

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

Generally fair tonight and Sunday, with fogs; gentle northwest wind. Friday: Max. 70, min. 44. Rain .02 in. River -3.7 ft. South wind. Partly cloudy.

# Nazis Hint Turkey to Suffer Poland's Fate

## 26 Removed On Stretchers From Harding

## 73 Injured on Storm Battered Liner Bringing War Refugees

By John A. Moroso, III  
New York, Oct. 21 (AP)—Twenty-six persons were removed on stretchers from the United States liner President Harding today when the storm-battered vessel arrived after one of the most tempestuous and dramatic voyages in modern maritime annals.

Eyes were blackened, bones fractured and bodies bruised by tumbling furniture and heaving decks when the 13,899-ton liner was caught by a howling hurricane after rescuing the crew of the torpedoed British freighter Herons Pool.

Altogether, 73 passengers and crew members were injured in the storm. All except the 26 were able to walk by the time the ship docked.

A cabin boy, Paul (Red) Johnson, was washed overboard and lost when a mountainous wave broke over the decks.

Johnson, a recent graduate of the University of Wisconsin, was making his fourth trip on the ship. Because of his death, the President Harding's flag was at half mast when she arrived.

The hurricane, which had eluded meteorologists as a result of wartime restrictions on weather reports from ships at sea, struck the liner approximately 800 miles east of Boston Tuesday night.

Passengers said most of the injuries were caused by one huge wave, propelled by a 110-mile-an-hour wind. Some said it was 100 feet high.

A fleet of ambulances and stretcher bearers waited at the dock when the vessel arrived.

Most of those severely injured were in the smoking room aft when the wave heeled the ship over to starboard. Tables, chairs, smoking stands and pottery slithered across the floor, piling passengers against the wall.

Of the 698 passengers, 321 were American citizens.

Paul van Zeeland, former premier of Belgium, was in his cabin with his wife and four children when the wave struck. All were tumbled out of their beds and piled in a heap against the wall. Van Zeeland was bruised and cut.

Capt. Sidney E. Batson, master of the torpedoed freighter who was rescued with his crew of 35, praised the president Harding's commander, Capt. James E. Roberts, for his seamanship.

Crew is Praised  
"I was inside the wheel house when that big wave hit us and the ship heeled over about 30 degrees," Captain Batson said. "The storm blew up out of the southeast. Captain Roberts handled his ship in a fine, seamanlike manner."

W. R. Clarke, department manager of the Firestone Tire and Rubber company in England who was returning to take up new duties in Akron, Ohio, told of seeing the submarine that sank the Herons Pool.

The U-boat had remained on the scene and flashed its blinker lights to attract the attention of rescuers, he said. When the President Harding approached the submarine disappeared.

Officers at first thought the men in the Herons Pool's lifeboats were French and addressed them in that language.

One of the bobbing seamen finally bellowed "We're British—are you going to take us aboard?"

Clarke, a native of Orlando, Fla., said the two lifeboats were scuttled after the rescue.

Reed's Airplane Found by Foresters  
Eugene, Ore., Oct. 21 (AP)—Forest Ranger Ralph Heath and logger Ed Woods last night discovered the wreckage of the army airplane from which Second Lieutenant James O. Reed parachuted to safety after the motor failed yesterday.



Four Die In Collision Of U. S. Navy Planes—Four U. S. navy fliers were killed when two navy planes collided and burned over Murray Lake, near San Diego, Calif. The charred wreckage of the ships, with a shoe of one of the men (in foreground), is shown. The planes were in a practice dive bombing flight from the Airport Carrier Lexington. — Associated Press Photo.

## U. S. Gold Hoard Over \$17 Billion

Washington, Oct. 21 (AP)—The treasury's gold hoard today passed \$17,000,000,000—67 percent of all the governmental and central bank gold reserves in the world.

The war has nearly stopped gold shipments here temporarily, but fear of it was largely responsible for the present size of Uncle Sam's gold stocks.

Before the war started, scared Europeans sent gold here almost as fast as they could in order to get it to a place of safety, and already this year about \$2,000,000,000 worth has come into this country.

That includes, however, more than a billion dollars worth which various foreign governments have deposited in their own names in the New York federal reserve bank for safe keeping and convenience in paying for American goods. The remainder of the foreign gold was sold to the treasury for American dollars which were deposited or invested in this country, or used to pay for American merchandise already shipped.

