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WEATHER
LOCAL FORECAST—
Fair and Cool.
STATE FORECAST—
Partly cloudy; rain in west.
TEMPERATURES—
High (2 p. m.) 66.
Low 50.
YESTERDAY'S HIGH—80.
(Season's Record, 95).



SEARCHERS FIND CHILD ALIVE

74 Deaths Occur in Drought-Stricken Area

Editorials On the Day's News

By FRANK JENKINS
BASED on drought reports, the price of wheat in Chicago soars to \$1.10 a bushel, and speculators scramble to BUY. Then a report of rains in western Canada spreads, and immediately the speculators rush to SELL. Under this selling pressure, the price drops back five cents.

Speculation, you see, is ticklish business.
WHY all the flurry? Well, if drought reduces production and less wheat is grown than is normally consumed, there will be more buyers than sellers and prices will rise. But if reports of the extent of the drought are inaccurate and as much wheat is actually grown as is normally consumed, the number of buyers and sellers will be substantially equal and prices will NOT tend to rise.

If reports of the drought are gravely inaccurate and MORE wheat is grown than is normally consumed, there will be more sellers than buyers and prices will fall.

THIS is an ancient law, based upon thousands of years of human experience, and can not be changed in any material way by man-made laws.

IF YOU have not been hit by drought and have MUCH wheat to sell, you will benefit by the higher prices. If you HAVE been hit by drought and have LITTLE wheat to sell, you will probably lose. If you are a consumer, buying wheat instead of selling it, you will CERTAINLY lose.

In the long run, the country as a whole benefits more in years of good crops and abundance than in years of drought and scarcity.

WE CAN'T get away from this fundamental fact: General abundance means prosperity and general scarcity means hard times.

All the theories in the world won't change that fact.

POSTMASTER GENERAL JAMES A. FARLEY has been given a leave of absence until after the election, and will devote his time and talents to the job of re-electing President Roosevelt.

Meanwhile, the postoffice department will run without him—probably just as well as before. It isn't the big shot at the top, who sits in the cabinet, that makes the postoffice department run, but the little fellows farther down who do the work and get none of the glory.

ARSENAL BLAST TAKES FIVE LIVES

LONDON, July 8. (AP)—An explosion ripped through the research department of the royal arsenal at Woolwich late today, killing five persons, one a department official.

One other employee was injured seriously.

Fire departments from the town, a metropolitan borough of London, aided arsenal squads in combating flames which broke out after the blast.

The war department, for the time being, did not disclose the cause of the explosion at the great arsenal, which is a key factor in the empire's huge scheme of defensive rearmament. Likewise, the extent of the damage was not known.

FARMERS STAY HOME

SPOKANE, July 8. (AP)—Eight hundred Banklevan farmers and business men, scheduled to arrive here today on a tour of northwest cities, cancelled their trip because of serious crop conditions in their province, caused by drought.

No Rain Sighted; Crop Losses Rise Under Torrid Sun

Temperatures Rise to 120 Degrees; Great Producing States Suffer Terrifically; Bears Control Grain Dealings

CHICAGO, July 8. (AP)—Weather bureau forecasts today held no hope of substantial relief within the next 36 hours from the record heat and prolonged aridity blanketing the drought-stricken midwest.

Losses in Millions

At least seventy-four deaths had resulted from the sun beating down mercilessly for six consecutive days on the area extending from the rich corn belt of Illinois and Indiana to the wheat fields of Kansas, the cattle ranges of Wyoming and Montana, and the great crop producing states of the Dakotas and Minnesota.

As the temperatures rose to heights, reaching 120 degrees, crop losses mounted with accompanying rapidity. Already damage has been estimated at \$300,000,000.

Grains Open Higher

Grains, after opening higher today following a halt yesterday for profit taking in their sensational rise started three weeks ago when the serious extent of the damage became known, closed lower this afternoon as bears definitely gained control in wheat dealings.

Reports of continuous rain in parts of the Canadian dry belt were received at the pit. July wheat closed at \$1.05 1/2, about unchanged from yesterday after having reached \$1.07 1/2 at one time. July corn closed mostly up to 3 1/4 cents gain at \$1.14 1/2-82, July oats up fractionally at \$1.26 1/2, and July rye down fractionally at \$1.70 1/2.

