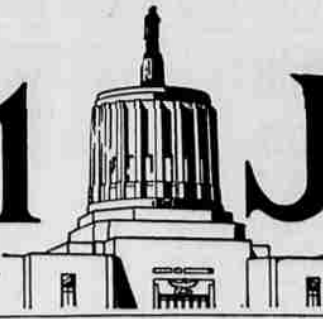


Capital Journal



Weather
Rain tonight and Sunday, snow over higher mountains; little change in temperature; south east gales. Friday max. 55, min. 44. Rain 1.74 in. River 3.4 ft. S.E. wind, cloudy.

Greece is Giving
Mussolini and Hitler something to think about, and the Capital Journal gives you the complete story of Greece's courageous resistance to the dictators as it happens—the day it happens.

52nd Year, No. 305 Entered as second class matter at Salem, Oregon Salem, Oregon Saturday, Dec 27

Price Three Cents On Trains and News Stands—Five Cents

Berlin Enraged by U.S. "Policy of Insults"

Auto Crashes Kill Four and Injure Three

Ambulance Carrying Victims of First Crash at Warner Corner Smashed

Two men and two women are dead, and a man, a woman and a child in hospitals seriously injured following two traffic collisions near Salem early last night. The second accident, half a mile north of the North Salem viaduct, involved an ambulance carrying casualties from the first accident which occurred 11 miles northeast of Salem at Warner corners, on the Hazel Green road a mile north of Central Howell.

Dead and Injured

The dead:
Arch Clayton Winn, 37, 770 North Front, Salem.
Theodore G. W. Crites, 34, Scotts Mills.
Mrs. Theodore Crites, 33.
Mrs. Tillie Vallet, Scotts Mills, employe at the Crites home.
The injured are:
Darline Crites, 3, fractured hip and other injuries, in Silvertown General hospital, condition serious.
William Winn, Capitola district of Salem, in serious condition with fractured skull and other injuries, also at Silvertown General hospital.
Mrs. Champ C. Shepherd, 170 Evergreen, serious second degree burns on lower portions of body, in Salem General hospital.
Champ C. Shepherd, minor body bruises, at Salem General hospital.
James Bennett, 21, of 655 North High, ambulance attendant, treated for facial burns at Salem Deaconess hospital and released.
Details Meager
All the deaths and injuries except those of the Shepherds and Bennett, (concluded on page 5, column 5).

New Plants to Supply Powder

Washington, Dec. 21 (AP)—Defense officials reported today that the army had forestalled a perilous shortage of ammunition by speeding a new \$50,000,000 smokeless powder plant toward completion.

Under war department pressure, two of six projected production lines at the New Charlestown, Ind., plant are expected to be finished early in the spring, two months or more ahead of schedule.

These limited facilities alone, by authoritative estimates, will more than double the nation's existing capacity to supply powder to the army and navy. Until they are put into operation, the capacity to replace limited reserves is so low as to cause official concern.

Just four sub-statal producers of the type of smokeless powder used in shells have supplied the peacetime needs of the army and navy for years. One of these, the Hercules plant at Kenil, N. J., was damaged by an explosion this fall.

The others are the army's plant at Picatinny, N. J., the navy's Indianhead, Md., arsenal, and a du Pont plant in Delaware.

To multiply many times their combined normal recorded output of about 25,000,000 pounds a year, the war department is building huge plants at Charlestown and at Radford, Va. It contemplates two more, but none was scheduled to attain full production until next summer.

Student Killed
Portland, Dec. 21 (AP)—Clyde Wayne, about 18, high school student, was killed by an automobile driven by Hans C. Karstens, 25, Helix, last night. Patrolman Andy Crabtree reported.

2 SHOPPING DAYS LEFT
DON'T FORGET TREE ORNAMENTS!
BUY CHRISTMAS SEALS



Double Congratulations Here—James J. Tunney (left) and Lieutenant Commander Joseph A. Gainard (right) exchanged congratulations in the office of Secretary of Navy Frank Knox. Tunney received a commission as a lieutenant commander in the naval reserves and Commander Gainard received the Navy Cross for "distinguished service in the line of his profession so ably demonstrated while master of the steamer City of Flint at the time of its seizure" by a belligerent European power. He is wearing the decoration. — Associated Press Photo.

