

Weather
Full U. S. Weather Bureau report inside
Forecast: Fair tonight and Thursday with continued high temperature.
Temperature
Highest Yesterday—101
Lowest this Morning—66
Precipitation past 24 hours—.7

Find a Tenant
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Thirty-sixth Year

CORVALLIS CHOICE FOR CANTONMENT

News Behind The News

By Paul Mallon

Washington, July 16.—The trouble with this defense boom is everyone is getting set for the crash afterward. The nervous system of the nation seems frozen by fear of what comes next. Business has pinned itself in its safety belt. You can see it in the stock market, in the production figures, in the cashbox of housewives. But while everyone is letting this fear-inspired timidity dominate him, no one is doing anything about it.

Mr. Roosevelt once said something about accumulating a public works backlog of a few billions, but this holds out as much hope as a project to relieve complete evaporation of the oceans by turning on the bathroom faucet. Plainly the government does not have the financial resources to take up the slack of a defense expenditure which already has reached \$50,000,000,000 and is about to be doubled.

YET anything that can be seen in advance as clearly as "the coming crash" surely could be avoided by careful thought and planning. If the ingenuity of American leadership has become so deficient as not to be able to avoid a disaster, visible months or years in advance, and of its own making, the crash will certainly bring some new leaders who can.

There are men who are devoting careful thought to the problem, among them Meyer Jacobstein, economic consultant of the non-political Brookings Institution, famous endowed research organization. Mr. Jacobstein, furthermore, has the beginnings of some ideas of what to do. He suggests working along the following line:

(Continued on Page Four)

Radio Highlights

By Associated Press
(Time is Pacific Standard)
Tonight, the War—4:55 CBS; 5:15 MBS; 5:30 NBC-Blue; 6 MBS; 6:45 CBS; 8 NBC CBS; 8:30 MBS.

NBC-Red—7:30 Robert St. John, returned AP war correspondent, on the Balkan blitzkrieg.

CBS—6:15 Sen. C. W. Tobey in "My Reply to Secretary Knox."

Thursday, The War—6 NBC MBS; 7 MBS; 8 MBS; 9:45 NBC; 10 MBS; 11:55 CBS; 12:55 p. m. NBC-Blue; 2:25 NBC-Red; 2:45 CBS NBC-Blue.

MBS—10:15 a. m., U. S. Navy band; 12 m (also NBC-Blue) Lord Halifax address from Burbank, Calif.

SIDE GLANCES

By TRIBUNE REPORTERS

Councilman Frank Runtz saying he would read about the council meeting in the paper, he sitting at the end of the long councilmanic table, being unable to hear anything above the hum of an air-conditioning machine that worked against great odds.

And Councilman Tom Bradley helping out on a hot night by not having any reports or remarks to make.

Jean Eberhart setting a new record in running across the Ashland golf course, frightened out of his wits by a thunder clap just as he was about to putt, he leaving Brother Bill a little amazed with the performance.

Mary Anne Gates going to Salem to escape the heat and then having to return to Medford to cool off.

WAR DEPARTMENT PICKS EIGHT NEW SITES FOR CAMPS

Will Be Built Only if Army Expansion Ordered Later; Marysville Also Favored

Washington, July 16.—(AP)—The war department disclosed today that the selection of an army cantonment site near Corvallis, Ore., does not mean abandonment of proposed cantonments either at Eugene or Medford, Ore.

The department said the proposed Corvallis cantonment would be in addition to the other two. Most of the cantonments announced today would be for divisions or anti-aircraft training centers, the war department continued. The department said it could not at this time announce the specific purpose of the cantonment at Corvallis, when questioned about an Oregon report that the cantonment might be for armored units. It also declined to comment on an Oregon report that an anti-aircraft cantonment would be proposed for the Bend-Burns Central Oregon district.

Washington, July 16.—(AP)—The war department announced the selection today of sites for possible new army camps, to be built if the armed forces are expanded to require new training facilities.

The approved sites, for which no funds are now available and for which congressional authority has not been granted, include: Bastrop, Tex.; Colorado Springs, Colo.; Corvallis, Ore.; Marysville, Calif.; Paris, Tex.; West Yellowstone, Mont.; Waco, Tex.; and Fort Huachuca, Ariz.

To House Division
The army said most of the camps would be planned to accommodate entire divisions or anti-aircraft training centers. The locations were chosen at this time, the army said, only in order to permit the construction division of the quartermaster corps and other army agencies to perfect building plans if the land forces are enlarged later.

"Every state in the union was given consideration in these selections," the announcement said. "Availability of labor supplies for construction, transportation facilities and similar factors were considered in making the selections. Recreational and training facilities were also taken into consideration."