Despite the pessimistic outlook, growers impoverished through nature's failure to provide suitable crop weather were cheered by news from Washington.

The resettlement administration made temporary allocations of \$393,000 to North and South Dakota, Kansas, Nebraska, Montana and Wyoming—in the heart of the drought belt—pending release of new funds in this area.

In its forecast the weather bureau said growing crops deteriorated rapidly and in a large northwestern area both feed and water had become scarce.

The corn crop, it reported, was entering the critical stage in many areas, although it had not yet suffered serious damage. In Iowa, the heart of the corn growing states, Meteorologist Charles D. Reed said that "every day from now on with temperatures of 100 degrees or higher means irreparable injury and deterioration" to the state's principal crop.

A further picture of the damage wrought by the terrific heat was given by Reed.

"The grains have actually been cooked in the drought stage," he said in reporting that the oats and barley crops were reduced by half in the southern and western portions of the state. "Much of the crop is not worth harvesting and is being pastured."

However, an immediate return (Continued on Page Three)

ENGLAND, SOVIET CLASH OVER VIEWS

By Associated Press
Russia, opposed by Great Britain in formulating a new policy for warship travel through the Dardanelles, threatened to withdraw from the conference at Montreux, Switzerland.

The British asked the right to send warships into the Black sea in case Great Britain went to war with a Black sea power; Russia insisted that all warships be barred from the straits except when carrying out a mission for the league of nations.

The possibility of a step toward an Austro-German accord was seen in a visit by Vice Chancellor Baumbach to Austria to Premier Gombosi of Austria.

The significance of the visit lay in the fact that Italian approval would be necessary to any change of foreign policy on the part of Austria and Hungary, under the terms of the Rome accord, signed by these three nations.

The recent flights of the German Zepplin Hindenburg over England on its way between Germany and the United States brought a government announcement in the house of commons that the British are taking up the matter with Berlin.

New Buses at Park Setting



Here are the Crater Lake National Park company's handsome new streamlined buses on the rim of Crater lake. The lodge roof may be seen behind the buses, and in the background is Garfield peak. The buses make the run between Crater lake and Klamath Falls, carrying passengers from the Southern Pacific depot here to the lodge. More travel of that sort is coming to the lake this year than ever before. (Herald-News Photo-Engraving.)

New Estimates for British Defense Push Figures Near Billion Mark

LONDON, July 8. (AP)—Three new estimates, filed in the house of commons, pointed Great Britain today toward a billion dollar defense program.

The government informed parliament it would ask additional appropriations of \$100,000,000 or more to bolster army, navy, and air forces ready to meet any threat.

European Outlook Dark
The total of the new askings was not disclosed when the estimates were tabled in the lower chamber. Members expected to learn the exact amounts Thursday.

Informal sources predicted the new requests would be for between 15,000,000 and 25,000,000 pounds (\$75,000,000 and \$125,000,000) in addition to the regular and extra appropriations already approved by the commons.

Broken down, the new askings would boost the navy fund somewhere to the neighborhood of \$50,000,000, and a similar approximation would be made for the army and air force.

The total amount of the British defense budget, on the basis of preliminary information, would thus be brought to approximately \$290,000,000.

As parliament made ready to consider the new financial requests, Viscount Cecil added a fresh warning that the European situation was "dangerous."

"The old demon war is stirring again," the president of the league of nations union told a meeting of his followers. He expressed belief that alleged German attempts to influence the free city of Danzig to break away from the league of nations "might become of the utmost danger to the peace of Europe."

William Shepherd Morrison, financial secretary of the treasury, described the European situation as "grave."

Morrison criticized the attack on the Baldwin government, by former Prime Minister David Lloyd George at an election campaign meeting, likening the Welshman to a "high-spirited boy twirling a lighted torch around his head."

"It is pleasant to watch," Morrison said, "until you remember he is doing it in a powder magazine."

(Lloyd George asserted on Monday the government of Prime Minister Stanley Baldwin was "completely devoid" of nerve, courage, resolution and vision.)

KNOX COMMISSION REPORTS RECEIPTS

SALEM, July 8. (AP)—The state liquor control commission will have \$880,000 for relief purposes from August 15 to the end of the current year, Arthur K. McMahon reported to Governor Martin in a conference held with the purpose of outlining the program for the remainder of the year.