The treasury has its \$17,000,000,000 worth of yellow metal buried in vaults at Fort Knox, Ky., and various federal reserve banks and mints.

## Planes May Carry Troops to Madera

Madera, Calif., Oct. 21 (AP)—Movement of state troops by airplane into this California cotton strike area was held out as a possible emergency measure today after 18 arrests followed mass meetings of angry farmers and striking pickers.

Adjutant General Patrick J. H. Farrell said at Sacramento that if local peace officers and state highway patrolmen were unable to handle the situation national guardsmen could be sent by plane on short notice.

Sheriff's deputies, moving through a milling throng of between 2,000 and 3,000 strikers and sympathizers at the county park here, made 17 arrests last night.

## Decks Cleared for Ousting of Earle

By Harry Crain  
The contest for state superintendent of banks having this week been decided in favor of Arthur A. Rogers, a dark-horse who was not even a candidate up to 24 hours before his election at the suggestion of Governor Sprague, speculation as to whether the skids are being greased under Hugh Earle, democratic insurance commissioner whose term does not expire until June 30, 1941, occupies the attention of the political dopesters.

In the Rogers appointment some of them sense a maneuver to ease Earle out of his \$5,900 job without giving too much offense to his friends in and around Eugene.

While Rogers' present Oregon address is Portland—as state field representative of the Federal Land bank of Spokane—he is recognized Oregon residence is Eugene, where he was connected with the First National bank for some 15 years.

The clamor for Earle's scalp from republican spoilsmen has persisted since Governor Sprague took office

## Find No Trace of Beatty Kidnaper

Tacoma, Oct. 21 (AP)—A police blockade, set up to capture the kidnaper of George Beatty of Salem, Ore., put two youthful transients in the city jail after they were absolved of any connection with the kidnaping but signed confessions they stole an automobile in Portland Thursday night. The youths, John Benedict, 24, of Midland, Mich., and Jack Elmo Dixon, 18, of Western Grove, Ark., were taken off a Northern Pacific freight train here early today as 15 law enforcement officials searched for the man who kidnaped Beatty in Salem yesterday and forced him to drive to Kelso.

While Beatty and Sheriff Carl Pritchard of Clatsop county were enroute, Benedict and Dixon were questioned by police.

Detective Captain Cliff Osborne said the youths signed confessions they bought a .32 calibre revolver in a Portland pawn shop Thursday.

Next, Osborne said, they toured Portland used car lots, took an automobile and abandoned it at Battle Ground, Wash.

"Both of them said they started to commit two holdups but one or the other had demurred at the crucial moment," Osborne said. "Friday they hitch hiked to Vancouver and caught the freight train."

Osborne said federal authorities had been notified and would investigate the possibility of a Dyer act violation.

Pritchard and Beatty returned to Kelso after viewing the two prisoners.

Beatty Still Aways  
George Beatty, who claims to have been kidnaped in Salem at 12th and State streets last night, and forced to drive his car to Kelso, Wash., after he had been robbed of about \$12, had not returned to Salem up to noon today, nor had Vernon Myers, 2325 Center street, whose address Beatty gave Kelso officers. A police officer visited the Myers home during the forenoon.

Beatty has not been living in Salem for some years, but makes his home at Myrtle Point in southern Oregon. He is a carpenter by trade, and during the World War served on the Salem police force.

Salem police said they had no knowledge of the case except radio information after Beatty had reported to the Kelso officers, and press dispatches from that city.

## British and Neutrals Heaviest Losers

By the United Press  
Torpedoing of the Swedish steamer Gustav Adolf off the Shetland islands today brought ships lost since the outbreak of war to 75.

The British have lost 39 merchant vessels, the French 6, Germans 4 and neutrals 26.

Loss of the Gustav Adolf, 1,450 tons, brought the total tonnage lost to 311,423. British tonnage lost totals 153,071; French 42,179; German 14,764; neutrals 60,869.

## Senator Blames Russia for Loss Of Liner Athenia

## Reynolds Says Stronger Circumstantial Evidence Against Soviet

Washington, Oct. 21 (AP)—Senator Reynolds (D-N.C.), announcing he was opposed to repeal of the arms embargo, told the senate today that, in the sinking of the British liner Athenia, "the finger of guilt more clearly points to Soviet Russia than to any other nation."

"Fantastic though it may seem," the North Carolinian asserted, "it is certainly less fantastic than some of the other startling surprises of the past several months which already are proved beyond any question."