Selection of the sites mentioned in the Washington dispatch have nothing to do with the Beagle-Antelope site here on which considerable advance planning has already been done. It was explained by Glenn L. Jackson, chairman of the civilian cantonment coordinating board. The Medford site, Mr. Jackson pointed out, was one of the first of three on the west coast, the other two being Santa Maria-Lompoc in California and Eugene-Corvallis in Oregon. It was emphasized again that the cantonment here cannot be constructed until congress appropriates the money and expands the army.

ELKS CONVENTION IN PORTLAND NEXT

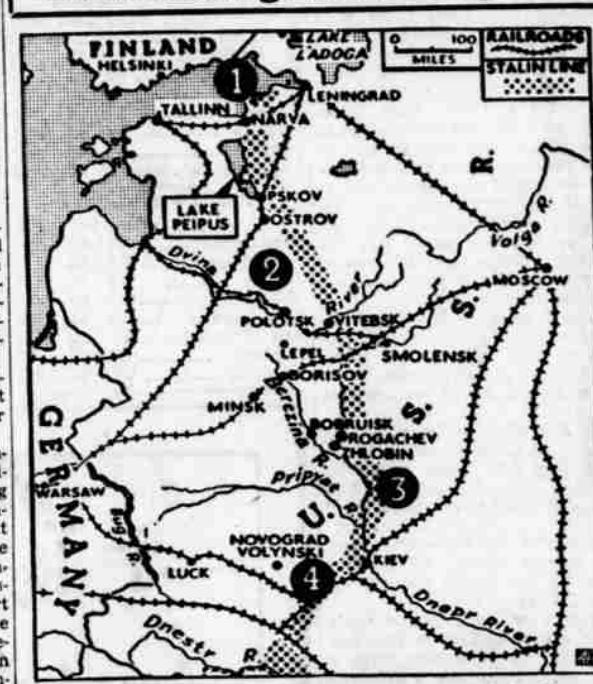
Philadelphia, July 16.—(AP)—The annual convention of the Benevolent and Protective Order of Elks today selected Portland, Ore., as the site for its meeting in 1942.

The convention is on record as planning to heed President Roosevelt's call to buy more defense bonds. Retiring Grand Exalted Ruler Joseph G. Buch of Trenton, N. J., said the national order has already purchased \$150,000 worth of the bonds and is planning to buy "tens of thousands more."

In a message to the 77th annual convention of the B.P.O.E., the president, member of Poughkeepsie Lodge No. 275, said "I know this grand organization will not fail in this time of national emergency."

Panzer Thrust at Leningrad Smashed, Is Claim

Drive Dangers Leningrad



Authoritative British sources said they regarded the German drive on Leningrad as the "most dangerous" of the German offensives against Russia. Narva(1), Estonia, was reported under siege, and Germans reported Finnish forces were attacking from the north. Germans claimed successes at Pskov and Vitebsk (2), but Russians reported the recapture of Rogachev and Zlobin (3). To the south, Germans asserted their forces were hammering at the gates of Kiev (4).

Russia Can Fight On Though Moscow Falls, Envoy Claims

London, July 16.—(AP)—Russian Ambassador Ivan Maisky said today that even if Moscow should fall to the advancing Germans, the soviet union's widely dispersed industries would be able to keep the red army in the field "fully supplied."

"For years we planned dispersal of heavy and light industries vital to the war effort to guard against air attack," Maisky explained.

"Should Moscow fall, a catastrophe which I do not believe will occur, we will fight on supplied by these factories and growing industries hidden in the Ural."

Air observers here said proof of Maisky's words lies in the almost total absence of German reports of bombed industrial targets in Russia similar to Britain's industrial midlands. They said the Luftwaffe has been robbed by distance and by dispersal of targets on which it counted in France and Britain.

Members of the soviet military mission explained the red air force's equipment and tactics for dealing with the now-established plan of German panzer attack.

Soviet aviation, it was said, has developed two types of special planes to cope with this form of attack—one a twin-engine bomber whose cannon fire armor-piercing shells into tanks, the other a heavily-gunned fighter which swoops simultaneously on infantry and delivers a scorching machine-gun attack.

These machine-guns were called "much more effective than bombs against disciplined troops, causing higher casualties."

HAMILTON FIELD COMMANDER HERE

Brig.-Gen. William Ord Ryan, commanding officer of Hamilton field, San Rafael, Cal., arrived here in a big new bomber today to spend two days at the camp occupied by the 20th pursuit group at the Elks picnic grounds. The general will spend some time in fishing while here.

Due this afternoon was Col. William O. Butler, Riverside, Cal., chief of staff of the 4th air force. General Ryan, Col. Butler, Mayor Deuel and Glenn L. Jackson, president of the Jackson County Chamber of Commerce, will be guests of the 20th pursuit group at dinner in the Hotel Medford tonight.