The amount was estimated, McMahon said, on the average income of the commission, but out of this about \$250,000 certificates of indebtedness must be paid, leaving for direct relief \$630,000. The certificates were issued for relief during June and July.

The first six months of the year the commission turned over \$1,053,000 for relief, the report stated. With the balance anticipated the year's total will be \$1,800,000, slightly in excess of Governor Martin's allotment set aside for that purpose.

MEDFORD, Ore., July 8. (AP)—Ruth Talbot, 23, of Klamath Falls, jointly charged with John Angland, taxi cab driver of the same city, with assault and robbery with a dangerous weapon, today entered a plea of guilty. Angland pled guilty last Monday. The pair will be sentenced the end of the week, the district attorney announced.

The two admitted assaulting and robbing John Little, Williams Creek district miner, of \$180 a week ago on a lonely side road near Gold Hill.

In statements to the authorities, the couple admitted a scheme to rob and kill a number of Jackson and Klamath county veterans of bonus bond money, the woman acting as a "come-along" and Angland "doing the rough."

COLLAPSE OF LABOR STANDARDS CHARGED

Green Says Breakdown
Result of Cancellation of NRA

WASHINGTON, July 8. (AP)—William Green, president of the American Federation of Labor, submitted to President Roosevelt today a survey purporting to show that at least 4,575,561 workers have been affected by breakdowns in labor standards since the invalidation of the national recovery act.

Green said the chief executive displayed "great interest" and said he would take the report with him for study on his forthcoming vacation trip.

The survey, submitted by Green, showed 4,073,901 workers had been subjected to lengthened hours with a direct result, he said, that \$39,123 wage earners had been deprived of possible reemployment.

Undertaken shortly after the supreme court's decision junking NRA, the survey covered the period between June, 1935, and March, 1936.

In addition to longer work hours, Green reported that NRA standards had been broken down by wage cutting, abandonment of overtime rates for overtime work, the "stretch-out," widespread recurrence of child labor, resumption of home work and elimination of minimum apprenticeship standards.

WASHINGTON, July 8. (AP)—Leaders of the American Federation of Labor gathered today to decide whether to wage work to the knife on John L. Lewis and fellow insurgents engaged in the gigantic struggle to organize 500,000 steel workers into a single industrial union.

Angry accusations from the (Continued on Page Three)

EX-KING'S SON ASKS ANNULMENT

NEW YORK, July 8. (AP)—The haemophilia-afflicted Count of Covadonga, one-time heir-apparent to the Spanish throne, today filed suit in supreme court for annulment of his marriage to his commoner wife, Edelmira Sampedro.

The action brought to a head repeated rumors of domestic discord since the count renounced his right to the Spanish throne to marry the beautiful Cuban.

To insure the immediate serving of papers on the countess, the attorney for the former prince of Asturias dispatched an emissary to Havana by airplane Monday night.

The son of former King Alfonso refused to comment other than to say he had not seen his wife since March 9.

Dunsmuir Crash Injures Four

DUNSMUIR, Calif., July 8. (AP)—A head-on automobile collision here sent four persons to a hospital.

Mrs. F. M. Pickering, of Portland, suffered a slight brain concussion and severe facial and head cuts. Her husband, a dentist, and Mrs. Gus Wolfe and her daughter, of Woodland, Calif., were treated for cuts, bruises and shock.

Youngster Rushed to Klamath Falls for Doctor's Care

Word From East End of County Late This Afternoon, Says Roy Armpriest, 9, Located By Hunting Parties

BULLETIN

Searchers this afternoon found Roy Armpriest, 9-year-old Sprague River boy, two and one-half miles southeast of Sprague River.

The boy was alive. It was not at first reported how seriously he had suffered the two nights without shelter, but a state policeman left immediately with the child to bring him to Klamath Falls for treatment by a physician.

It was understood he was hiding behind a rock when found by a searcher named Phillips.

Deputy Sheriff Jack Franey reported the good news to sheriff's headquarters here at 3:05 p. m.

Discovery of a fresh track southwest of Sprague River gave impetus to the search Wednesday afternoon for Roy Armpriest, 9-year-old crippled lad lost in that region, according to Deputy Sheriff Dale Mattoon.

