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JAPAN ASKS BASES IN THAILAND

In The Day's News

By FRANK JENKINS

THE Japs today demand from Thailand military bases and control of rubber, rice and tin production.

For these concessions they are willing to swap the province of Laos and the ancient city of Angkor — both in just-grabbed Indo-China.

THIS is the principle: You grab one neighbor's farm. Then you offer to swap a couple of the stolen 40's for the crops from ANOTHER neighbor's farm.

(Meanwhile you've justified the original steal by spreading a tale to the effect that you took the first neighbor's farm to prevent its being stolen by somebody else.)

AS long as these international principles persist, you might as well give up any thought of living in a world at peace and accept now the necessity for military preparedness as an ESSENTIAL of national life.

THE economists tell us there are three fundamental necessities for the preservation and continuance of human life — food, clothing and shelter.

ADD DEFENSE FROM ENEMIES.

It isn't a new one. Defense from enemies always has been an essential.

GETTING back to Japan's designs on Thailand. Take a look at your map. You will note that possession of Thailand will bring Japan within a couple of hundred miles of Rangoon, which is the outside supply end of the Burma road, which is interior China's lifeline of supply.

This is no news to the British, who for months have been rushing construction of airfields for the protection of Rangoon and Burma in general.

YOU might also go back to General Wavell, who some time ago was sent to India. If you will take another look at your map, you will note that if Russia is defeated India will become at once an important theater of war.

RUSSIA, of course, is the big hot spot and the big question mark.

There's a lot of lying going on there — so much that it is impossible to draw accurate conclusions.

Germany has CONVICTED HERSELF of lying. You will recall that some weeks ago the Germans announced they had destroyed the Russian air force. The Germans are now telling of air battles in which the Russian air force is a factor.

FDR today sums up the Russian mystery about as well as it can be done.

Asked at his press conference what he thinks of the Russian resistance to date, he answers: "It is magnificent, and frankly better than any military expert in Germany thought it would be."

That is a reserved and cautious statement. But, coming from the man who has on his desk the secret reports of army and navy intelligence and the (Continued on Page Two)

Looking Backward

By The Associated Press

Aug. 1, 1940—Britain orders tank traps removed in preparation for "defense by offense" in event of invasion. Russian Foreign Commissar Molotov predicts early intensification of war.

Aug. 1, 1916—Italians launch offensive against Gorizia. German merchant submarine Deutschland sails from Bremen with cargo for Bremen.

KF AIRPORT LISTED FOR MORE MONEY

\$278,000 for Class Four Facilities In CAA List

Klamath's municipal airport was listed for another \$278,000 and a class 4 (highest) classification in an announcement made at Washington, D. C., Friday by Brigadier General Donald H. Connolly, administrator of civil aeronautics.

Connolly included Klamath Falls in a list of construction and improvement projects on 288 airports, officially designated as necessary for national defense. The list had the approval of the secretaries of war, navy and commerce.

Work is already underway on two paved runways of about 5000 feet in length on the Klamath airport. The new construction, it is believed here, will add another runway, and will bring total CAA expenditure on the Klamath field to \$597,000.

Also, the listing of Klamath's port under class 4 indicates the probability that the runways now being built will be extended. The city now has ample land for this purpose.

City Engineer E. A. Thomas said that class 4 airports must have runways of 4500 feet in length or more, at sea level. At this altitude, he said, the runways must be 5300 feet in length and 200 feet in width. The runways now being built are 150 feet in width.

The engineer, pointing out he had received no official information, added that if the class 4 work really goes through, it can be done without "undoing" much of the work that has already been done here.

He said that in addition to runways, lighting equipment will be installed, taxi-strips built, and additional drainage put in.

A total estimated expenditure of \$80,810,000 is involved in the national program.

Some other towns listed, their appropriation and classification follow:

Eugene, \$113,000, class 3; Eureka, Calif., \$498,000, class 4; LaGrande, \$105,000, class 4; Red Bluff, Calif., \$106,000, class 4; The Dalles, \$180,000, class 3; Sacramento, \$344,000, class 4; Tillamook, Ore., \$410,000, class 3.

Lumbermen Asked To Boost Output For Defense Need

SEATTLE, Aug. 1 (P)—Col. W. B. Greeley, secretary-manager of the West Coast Lumbermen's association, said pleas from Attorney General Thurgood Arnold, Price Control Administrator Leon Henderson and Donald Nelson of the office of production management, urging stepped-up production for defense construction, would be sent today to every lumber operator in the Pacific northwest.

Messages from the three defense officials, received yesterday and today, assured that the government would cooperate to remove federal restrictions governing process and production.

"Their request," said Colonel Greeley, "comes on the heels of a consent decree enforced last April, which forbade the industry to combine to increase or decrease production or to fix prices."

"Orders have been climbing steadily since last January, and, after recovery from the recent strike and the effect of the enforced vacation period, we are producing more lumber than I said we could. . . . Yet, . . . we have 831,000,000 board feet of unfilled orders—40 per cent of that for national defense."

RELATIONS BROKEN

LONDON, Aug. 1 (P)—Britain and Finland formally completed their severance of diplomatic relations tonight and the British minister in Helsinki was instructed to ask for his passport.