"While at the moment most Americans believe that Germany sank the Athenia, there has not been published a shred of concrete evidence to prove this."

Case Against Russia  
"But in the absence of concrete evidence," Reynolds continued, "there is a much stronger circumstantial case against Russia than any other nation. . . . Let us remember that the two principle enemies of Russia are Germany and Great Britain. What could be sweeter than to help shove them into a life and death struggle from which Russia could pick up the profits with little or no cost to herself?"

Reynolds said that if the Russians did sink the Athenia "they must have chuckled with glee when they figured the entire world would blame it on their German ally and not on the Russians."

Repeal Unwise  
The North Carolinian, who had not previously announced his position on the administration neutrality bill, said that while he favored many of its provisions he thought repeal of the arms embargo would be "unwise and dangerous."

"I will be compelled," he added, "to follow what I conceive to be my obligation as a senator of the United States (and not of Europe and the world) to vote against such repeal."

## Floating Mine Adrift in Pacific

Portland, Oct. 21 (AP)—The U. S. navy hydrographic office in Portland today said the hydrographic office in San Francisco had broadcast "at least twice," warning shipping of a floating mine about 1400 miles out in the Pacific from Tillamook.

L. J. Larson, assistant to Lieut. George Kneuper in the office, said the information on the broadcast was received from the Puget Sound navy yard, at Bremerton, Wash.

Larson said the last report broadcast by the San Francisco office was on October 19 but that no subsequent report had been given, indicating that the mine apparently was still in the region.

The broadcast said:  
"All ships and stations—floating mine, latitude 45 degrees 55 minutes north; longitude 158 degrees 46 minutes west. Wind southwest, barometer 28.82."

## Italy Signs Pact To Remove Tyroleans

Rome, Oct. 21 (AP)—Italian Foreign Minister Count Galeazzo Ciano and German Ambassador Hans von Mackensen today signed an accord governing the transfer to the reich of German nationals residing in the upper Adige or Italian Tyrol.

The accord supplements previous understandings between Premier Benito Mussolini and Fuehrer Adolf Hitler providing for the re-settlement of the German minority in the Tyrol.

Decision for such re-settlement was reached last July after Mussolini and Hitler had agreed that the Brenner pass was "sacred" and that there would be no friction over the minority question.

Fugitive Arrested  
Portland, Oct. 21 (AP)—Walter Trent Reed, 26, was arrested last night by Detective H. J. McCormick as a fugitive from the Washington reformatory at Monroe. McCormick said he escaped September 15.

## British Minister Outlines Strategy

## Hore-Belisha Says Russia Has Checkmated Germany in East—Allies to Use Waiting War Tactics—No Peace Proposals Considered

London, Oct. 21 (AP)—War Secretary Leslie Hore-Belisha said tonight that Russia had checkmated Germany in the east. He indicated the allies would use "waiting war" tactics to fight Germany to the finish. "No peace proposals which rely for their sanction on a broken word can be considered," he said. In a broadcast on the progress of the war, ending its seventh week, the former newspaperman said:

3 Courses Open  
"Three courses are open to Nazi Germany—to try to smash through by land, sea and air; to remain quiescent in the hope we will prematurely take up the offensive against them; or to lure us into the discussion of specious terms of peace."

As for the first course, he continued, "recent military experience shows that an offensive against prepared positions is unprofitable. . . . on the western front there are strong defenses and they become stronger every day. The enemy will pay dearly for any massed attack upon them."

In words that recalled Prime Minister Chamberlain's outline of strategy as the art of concentrating a decisive force at a decisive point at a decisive time, Hore-Belisha said, "Our commanders are not likely in advance of the time that suits them to unnecessarily risk the lives of those who compose our armies."

Former prisoners, peasant women and factory workers were among the nominees for the assembly. Agitators throughout the region were urging a vote "for a new and happy life with the U.S.S.R."

A Tass official soviet news agency dispatch from Kaunas denied a report attributed to the Lithuanian newspaper Twenty Amigus that almost 200,000 Ukrainians had escaped from the territory occupied by the soviet army into Germany.

## Hitler Confers With von Papen

Berlin, Oct. 21 (AP)—Fuehrer Adolf Hitler resumed conferences today with Baron Franz von Papen, his ambassador to Turkey, on German procedure to be followed as result of Turkey's action in signing a pact of mutual assistance with France and Britain.

