

Weather Pull U. S. Weather Bureau report inside.
Forecast Fair tonight and Saturday, little change in temperature.
Temperature
Highest yesterday 80
Lowest this morning 56

MEDFORD MAIL TRIBUNE

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\$120,000 AIRPORT IMPROVEMENT HAS WAR DEPARTMENT APPROVAL

THE CAPITAL PARADE

By JOSEPH ALSOP, and ROBERT KINTNER

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Washington, Aug. 9.—One of the really remarkable untold stories of the fall of France is that of the French gold. To tell the point before the story, the German general staff entering Paris still hoped that the gold bullion remaining in the Banque de France would be a major item of loot, vastly strengthening German ability to buy in the world market. They found, however, that virtually all of the gold had escaped them.

Some had been hastily shipped to London in the desperate days between the Battle of Flanders and the break-through on the Somme. Some, which had been taken to Brest, had been sent on to Dakar, where it still is, out of German reach. And a huge quantity—333 tons of gold—had been hurriedly taken to the United States.

THIS was arranged by Ambassador to France William Christian Bullitt, in the time just before the French government abandoned Paris. The gold was then at Casablanca, where it had been sent for safekeeping. Bullitt suggested to the French officials that they might prefer to deposit the treasure in this country. They pleaded that no transportation was available. Making rapid arrangements with Washington, Bullitt had the Vincennes, two destroyers, and another American naval vessel sent to Casablanca to pick the treasure up. The Vincennes brought over \$268,000,000 worth of it, and \$85,000,000 more came in the other ships, and thus this gold is now part of the huge pool of European assets, French, Belgian, Dutch, Danish and Norwegian, which the treasury has impounded and frozen to keep them out of German hands. Before long, the question may soon present itself, whether to turn this loot of Europe over to a victorious Germany.

UNTIL the French surrender, no important objection was raised to the treasury's procedure. The representatives of Norway, Denmark, Holland and Belgium all took the position that their countries were at war with Germany, and gladly

(Continued on Page Ten.)

ASHLANDER GAINS 2ND LIEUTENANCY

Camp Murray, Wash., Aug. 9.—Six officers of the 249th coast artillery and four non-commissioned officers received notices today of advancement. The list included Benjamin H. Goldy, Ashland, named second lieutenant, Battery B.

SIDE GLANCES

by TRIBUNE REPORTERS

Friends of Al Stoehr thinking he looks very handsome since he let his brownette locks grow out.

Doc Willie Roney thinking seriously about installing a couple of unique feature services for his tenants.

Mike Gibbons being one of the few Medfordites not complaining about the torrid weather, he in fact literally lapping it up in gobs.

Aileen Peterson lending blonde feminine color to the C-C directors luncheon.

MEDFORD RUNWAY WILL BE PAVED AS WPA PROJECT

Additional 1400 Feet to Be Graveled—Widened—Plan Early Start On Work

Official approval of a \$120,000 WPA project for improvement of the Medford municipal airport was announced by Mayor C. C. Furnas at a public luncheon-meeting of the directors of the Jackson County Chamber of Commerce in the Hotel Medford this afternoon. Engineers of the Oregon state WPA office in Portland are now here preparing detailed plans and specifications.

The project is for the paving of the main 4,000-foot runway, graveling of an additional 1,400 feet of the runway, widening the runway by 100 feet and installing the flush type of runway lights. The additional width, 50 feet on each side of the runway, will be gravelled under specifications of the project. The runway now is 200 feet wide.

Plan Early Start
These improvements are all considered of major importance. City and chamber of commerce officials said that the contemplated improvements assure Medford of an airport that can be used for all present commercial and military purposes.

The officials said preparation of the detailed plans and specifications was being expedited in order to procure early final approval so that work might be started in the near future.

The city's application for the improvement was approved by the war department under the national defense program which permits the WPA to finance projects for defense purposes. City officials explained. Under the defense program, it was pointed out, the WPA waives its strict requirements for a contribution of 25 per cent of the project's cost by the sponsoring agency. In addition to the war department, WPA Washington, D. C., headquarters approved the airport project, officials stated.

Spokesmen said the city administration and the chamber of commerce were highly pleased to know that the municipal airport had been designated as part of the national defense system. Both the city and the chamber of commerce had been working for some time to procure approval of the airport improvement project.

City officials expressed their appreciation of the help of U. S. Senator Rufus Holman who they said has been active in helping the local men in presenting the proposition to the proper authorities in Washington.