Ashland, July 16.—(AP)—Half of Ashland's business district was blacked out last night by a lightning hit on a mid-town power sub-station in an electrical storm climaxing a day of 97-degree temperature. Forty transformer fuses were blown by line hits. Rain extinguished numerous lightning hits in and near town. City councilmen were startled to see a quarter-inch stream of water flowing from a ceiling light fixture. The downpour, measuring .50 of an inch, caused a roof leak and the fixture shorted and exploded.

DOWNPOUR BEATS KONOYE CABINET CREW TO BLAZE IN ASHLAND AREA

Lightning Fire Quickly Put Out by Heavy Rain—Heat Declines in Local Area

Lightning storms raised havoc in forest lands all around here but when foresters took stock this morning there were only nine small fires in the Rogue River national forest and one on state-protected land in this area. The state fire, in grass north of Ashland, covered 85 acres before a pumper and crews from either Ashland or Medford could reach it. Yet when the crews did reach it in quick time, it was completely out, doused by rain, state patrol headquarters said in emphasizing how swiftly the fire spread. It all happened in less than 30 minutes.

Other sections of the state and California fared less fortunately and many forest fires were set by last night's lightning. Smoke from distant fires drifted into the Rogue valley today, obscuring the sun and keeping the temperature down somewhat.

Two of the Rogue River national forest fires were in the Applegate district and seven in the Lake O'Woods district. The smoke pall hampered the work of lookouts today, headquarters said.

Lights in Medford dimmed momentarily last night when a transmission line near Ashland was struck by lightning.

Twenty-three fires, set by lightning in the Umpqua national forest adjoining the Rogue forest, were reported under control today. The Bohemia and Diamond Lake districts were the principal areas hit.

The storm engulfed practically all of Oregon and set 125 forest fires in the Eugene area alone.

So far as temperatures were concerned, there was a slight lull in the heat wave here today, though the weather seemed more sultry than previously this week. Temperature at 2:30 p. m. was 98 degrees as compared with 101, giving Medford the third day of temperatures above 100. Lowest this morning was 68. Relative humidity at 4:30 p. m. yesterday was 29 per cent.

(By Associated Press)
A film of clouds over most sections of western Oregon and Washington lessened the mid-July sun's fierce rays today but it was still hot.

The 11 p. m. reading in Portland was 84, in Seattle 88, Tacoma 89, Spokane 92, Pendleton 99, Salem 87, Roseburg 83. Physicists attributed the death yesterday of Mrs. Nellie Evans, 77, Portland, on heat convulsions, and said that the temperature contributed to the death of William Malo, 56, Portland, who became ill while working in a hayfield.

It was still impossible to estimate the number of fires set by the thunder storm that swept up Oregon to the edge of Washington from the Siskiyou mountains last night, but they were known to run close to 200. Lightning set 125 fires in the mid-Willamette valley sector, Eugene reported. National forestry men at Pendleton reported several small fires in the Umatilla national forest near Heppner and Ukiah, Ore., and Roseburg reported 23 fires in the Umpqua national forest of southern Oregon. Most of the blazes were small.

PORTLAND STEEL MILL CONSTRUCTION SLATED

Portland, Ore., July 16.—(AP)—Construction will start within three months on a 60,000-ton steel rolling mill in Portland, the newly-incorporated Oregon Electric Steel Rolling Mill, Inc., announced yesterday.

Morris Schnitzer, president, said Bonneville power is sought for the plant, which would employ 500 men in three shifts.

KONOYE CABINET HANDS EMPEROR ITS RESIGNATION

Group Which Put Japan in Axis Line-up Offers to Step Down; Matsuoka Ill

Tokyo, July 16.—(AP)—The cabinet of Premier Prince Fumimaro Konoye, which put Japan in the axis line-up and bound her in a neutrality accord with Soviet Russia, resigned suddenly today.

Its resignation, a palace announcement said, was to strengthen the government's policies in facing the situation at home and the confused problem abroad.

Konoye presented his government's resignation en bloc to the emperor at his summer palace at Hayama, southwest of Tokyo, and, as usual in such circumstances, received an imperial command to remain in office until another government is organized.

Includes Matsuoka
Foreign Minister Yosuke Matsuoka, who was influential in involving Japan in the two major pacts which now are keystones of her policy—the axis alignment and Soviet neutrality treaty—was among those who went out.

Still ill in bed, Matsuoka was not present at an emergency meeting of the resigned ministers but submitted his resignation to Konoye earlier.

The resignation came exactly a year after Prince Konoye was entrusted with the formation of a government which was to deal with grave issues arising from the war in Europe, especially the German conquests of France and the lowlands.

