back of La Grande in eastern Oregon. The city was not in danger as the wind was blowing the fire away.

A firebug was blamed for a blaze that burned along the Turtle river, about 25 miles northeast of Longview, Wash. About 400 acres were burned. OCC youths saved several homes from burning Sunday.

Fred Southwick, supervising warden of the Douglas Forest Protective association, said a firebug was operating in the Paradise creek area near Elkton, in southern Oregon. A fire along a two-mile front was brought under control, but new fires burned in several sections.

Smoke continued to blot out the sun in many sections of the state, making lights necessary before noon. The holdings of A. F. Coats, 10 miles east of Tillamook, also were caught by the flames.

Ford Converse, co-owner of the Converse and Hitchman camp estimated damage to his camp at between \$30,000 and \$40,000. All buildings, except two homes, several million feet of fallen and bucked timber, four donkey engines and three caterpillars were destroyed.

McMinnville's water shed was threatened by a conflagration that reportedly burned a U. S. forest service camp two miles northwest of Meadow Lake and the headquarters camp of the Flora logging company.

Improved weather conditions gave hope that the Banner Creek fire (Continued on Page 7, Column 2)

### Nazi Efforts To Influence Universities

Says German Consul at New Orleans Offered Books to Tampa, Tulane

Washington, Aug. 21 (U.P.)—Dr. John Harvey Sherman, president of the University of Tampa, told the Dies committee today that the German consul at New Orleans had attempted to influence faculty members at Tampa and at Tulane universities.

Dr. Sherman was the only witness today as the committee held a brief session, and recessed until 10:30 a. m., tomorrow.

He said Baron Edgar von Spiegel, New Orleans consul, had offered books to his university on behalf of the Nazi government but on assurance that the German professor at Tampa, an outspoken anti-Nazi, would be "adequate."

In New Orleans, Baron von Spiegel said many southern colleges had accepted book offers.

Dr. Sherman said that last March the president of Tulane told him that "he was quite disinterested with the activities of this man (von Spiegel) around his campus." He said the Tulane president charged that the baron had "angruled up" to various Tulane faculty groups "very effectively."

Sherman said the offer of books followed a series of attacks on his German professor, Otto T. Kraus, who he said was not sympathetic to Hitler.

Sherman refused the offer. Dr. Kraus, a native of Vienna, is a naturalized American citizen. He was appointed professor of German at Tampa in May, 1937, and attacks "based on innuendo" began a few months later, Dr. Sherman testified.

"He made it clear," Dr. Sherman said, "that he was bitterly opposed to the Nazi philosophy. He was frankly democratic and very liberal."

"After he began his service a series of attacks through rumor—attacks based on innuendo—began against Dr. Kraus. First, that he did not speak correct German. Then that he didn't have the training at the University of Vienna he claimed to have. Those were rumors we could check.

"Then there were attacks on his personal character. These we could laugh down because we knew Dr. Kraus. The attacks died down."

On March 10, 1938, Dr. Sherman testified, the local German consul, Ernest Berger, called his secretary today he had a friend who he believed could be induced to give the school a library.

Three days later he made an appointment for the donor, whom he did not name. On March 16 he called to see, his friend, the consul at New Orleans, was delayed and would be there the following day. This was the first, Dr. Sherman said, that he knew of the donor's identity.

When the baron arrived and was introduced by Berger, Dr. Sherman said he inquired:

"Is this the gentleman who wants to give the library?"

"It is not I, but my government," he quoted the baron as replying.

Mussolini Silent On German Demands

Rome, Aug. 21 (AP)—Premier Mussolini refrained today from giving any indication that he would intervene with a plan to avert possible war over German demands for Danzig.

To suggestions that Italy "save the peace" by intervention in the German-Polish dispute, well-informed Italians answered that she would follow the joint policy of the Rome-Berlin axis.

### British and French Cabinets to Meet

Important Joint Action Intended as Pledge to Poland Renewed as Crisis Intensifies—Calling of Parliament Forecasted for Latter Part of Week

London, Aug. 21 (AP)—A decision to hold a full British cabinet session tomorrow coincident with a French cabinet meeting indicated important joint action was intended in the grave European situation as Belgium today suddenly called seven small powers to a conference Wednesday to consider a possible peace move. Full cabinet status was given to tomorrow's meeting of British ministers after Prime Minister Chamberlain, returning from a holiday in Scotland, had conferred with Lord Halifax, foreign secretary.

The Belgian move in calling the foreign ministers of the six other neutral states associated in the Oslo treaty convention to a conference in Brussels Wednesday offered the possibility of some British-French action toward a settlement of the German-Polish dispute over Danzig.

A joint statement by Britain and France reaffirming in strong terms their pledge to aid Poland in event of an attack upon her, but at the same time advocating negotiation by Germany and Poland, was considered another possibility.

In some political quarters there were suggestions the British parliament should be recalled immediately and used as a medium for a new British warning to Germany.