Ambassador Cudahy Censured For Interview on Occupation

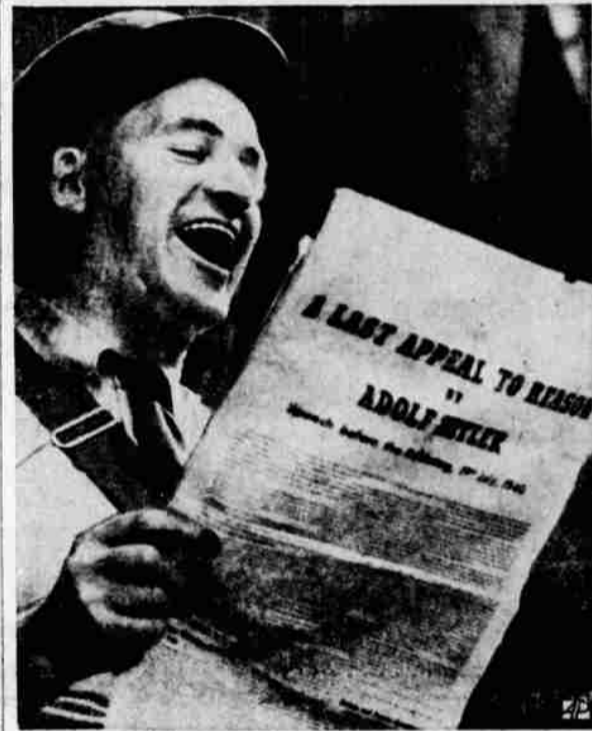
Washington, Aug. 9.—(P)—John Cudahy, American ambassador to Belgium, was reprimanded publicly by the state department today for his press interview in London on Belgian food conditions and other aspects of the German occupation of that country.

Sumner Welles, acting secretary of state, reading a formal statement at his press conference, said that Cudahy, by direction of President Roosevelt had been requested to return to the United States immediately for consultation.

Cudahy, the statement said, had given the interview "in violation of standing instructions of the department of state and certain of the views expressed by

British, Italian Planes Battle Over Desert

It's a Laugh, Say Britons



It's a joke and a contribution to Britain's paper salvage campaign was the British reaction according to the censor-approved caption, to Germany's leaflet raid over southern and southwestern England the night of August 1. Here is how the leaflet, containing extracts of Hitler's "appeal to reason" speech to the reichstag, struck the milkman.

BASEBALL

| American | | R. | H. | E. |
|--|-------|----|----|----|
| Philadelphia | | 0 | 2 | 2 |
| New York | | 2 | 6 | 0 |
| Babich, Heusser, and Hayes; Ruffing, Sundra and Rosar. | | | | |
| Score: | | R. | H. | E. |
| Boston | | 5 | 11 | 1 |
| Washington | | 6 | 9 | 2 |
| Ostermueller, Heving, and Foxx; Leonard, Krakauskas, Bagby, Carrasquel, and Ferrell. | | | | |
| National | | R. | H. | E. |
| Brooklyn | | 1 | 8 | 0 |
| Boston | | 0 | 4 | 3 |
| Wyatt and Phelps; Erickson and Berres, Mast. | | | | |

Guardsmen Fight Louisiana Flood

Camp Beauregard, La., Aug. 9.—(P)—Feeding and safeguarding the health of an army of national guardsmen in rain swept forests became a major problem today as torrential rains continued.

Floods, inundating long stretches of highway, sweeping away bridges and making quagmires of dirt roads, came in the wake of downpours ranging from six to 10 inches. Rain has fallen 33 of the last 38 days.

Windsors Will Visit United States Soon; Duchess Is Thrilled

Hamilton, Bermuda, Aug. 9.—(P)—The Duke of Windsor said today he and his American-born duchess would visit the United States "soon."

"The duchess hasn't been there for eight years and I haven't been for 16 years, so it's certainly time we went," the duke said in his first interview since arriving yesterday en route to his post as governor of the Bahamas.

"When I was last in the United States the Woolworth building was the highest in New York—that rather dates me," the duke commented.

The duchess said she was "excited" at being as close to home as Bermuda and added "You can imagine how thrilling it is."

GERMAN CONTROL OF VITAL PATENTS PERILS REARMING

New York, Aug. 9.—(P)—Thurman Arnold, assistant U. S. attorney general, today declared a special federal grand jury had uncovered considerable evidence tending to show that patents vital to the United States war industries are German-controlled.