Pétain Refuses to Reinstate Laval

Vichy, France, Dec. 21 (AP)—Informed sources asserted today that Fernand de Brinon, French ambassador to German-occupied Paris, acting on orders of French Chief of State Philippe Pétain, delivered to the Germans in Paris today France's refusal to make any changes in its cabinet or take back the ousted Pierre Laval. Pétain agreed, as requested by Otto Abetz, German ambassador to Paris, to replace General de Laurencis as delegate-general of the Vichy government in the occupied zone, with Fernand de Brinon, these sources said.

Other demands, including the ouster of Minister of Interior Marcel Peyroul and Minister of Justice Raphaël Alibert, were said to have been rejected.

Government leaders convened today at the home of Foreign Minister Pierre-Etienne Flandin, who is ill with influenza, while awaiting German reaction.

Paul Baudouin, secretary of state for the presidency of the council, received German correspondents today, it was learned, and told them "collaboration" was not an issue in Laval's resignation, but that Laval had lost Pétain's confidence because of his methods of working.

Asked by the Germans about Pétain's failure to attend the Paris ceremony marking the transfer of the ashes of the Duke of Reichstadt, son of Napoleon I, from Vienna, Baudouin replied that Pétain had found it impossible to go to Paris.

Risto Rytö Takes Oath of Office
Helsinki, Dec. 21 (AP)—Risto Rytö, newly-elected president of Finland, pledged himself to improvement of relations with Russia, Germany and Sweden as he took the oath of office before parliament today.

At the same time the admiralty announced "fires were seen to have been started" in a raid by planes of the fleet air arm on three cities in the Italian Dodecanese islands off the Turkish coast Dec. 17.

The ministry said the RAF, employing large forces of bombers in "successful and extensive operations," scored hits on the Berlin engine factory and "other parts of the target area" and that the fires which resulted were "stimulated" by a subsequent attack which also started new blazes.

In operations by the coastal command yesterday, a "direct hit" was registered on a German supply ship.

"Particularly good results were obtained from the raids on the invasion ports of Ostend, Antwerp (both in Belgium), Le Havre

and other ports in the English channel, the ministry of information reported today.

Berlin, Dec. 21 (AP)—Six persons were killed and 17 injured by British warplanes which attacked Berlin during the night, the German high command reported today.

The Dom (Protestant) Cathedral in the capital was damaged and small fires were set in the suburbs by incendiary bombs, but no military damage was caused by the raiders, a communique declared.

Greeks Capture Heights Along Tepeleni Area

British Bombers from Greek Bases Bomb Brindisi on Italian Heel

Athens, Dec. 21 (AP)—British Royal Air Force bombers based on Greek soil were reported today to have carried out "successful attacks" on oil tanks and railways at Brindisi, across the Adriatic Strait of Otranto on the heel of the Italian boot.

"Poor visibility and intense anti-aircraft fire made observation difficult," said the RAF communique, "but all bombs exploded in the target area. Large fires were started and subsequently there were several explosions."

While the RAF reported this and other assaults to support the Greek offensive into Italian-held Albania, dispatches from the fighting front said Greek forces had captured an Italian colonel and two battalions in fierce fighting around Tepeleni.

Take Two Villages
Greek infantrymen, battling cold and a stubborn fascist force, were said to have occupied two villages and two strategically important heights in the Tepeleni area.

Heights taken in the Tepeleni area were described as strongly guarded with barbed wire. After mentioning the gains in that sector, one report said:

"Our artillery successfully shelled the retreating Italians. Guns and much material have fallen into our hands."

"While the enemy was being chased, Italian planes attempted to halt our advance but our fighters took off and shot down four enemy aircraft."

Greek Destroyers
A naval communique indicated today that a Greek destroyer force actually preceded British warships in their sweep of the lower Adriatic, as reported by the London admiral yesterday. The British sent a battleship-cruiser-destroyer force into the lower Adriatic December 18 and the battleships, it was reported, poured nearly 100 tons of high explosive shells into Italy's port of entry into southern Albania, Valona.

Now the Greek navy reports that on the night of December 15-16 its reconnaissance destroyers penetrated the lower Adriatic as far as the (concluded on page 9, column 3)

Nazi Bombers Raid Liverpool

Liverpool, Dec. 21 (AP)—German reconnaissance planes flew over Liverpool and the Merseyside district after daybreak today to survey the damage caused by wave after wave of bombers which battered this center of British overseas commerce last night.

The night raid was reported to have been the heaviest of the war for the Liverpool area.

Rescue workers digging through wreckage and rubble for victims of the attack hardly spared the scouting planes overhead a glance.