Seattle Mercury at All-Time High

Seattle, July 16.—(AP)—The temperature reached 98.7 degrees at 2:45 p. m. today, a new all-time heat record here. The previous high was 98 degrees on June 25, 1925.

Medfordites Use Ocean of Water During Hot Day

Medford set an all-time record for water consumption Monday, hottest day of the year to date, when 9,450,000 gallons were used, it was announced today by Robert A. Duff, water commission superintendent. Previous record was 8,655,000 on July 26, 1939.

Heaviest consuming hour Monday was 7 to 8 p. m. when water was used at the rate of 13,700,000 gallons a day, Mr. Duff said. Consumption tapered off a little yesterday and today.

Portland set a record Monday, too, with 87,000,000 gallons. Thus it will be seen that Portland, 28 times as large as Medford, used less than 10 times as much water, Mr. Duff calculated. Medford's consumption figured at 837 gallons a person, Portland's, 285.

Germany, Italy Ready to Meet U. S. 'Aggression' States Gayda

Rome, July 16.—(AP)—Germany and Italy are ready with the "necessary forces" to meet United States "aggression," Virginia Gayda, authoritative Fascist editor, asserted today, charging that President Roosevelt is planning to take advantage of the axis' war against Soviet Russia.

If United States warships fire without warning on axis ships, Gayda declared in Il Giornale D'Italia, they would reply and Japan would do what he said is "her duty."

President Roosevelt, Gayda said, was "preparing to profit from the moment to advance intervention with the illusion of surprising Germany and Italy and their associates with their flank uncovered."

"Whatever happens, notwithstanding the new Soviet war sector, Germany remains ever ready with all necessary forces to parry new eventual blows from the west," he continued. "Italy with her fearsome forces will hold her place worthily while the associated forces farther away will do their duty which not only is one of carrying out pacts but of proven national defense."

BASEBALL

National

(First game)
Pittsburgh 1 8 0
Boston 4 9 0
Lanning, Bowman and Lopez; Tobin and Masi.

Second game:
Pittsburgh 13 15 3
Boston 5 11 1
Klinger, Dietz, Wilkie and Baker; Lopez, Posedel, Hutchins, Early, and Berre, Montgomery.

American League
New York 10 11 0
Cleveland 3 8 1
Donald and Rosar; Milnar, Kraskauskas and Desautels.

Boston 2 5 2
Chicago 1 4 2
Hughson and Pescoc, Pytlak; Ross and Tresh.

\$42,000 ASKED IN SUIT AGAINST HART

Seeking \$40,000 personal injury damages, Hannah Becknell filed suit yesterday in circuit court against Floyd Hart and his wife of the Central Point district. In addition, \$1,000 is asked for medical services and \$1,000 general damages. L. V. Lundburg of Portland appears as attorney for plaintiff.

The complaint alleges that while the plaintiff was employed in the Hart household to look after a minor child on July 18, 1939, she slipped and fell on the stairway of the home, striking the lower portion of her back on the edge of a step resulting in alleged permanent injury. She avers she suffers from pains in the neck and back and her nerves are impaired, as a result of the fall.

Negligence is alleged on the part of the defendants, in not advising her the stairs were recently waxed and varnished, that no hand rail existed and that the stairs, at the scene of the mishap were not well lighted.

Violent Fighting
Violent fighting raged throughout the night, a Moscow war bulletin said.

Adolf Hitler's field headquarters again reported briefly that operations in the 25-day-old invasion were "proceeding favorably" and that "in several places desperate Soviet counter-attacks were repulsed with bloody losses for the enemy."

The Soviet high command, acknowledging that the Germans had scored a temporary advance on the northern front, gave this detailed picture of the battle:

"In the Pakov-Porkhov sector (180 to 175 miles southwest of Leningrad), our troops surrounded enemy motorized and mechanized troops and destroyed their section by section, seizing a large number of tanks, guns and arms of all kinds."

"The remainder of the enemy troops have been hurled back to the west."

Porkhov lies 40 miles east of Pakov, the scene of last week's fighting.

Premier Stalin's high command said heavy fighting continued all night also in the Polotsk-Vitebsk sector, just north of the strategic Minsk-to-Moscow motor highway.

Elsewhere on the 2,000-mile front, the Soviet high command declared, "no large scale fighting took place during the night."

BOY LOSES LEG IN GEAR AT WARRENTON CANNERY

Astoria, July 16.—(AP)—Louis Radine, 19, lost his right leg from injuries suffered yesterday at the fish reduction plant of the Columbia river fisheries at Warrenton.

He was able to free himself from a worm gear, in which his foot was caught, before losing consciousness.

Salem, July 16.—(AP)—Jack Worthington, 11, drowned while swimming in the Willamette river near here yesterday. The body was recovered.