Arnold made this statement in discussing the grand jury's investigation of charges that production is restricted and prices fixed in some of the country's war industries.

Government investigators are seeking to determine whether a production "bottle neck" is threatening to retard the defense program.

Arnold, who came from Washington to take temporary command of the probe being conducted by his assistant, Samuel S. Isseks, said that eight federal grand juries now sitting in Los Angeles, San Francisco, Seattle, Chicago, St. Louis and other key cities were prepared to investigate any anti-trust law violations occurring in the food, fuel, housing, drug or other vital war industries.

He said the juries are being utilized as a "fluid system" to handle what he termed the emergency.

Arnold attributed German control of vital war industry patents to normal business trends and said:

"It is an economic 'fifth column' and not a malicious 'fifth column,' and must not be attributed to espionage."

FIND NO TRACE STOLEN COCA COLA PLANT SAFE

No trace has been found of the safe containing between \$300 and \$400 stolen from the Coca Cola plant, Deputy Sheriff Grenbrenner reported today. He figures, if it is ever located, it will be by accident, in some stream or in the timber, by fisherman or hunter. There are no clues to identity of the thieves.

HOLMAN REVEALS INVASION THREAT IN DRAFT DEBATE

Oregon Senator Claims Invasion of Alaska Imminent—Dangering Entire Coast

Washington, Aug. 9.—(P)—Senator Holman (R-Ore) said today during opening debate on military conscription today that he had "learned from authoritative military sources of imminent peril of the invasion of Alaska from the Pacific and the endangering of the Pacific slope."

Holman interjected his statement without amplification while Chairman Sheppard (D-Tex) of the senate military committee and others were discussing the Burke-Wadsworth compulsory military service bill, enactment of which Sheppard said is "a tragic necessity" because rearmament must be accomplished speedily.

Says Recruits Declined
Taking issue, Senator Vandenberg (R-Mich) declared he could show "innumerable recruiting stations that have declined to take recruits because their quotas have been filled."

"If they haven't got more men, isn't it because they haven't set their quotas high enough?"

Sheppard contended that war department experience showed that there was no possibility of obtaining the 400,000 new enrollees sought by the army by October through voluntary enlistments.

The Michigan senator replied that army officials had testified before congressional committees that complete equipment for an army of 750,000 men would not be available until 1942. He said that the possible addition of 396,000 national guardsmen and reserves to the 273,000 now in the regular army would give this country an armed force approaching that figure.

Menace Grows
"The doctrines and aggressions of certain dictator-controlled nations become every day more menacing toward the free and independent democratic countries," Sheppard asserted in urging adoption of the measure, which would require an estimated 12,000,000 men from 21 through 30 years of age to register.

"The time element is a tragic necessity, because the voluntary system cannot accomplish the emergency work absolutely needed," he said.

Rum Traffic Worst Fifth Column Declares President of W. C. T. U.

Chicago, Aug. 9.—(P)—The liquor traffic was described today by Mrs. Ida B. Wise Smith, national president of the Women's Christian Temperance union, as "a most dangerous fifth column" menacing the nation's welfare.

"It is not a totalitarian foe from the outside, but one entrenched behind millions of invested capital and behind federal and state laws written under its political pressure," she said in a prepared address at the opening of the 66th annual W. C. T. U. convention.

She termed saloons "breeding centers for lawlessness" and asserted they were plying youth and adults throughout the nation with the "virus of anarchy and disorder."

ONLY 33 PLANES CONTRACTED FOR; NO ONE AT FAULT

Secretary Stimson Says Uncertainties of Tax Legislation Holding Up Defense Effort

Washington, Aug. 9.—(P)—Secretary Stimson reported today that the army had been able to sign contracts for only 33 of 4,000 planes appropriated for during June, "chiefly" because of uncertainties over tax legislation.

The war department chief told a congressional tax hearing that "the fault" for such a limited number of plane contracts was not with the army and that "so far as I am aware" there had been no undue delay in the preparation of the army's specifications and designs.

Cooperation Desired
The fault has not been with the defense advisory commission, he said, and "the representatives of industry have been earnest" in a desire to cooperate with defense agencies.

"The fact is," Stimson said, "we have all been facing a difficult problem with an earnest effort to cooperate."