It was expected that after another conference with Hitler, Papen would return to Ankara with fresh instructions governing Germany's Premier Benito Mussolini on the Ankara treaty as soon as he has completed an analysis of it.

Nothing has been revealed regarding Hitler's meeting with Papen, who returned to Berlin last night to report personally to the Fuehrer. Newspapers have not mentioned Papen's presence in Berlin.

Reports were circulated that German-Italian consultations, handled by Hitler and Mussolini personally, would be started tomorrow, but it was believed that Hitler intended to study reports of his ambassadors at Rome, Moscow, and Ankara, Turkey, before he initiated formal negotiations with Mussolini.

## Germans Claim Successes at Sea

Berlin, Oct. 21 (AP)—Numerous German warships are active outside home waters and have inflicted casualties on British shipping far greater than the British have admitted, the semi-official DNB news agency announced tonight.

"German surface ships and submarines have conducted successful operations in all seas and British warships sent out against them have not been able to prevent their success increasing from week to week," the statement said.

"It is not surprising that the British press should remain silent so far as possible regarding these successes. We are in a position to state that the loss of trading vessels carrying contraband is considerably greater than is officially admitted in England."

## Swedish Steamer Torpedoed Today

Stockholm, Oct. 21 (AP)—The Swedish steamship Gustav Adolf was torpedoed off the Shetland islands today. The crew of 19 was saved by the Norwegian steamer Bleas.

The Gustav Adolf, 1,450 tons, was bound for England. Her home port was Gothenburg.

## Hold Russia Free to Seize Dardanelles

## Authoritative Berlin Sources Say Turkey to Be Carved Up

Berlin, Oct. 21 (AP)—Informed Nazi circles intimated today that Turkey may become another Poland.

The intimation—and it was no more than that—was based on the fact that Izvestia, Soviet Russian government newspaper in Moscow, said Russia had no reason to regret Turkey's action in signing a mutual assistance pact with Great Britain and France.

Authoritative sources said "Russia does not need to regret Turkey's new alliance because now she is free to occupy the Dardanelles if she desires."

Izvestia's editorial was reproduced in the German press.

To Seize Straits  
Commentators pointed out that Russia throughout her history had resisted British attempts to control the Dardanelles, strategic gateway to the Black sea.

They said that, as long as Turkey remained neutral, Russia could be satisfied to leave the Dardanelles in her friends' hands.

But now that Turkey definitely had allied herself with Great Britain, they asserted, cause was given for Russia herself to assume mastery not only of the strategic gateway, but of Turkey.

They said they believed Turkey probably would be carved up as Poland was by Germany and Russia.

## Challenge Accepted

Meanwhile, a release yesterday by DNB which said that the challenge of Britain and France in the European war had been accepted was described authoritatively as introducing no new element into the existing situation.

Officials said it was intended merely to combat constantly recurring reports Germany was on her knees begging for peace.

The communique today acknowledged that French troops held two heights close to the border in the Warndt forest region west of Saarbruecken, but said these were the only French holdings on German soil.

Athenia Campaign  
A German campaign to convince the world that the British were to blame for the sinking of the liner Athenia grew more vigorous, meanwhile.

Berlin morning newspapers, with unambiguously indicating official inspiration, devoted their entire front pages to alleged disclosures of Gustav Anderson, a United States citizen and a survivor of the sinking.

"Athenia swindle unmasked before American investigating committee," Hitler's Voelkischer Beobachter headlined a story ascribing the attack to three British destroyers.

Moscow, Oct. 21 (AP)—The government newspaper Izvestia today assailed the new British-French-Turkish mutual assistance pact, asserting:

## British Inflict Losses On German Raiders

London, Oct. 21 (AP)—The air ministry announced tonight that three of 12 German airplanes attacking a British North sea convoy today were shot down and another was forced to alight at sea. There were no British casualties and no convoy or escort ship was damaged, the ministry said.

Appearance of unidentified aircraft off England's east coast caused air raid warnings in the Hull and Grimsby areas.

A brief air ministry communique said warships of the convoy opened fire on the Nazi planes and "our fighters (pursuit planes) inflicted some casualties on the enemy."

The announcement said: "Enemy aircraft were sighted this morning by a convoy in the North sea.

"In response to a signal, fighter aircraft were dispatched and the enemy made off.

"This afternoon an actual attack was made on the convoy by enemy aircraft. The escort vessels opened fire and our fighters inflicted casualties on the enemy."