Some Britons discounted the effectiveness of any move toward mediation or a peace appeal by the small Oslo powers pending some indication of a more conciliatory attitude by Germany.

A British government spokesman, referring to a statement of policy by Foreign Secretary Lord Halifax, July 29, declared "the position remains as stated and is unchanged in any respect."

### Lepke Insured For \$1,000,000

New York, Aug. 21 (AP)—The Daily News says that "quiet but none the less frantic pleas by insurance companies that the authorities find Louis Lepke Buchalter before his underworld foes locate him first, brought the amazing disclosure that New York's No. 1 fugitive carries approximately \$1,000,000 insurance on his precarious life."

"Policies on the continued existence of Lepke, it was further revealed, are held by more than half the leading insurance companies in the city," the News paper says.

"With a price of \$30,000 on his head—dead or alive—they are afraid Lepke's health is likely to take an abrupt turn for the worse at any moment."

"What makes it worse is that the policies are airtight. The insurance companies have tried vainly to find some technicality under which they could cancel them but in taking out the insurance Lepke made sure there were no loopholes.

"Lepke used his many (legit) fronts, as the underworld terms enterprises designed strictly for cover-up purposes, in his applications."

### Fishing Party Of Six Drowned

Nye Beach, N. H., Aug. 21 (AP)—The sea cast up six bodies on the beach today, revealing the tragic end of an all-day fishing party. The victims were identified as: Ralph Pryor, 55, of Dover, owner of the boat.

Miss Ethelyn Cutler, of Newmarket, a cousin of Pryor.

Frank Plante, of New Boston, N. H. Joseph Waljnar, 23, of Newmarket.

Walter Hargraves, 24, of Newmarket.

Clarence P. Yeaton, 47, of Dover. Identification was made by Pryor's son, Robert.

### Oslo Powers Called to Meet At Brussels

To Appeal to Great Powers to Reach Settlement And Avoid Conflict

(By the United Press)  
While Europe prepared today against the possibility of a disastrous war, a strong peace movement got under way.

The Oslo powers, so called because they entered into a neutrality pact at Oslo, Norway, decided to appeal to the great powers to reach settlement and avoid bringing on a conflict.

The foreign ministers of the Oslo powers—Norway, Sweden, Denmark, Finland, The Netherlands, Belgium and Luxembourg—were invited by King Leopold of the Belgians to meet in Brussels on Wednesday and draft an appeal.

Other Peace Moves  
Cut off from the great agricultural and mineral resources of Scandinavia especially Germany would be hard pressed in any protracted war.

The peace move followed one from Rome, where Pope Pius XII issued a strong plea for peace on Saturday.

Still another move was reported in Bucharest, Rumania, where a reliable informant said the visits last week of Count Stephen Cskaky, Hungarian foreign minister, to Germany and Italy were more in the nature of an attempt to mediate between Poland and the axis powers rather than an effort by Rome and Berlin to force Hungary into the axis for war.

Britain Prepares  
On the other side of the picture, Britain and France were fully on the alert for trouble. It was announced in London that "obstructions" would be placed around strategic harbors on the coast.

The cabinets of both Britain and France were called into session for tomorrow to consider the situation.

Troop movements on both sides of the Polish border increased, accounting in part for British and French concern. German troops massed in the "treaty corridor" of western Slovakia, leading from Austria to Poland. It was denied that the Germans were occupying Slovakia proper outside the corridor.

Poland massed troops on the German frontier, and was understood to have moved almost all its forces from the eastern border facing Russia.

### Kerensky Marries Australian Girl

Martins Creek, Pa., Aug. 21 (AP)—Marriage of a man who identified himself as Alexander F. Kerensky, premier of Russia's provisional government in 1917 after the collapse of the czarist regime, was disclosed today in this little Pennsylvania community six miles north of Easton.

Justice of the Peace Harry A. Stein said he married Kerensky and Lydia E. Tritton of Brisbane, Australia, yesterday. Kerensky gave his age as 58 and his bride 33.

Shown a picture of Kerensky taken some years ago, Stein said today "that's the same man, only he appears older now."

### Tientsin Submerged By Flood Waters

Tientsin, Aug. 21 (AP)—The toll of death and property destruction leaped today as the worst flood in Tientsin's history submerged much of the city under constantly deepening water. With the flood crest believed still to be at least a day away, the overflow of the swollen Hai river and other streams put the city's electrical facilities out of commission and isolated it part of the time from the outside world.

An all-night rise in the flood level inundated the few remaining dry spots in the British concession when the water was three feet deep in the shallowest places.

Telephones were dead. Small boats were the only transportation through streets.

Many persons braved waters often waist deep to carry out vital errands. The water system still functioned, but authorities warned that its failure was possible momentarily. The food situation was acute.

As flood waters within the concession reached an average depth of nine feet over most of the area, British authorities commandeered all small boats, and officers were assigned to transporting ill and exhausted victims of whatever race to hospitals or improvised refuges.