"That problem arises in a large part from the fact that the entire program of airplane construction is so large that it necessarily involves a great expansion of existing plant facilities and the construction of new ones to meet the requirements of our army in the present emergency."

He went on to say that risks were "inherent" in any business enterprise and that industry might be expected to undertake "normal risks."

Risk Too Great
"But the risk to industry of undertaking at the request of the government to expand at its own expense its plant capacity, and then being left, upon a sudden cessation of the emergency with these expanded facilities useless," Stimson continued, "is one that is entitled to special consideration."

"Under these circumstances, the uncertainty of future taxation affected by this expanded construction not only fails to give the special consideration above mentioned but penalizes the situation."

To Run For Senate
Everett, Wash., Aug. 9.—(P)—Congressman Mon Wallgren announced today that he will run for the United States senate on the Democratic ticket. He will file for the office late this afternoon, he declared.

New President



Mark A. Goldy (above) is the new president of the Oregon Insurance Agents' association, elected last Tuesday at the 12th annual convention in Portland. Mr. Goldy heads the real estate and insurance agency bearing his name. He is vice-president of the Jackson County Chamber of Commerce, former chairman of the Medford Traffic Safety Council and a past president of the Medford Rotary club.

EXCESS PROFITS TAX URGED AS 5 BILLION DEFICIT PREDICTED

Washington, Aug. 9.—(P)—Secretary Morgenthau on forecasting a \$5,700,000,000 federal deficit this year, urged congress today to open another source of government revenue and provide a "better distribution" of defense costs by enacting an excess profits tax.

Appearing before a joint meeting of the house ways and means committee and the senate finance committee, the treasury chief also proposed prompt action on pending tax legislation because he said it would facilitate execution of defense contracts.

"The national defense program," Morgenthau said, "places upon us the duty of reconsidering certain features of the tax structure now, in order to obtain a rapid expansion of production for defense and a better distribution of its cost to the taxpayer."

The excess profits tax has been estimated by experts to yield \$300,000,000 to \$500,000,000 a year.

REPORTS DIFFER ON OUTCOME OF FURIOUS COMBAT

Each Side Claims Victory Over Superior Force; African Situation Menacing

By the Associated Press
The biggest air battle ever fought in Africa—a furious combat waged by British and Italian planes high over the burning Libyan-Egyptian desert—was reported today in communiques from Rome and Cairo. Each claimed the victory against a larger force of planes.

The African combat followed closely upon yesterday's greatest air fight of the battle for Britain, concerning which both the British and Germans published new and differing versions today, each side increasing the number of enemy planes claimed destroyed.

The British said they destroyed 60 Nazi planes and damaged many others in a swarm of 400 which attacked a food convoy off the southeastern coast. The earlier London figure was 53 Germans shot down, 10 more believed downed, and British losses of 16.

Nazi Up Figures
The new Berlin version upped the British losses from 34 to 49 and admitted the loss of 10 planes, while repeating that the attack cost British shipping 12 merchant ships totaling 55,000 tons and seven more badly damaged.

In the African action the Italians said 16 of their planes fought 27 British craft with a loss of 5 to the British, 2 to the Italians.

But the British communique said the Italians outnumbered the RAF 2 to 1, in spite of which the British "pressed home their attack with such determination that 15 Italian aircraft were destroyed." It admitted the loss of two British planes.

Meanwhile, as the African situation became more menacing to the British lifeline, the Cairo police commandant cancelled all leaves of officers and men "as a precautionary measure against emergencies."

Egypt Confident
The government of Egypt, determined to keep out of the war if possible remained outwardly confident that the British could handle the situation.

In the Far East the British announced they were withdrawing 70 officers and 1,500 men from Shanghai, leaving about 10,000 British subjects and British investments estimated to be worth \$800,000,000 under the protection of British navy units.

German air raiders also roared inland over Britain last night and today in attacks that followed almost without letup the day-long raids yesterday.

The Germans bombed towns along the east, south and west coasts, and in the Midlands.

The British government said "some" persons were killed, although casualties were said to be few.

Neutral military observers in London speculated that long-threatened German invasion of Britain might be timed with Italian thrusts now under way in Africa.

Approve Hop Quota
Salem, Aug. 9.—(P)—Hop growers approved today the hop control board's decision fixing the salable quantity of 1940 crops in the three coast states at 4,000 bales more than the expected harvest, witnesses testifying at a U. S. department of agriculture hearing that the policy would take care of a possible surplus.