The raid started so early last night that crowds of Christmas shoppers were caught in the streets. They filled shelters and basements in the business district and were forced to remain there throughout the night.

A greater use of incendiary bombs than in any previous raid on Liverpool caused many fires, lighted targets, and guided wave after wave of bombers over the industrial area.

There were relatively few casualties, however, and transport facilities were operating almost normally this morning.

During the height of the raid a fire truck ran into a bomber in a downtown street, injuring two firemen.

Explosive and fire bombs started many fires as the raiders swept down in a concentrated attack despite an intense anti-aircraft barrage.

Applications for Postmaster Come
Washington, Dec. 21 (AP)—Applications for the postmasterships at Cave Junction and North Powder Ore., will be received until the close of business January 3, the civil service commission announced Friday.



Preparing to take over the office of city recorder of Salem on January 1, Hannah Martin yesterday took the oath of office, administered by City Attorney Lawrence Brown. She is the first woman to be elected to a municipal executive or administrative office here.

Still Time to Aid Christmas Cheer

Only two more shopping days until Christmas — and there are still scores of families in dire need who need assistance this Christmas time. The Capital Journal Santa Claus editor has listed the names of families whom you might help this Yuletide and if you have finished shopping for your own family, wouldn't you find a great deal of joy shopping for another family less fortunate than your own?

Letters galore have come to the Santa Claus editor during the past 24 hours asking last-minute help. Upon investigation it has been found that the mothers have waited until now, thinking that something would break for them and they would not need to ask any organization for Christmas toys for their small ones. At last they have realized that they must have help. It is up to us who are more fortunate to see to it that these kiddies aren't disappointed. Will you help?

A Christmas basket would be wonderful and toys would make the day a supreme event to these tiny ones. Contributions of clothing, food, toys and money will be gladly accepted at the Journal office and distributed by the Journal's Christmas staff.

One family was provided with a load of wood today by a Salem fuel dealer. Each member of the family has been very ill with the flu and there has been no heat in their small but clean home. Bedding was also provided by the Journal Santa Claus helpers to this family. A Christmas basket has been assured this fatherless family on Tuesday. Such is the work that the Journal and its readers are trying to do. Your cooperation is needed.

The Junior Red Cross and Salem schools have made clever miniature Santa Clauses and filled them with candy for distribution to the old folk confined to the Deaconess hospital. Still other groups are contributing to the cheer of invalids and oldersters this Christmas time.

If you haven't a Christmas Cheer project of your own call the Santa Claus editor, 3573, or the Christmas Basket Exchange, 21421.

Willkie Returns to Finish Vacation

New York, Dec. 21 (AP)—Wendell L. Willkie said today he was still "looking for a job—any job for a fellow who likes to argue." Accompanied by Samuel F. Pryor, Jr., vice chairman of the republican national committee, and Gene Tunney, who yesterday was appointed a naval lieutenant commander, Willkie left La Guardia field for Hobe Sound, Fla., to continue his vacation.

Capital Blackout Due to Power Break

Washington, Dec. 21 (AP)—A power failure at 5:45 a. m., gave Washington a few minutes blackout today, stalled the city's street cars for two hours, and forced thousands of persons to walk to work. Fire engines raced through the streets before dawn after alarm systems failed and panicky citizens sent in need- less calls.

King To Broadcast

London, Dec. 21 (AP)—King George VI will make a broadcast address to the British nation and the empire at 3 p. m. (9 a. m. EST) on Christmas day.

British Mop Up On Italians in Besieged Bardia

Trapped Fascists Trying Desperately to Slip Through Ring of Steel

Cairo, Egypt, Dec. 21 (AP)—While British bombers, artillery, and warships were reported battering beleaguered Bardia today in an effort to smash a path through the Italian defenses, a general headquarters communique announced British troops had captured an additional 900 prisoners and were "clearing" the areas to the northwest and west of the eastern Libyan base.

The British forces in the western desert, "which continue to be reinforced," also have taken four guns in their mopping-up operations, the communique reported.

In addition, patrols along the Sudan frontier were said to be carrying on "their aggressive activity."

Seeking Escape
As the British closed in on Bardia, large units of the trapped fascist forces were said to be trying desperately to slip through the ring of steel around their eastern Libyan base under cover of darkness and the pall of smoke and dust hanging over the town after five days of bombardment.

It was believed in some British circles that such units—if any got through—would try to join Marshal Rodolfo Graziani at Tobruk for a new stand 75 miles west of the Libyan-Egyptian frontier.