Location of Search Shifts

The track was found in a spot that had not been covered by searchers, and the main body of men was shifted immediately to that district. It was about two miles from where the search has been concentrated.

One hundred CCC youths from Camp Bonanza were on the job Wednesday afternoon. Pilot Bill Randall, with Sheriff Lloyd Low and George Kincaid aboard as passengers, took off from the Klamath airport in a plane to look the region over from the air.

The fresh track was found not more than a mile from Sprague River. Expert woodsmen, who had gone ahead of the general searching party, made the discovery. It was regarded of sufficient importance to shift the entire body of searchers.

Late Tuesday searchers found a little soapbox with which Lee could have been playing. He apparently had been pulling buds from small pine trees and putting them in the box. This find was made not far from the family home, on the road between Sprague River and the Lakeview highway.

ITALIAN PLANES
ATTACK NATIVES

Mass Reprisal Sought for Slaying of Fascist Airmen.

ROME, July 8. (AP)—Italian military airplanes were reported today sent out to make "mass reprisals" against an Ethiopian district in which at least ten Italian fliers were slain June 26.

Among those killed was Maj. Antonio Locatelli, famous pilot and a member of the Balbo mass flight to the United States in 1933.

The victims, occupying three airplanes, had been making an observation flight over the Walla Walla area. They landed in a district frequented by fierce and hostile tribesmen.

The natives attacked the group, destroyed the planes and killed at least four occupants.

A priest, the Rev. Father Barolico, a passenger, escaped and carried the news of the massacre to Addis Ababa.

The official communique telling of the affair did not explain the fate of the others who must have been included in the party. The official statement said the air mission previously had landed at other points in the district and had been welcomed cordially by the population.

The news did not reach Addis Ababa until July 5 and the order for "mass reprisals" followed.

NEW YORK, July 8. (AP)—Major Antonio Locatelli, Italian aviator reported ambushed by Ethiopians, is the pilot who flew Mark Barron, Associated Press correspondent on the southern Ethiopian front, to a hospital ship off the coast of Italian Somaliland last March.

BLIND SENATOR LOSES ELECTION

OKLAHOMA CITY, July 8. (AP)—Senator Thomas P. Gore, Oklahoma's veteran in the U. S. senate, conceded defeat today in his race for the democratic senatorial nomination.

"The handwriting on the wall is perfectly visible to me," declared the blind statesman as returns from the semi-final primary showed him trailing in fourth place.

Representative Josh Lee, former public speaking professor, swept into one of the two positions for the runoff primary July 28, and Governor E. W. Marland pulled ahead of Gomer Smith, vice-president of the national Townsend plan.

"The people giveth and the people taketh away," said Gore who had served the state in the senate for 19 years. "The people have spoken and I keep silent. I thank each and every friend for what they have done in my behalf."

Lee, young and energetic, won his runoff place with a surprising burst of strength.

Pulling heavily in city and rural precincts alike, Lee, staunch new dealer, took a commanding lead early and continued to top the eight-man race as returns rolled in.

Marland, also a new deal advocate, trailed in the early returns but pushed ahead of Smith, running as a Townsendsite with the added assertion "I'll take no part in third party movements."

On the basis of unofficial returns from 2198 precincts, of the state's 3411, Lee topped the race with 110,611 votes, Marland was second with 74,458, Smith third with 72,322 and Gore fourth with 57,582.

STORM CAUSES DAMAGE

YAKIMA, July 8. (AP)—Several thousand dollars damage to crops and irrigation ditches was caused last night by a cloudburst over the sagebrush hills, five miles south of here.

At Cincinnati, a 24-hour truce was agreed on between strikers (Continued on Page Three)

QUIET RESTORED IN MANY STRIKES

By the Associated Press
While leaders on both sides conferred, strike fronts in the east and middle west were quiet today after rioting and violence.

At Portsmouth, Ohio, after rejecting a "tentative" settlement agreement, unionists pushed plans to make Portsmouth the spearhead of their drive to organize the steel industry.

The strike, in progress six weeks and affecting 5500 workers in the new Boston plant of the Wheeling Steel Corporation, went into full effect again after the strikers rejected an agreement reached in Pittsburgh Monday.

At Cincinnati, a 24-hour truce was agreed on between strikers (Continued on Page Three)