The coastal road to Tobruk and Derna has been reported, like Bardia, under almost constant RAF and naval bombardment.

Reports from the battlefield said the British, bringing up infantry to reinforce their advance tank columns, completed a semi-circle of men and guns around the landward side of Bardia last night while a line of warships off the coast finished the encirclement.

Becomes a Siege
Immediately, it was said, the battle of Bardia became a siege.

From all sides British guns were thundering at the 17-mile Italian defense front of tank traps, gun emplacements and pill boxes manned by some 20,000 troops — many of them survivors of the fascist flight from Egypt.

The British counter-drive into Libya in the desert lands to the south also was reported advancing.

There the British, spearheaded by a unit of Australian cavalry, were fighting to oust an Italian warzone from the oasis of Gararab, about 20 miles west of the Egyptian frontier.

Some prisoners were taken in three days of fighting around the oasis and last night the rest of the Italian force was reported still holding out against heavy pressure.

Stalin 61 Today
Moscow, Dec. 21 (AP)—Joseph Stalin's 61st birthday anniversary passed today without formal observance. A year ago it was celebrated.

There was no mention of the birthday in today's press.

Germany Asks Recall Of Embassy Attaches

Berlin, Dec. 21 (AP)—The German government requested the state department in Washington today to recall Cecil M. P. Cross and Leigh W. Hunt, secretaries in the United States embassy in Paris, and embassy employe, Mrs. Elizabeth Deegan, on the ground they helped an unnamed British officer who escaped.

An official announcement stated that the United States government had headed the German request and had informed the Reich government that it had started investigations.

The announcement said Mrs. Deegan supported the English officer in an effort to enable him to flee. German authorities' investigations in Paris disclosed that Embassy Secretaries Cross and Hunt also were involved, the announcement asserted.

Furthermore, Cross was charged with having hidden for months in the embassy building an unnamed English citizen in the employ of the secret service. The agent finally was arrested outside the building, the announcement declared, and confessed espionage against Germany while in the embassy hideout.

Await Reaction To Cross Demand For Enemy Ships

British Inciting U. S. to War—Pinpricks and Humiliations at Limit

Berlin, Dec. 21 (AP)—The German foreign office spokesman declared today that the British suggestion that the United States turn over to Britain "enemy" ships now in refuge is "nothing other than inciting America to commit a warlike act" and American reaction to the suggestion is "being awaited by Germany with extraordinary interest."

He asserted that Germany had "shown restraint to the point of self effacement, while on the other side there has been a systematic policy of pin-pricks, challenges, humiliations and even moral aggression."

Now, the spokesman added in comment on British-American discussions of assistance to Britain, it is unbearable for Germany to let things drift further.

Reaction Awaited
The statements came in a solemn press conference.

(Ronald H. Cross, British minister of shipping, said yesterday in London that the assignment of "a certain number of enemy ships to the United States" and addition of United States ships to the British services "are the only ways I can see for replenishment of any consequence.")

"The entire attention of the German government is centered upon the American reaction to the Cross proposal," the spokesman asserted.

"That proposal is nothing other than inciting America to commit a warlike act" (concluded on page 9, column 5)

Pick Halifax Envoy to U. S.

London, Dec. 21 (AP)—Appointment of Foreign Secretary Lord Halifax as ambassador to the United States was regarded as certain by an influential section of the British press today and the London Times said it could conceive of no one "better fitted for this important post."

The Daily Mail flatly declared the tall, scholarly foreign secretary would assume the post left vacant by the death of Lord Lothian, and asserted his name already had been submitted to President Roosevelt for approval.

The authoritative but more restrained British Press Association's parliamentary correspondent said Lord Halifax was considered the most likely choice for the ambassadorship.

Minister of War Anthony Eden will move up to the foreign secretaryship, if Halifax is appointed, and Prime Minister Winston Churchill also will make a post for David Lloyd George, World war prime minister, the Daily Mail said.

Lloyd George was reported by the British press earlier this week to have declined the ambassadorship because of his age.

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Furthermore, Cross was charged with having hidden for months in the embassy building an unnamed English citizen in the employ of the secret service. The agent finally was arrested outside the building, the announcement declared, and confessed espionage against Germany while in the embassy hideout.

The state department will investigate the charges against Cross, Hunt and Mrs. Deegan, Hull said, but a preliminary examination of the facts had not disclosed that they were guilty of assisting a British officer to escape, as charged by the Germans.