The Jig's Up for Tatuta Maru's Passengers—And They're Glad



When the Tatuta Maru's six-day siege of aimless wanderings in the Pacific finally came to an end with the Japanese ship's arrival in San Francisco, worried passengers just had to let off the steam of pent-up worry. Here a group dances a merry jig as San Francisco looms into view.

JAP SHIPS UNLOAD CARGOES IN U. S.

Libel Actions Delay Sailings of Two Big Liners

WASHINGTON, Aug. 1 (P)—Herbert E. Gaston, assistant secretary of the treasury, said today owners of the Japanese liner Tatuta Maru at San Francisco would be allowed to discharge the entire cargo and have all the time needed to do it.

Gaston instructed Paul Leake, collector of customs at San Francisco, to pass along the word to representatives of the N. Y. K. Shipping line, which operates the Tatuta Maru.

SAN FRANCISCO, Aug. 1 (P)—Longshoremen began work on the \$3,000,000 cargo of the Tatuta Maru today after the U. S. customs department granted permission to unload the ship which was to have left here for Japan this noon.

It was estimated the work would take about 50 hours, delaying departure at least until late Sunday.

Application for permission to unload followed the filing of nine libel attachments against cargo and an announcement from the department of justice that the ship could not sail pending their settlement. The ship previously had been given full clearance by the treasury department.

About 260 passengers already were aboard.

Whether the attachments would have actually delayed sailing had not been definitely determined. The request for permission to unload was made to customs by the NYK line, owners of the \$15,000,000 luxury ship (Continued on Page Two)

Soldiers Attack, Wreck Park After Comrade Wounded

TRURO, Nova Scotia, Aug. 1 (P)—Only a ferris wheel stood today amidst the wreckage of an amusement park attacked in a revenge raid by 500 Canadian soldiers after one of their comrades was shot during an argument.

The soldiers last night lined up on a hill and, as thousands of townspeople watched, charged a cordon of 50 military police. They swept into the closed park, overturning booths, trucks and even the merry-go-round.

Another 145 police arrived and cleared the grounds but soldiers made a second charge, finishing up.

It was reported the soldier wounded was shot when an argument developed between the proprietor of the show and another civilian in the soldier's presence. The proprietor was arrested.

Nazis Fight to Exhaustion Against Reds, London Says

By The Associated Press
Adolf Hitler's invasion armies were pictured in London reports today as stalled along the whole 2000-mile soviet front during the past 24 hours and near the point of exhaustion, and in Moscow, Harry L. Hopkins expressed "even more confidence that Hitler is going to lose."

The Germans asserted that Nazi columns lunging toward Moscow had wiped out red army troops trapped to the south of Smolensk, capturing 35,000 prisoners and 245 cannon.

Nazi Claims
Nazi dispatches claimed tens of thousands of Russians were killed in the action, which occurred yesterday.

From the German fuhrer's headquarters came another communique of extreme brevity, barren of any detail:

"Battles on the east front continue to develop in our favor. Warplanes last night bombarded military objectives in Moscow."

DNB, the official German news agency, declared Nazi troops on the far southern front had forced a passage across the Dniester river, near the Bessarabian town of Cetatea-Alba, threatening Russia's great Black sea port of Odessa, 30 miles away.

DNB asserted that German artillery fire halted troop trains attempting to withdraw soviet forces from the southern front, and it continued:

"The bolshevist forces had to leave the trains and accept battle. In stubborn hand-to-hand fighting, soviet units were completely wiped out, with great bloody losses."

A whole red division (about 15,000 men), DNB said, was smashed in a "gruesome scene of terrible destruction."

Red Initiative
Moscow dispatches said soviet troops were taking the initiative at some points in the vast battle-line, and a red army bulletin reported fierce overnight fighting in the Smolensk sector, 230 miles west of Moscow; in the Zhitomir sector, west of Kiev, the Ukraine; and in the Novorzhnev sector, 200 miles south of Leningrad.

In Berlin, Nazi editors countered assertions that the German offensive had bogged down with a "wait and see" attitude. Again they stressed that it was more important to destroy Russia's armies than to win ground.

Authoritative quarters in London declared there was "absolutely no indication" that the fall of Leningrad or a soviet defeat on the vital central front at Smolensk were imminent.

Aside from its 19-word summary of the battle with Russia, Hitler's high command emphasized overnight activities of the luftwaffe, noting attacks on Moscow, the Suez canal, the (Continued on Page Two)

Suburban Fire Rouses Oregon Cities to Question of Protection Outside Limits

Oregon communities examined their policies on fire protection in unincorporated suburbs Friday, following a controversy at Eugene and Springfield, where city fire departments refused to go to a blaze at Glenwood, between the two towns. The fire destroyed several business buildings and motor-car cabins.

Reports from various cities indicate that they would have followed the policy of the Eugene and Springfield departments, though several, including Medford, would permit the cities under certain circumstances.

Local Policy
NA Chief Keith Ambrose a few weeks ago asked the council to set up a definite policy on this matter, and tentatively outlined

Nazi Consuls Hit

MEXICO RAPS GERMAN BLAST AGAINST U. S.

Argentina Refuses to Honor Blacklist Against Axis

ROSARIO, Argentina, Aug. 1 (P)—The headquarters of the German Culture Welfare association here was raided today by police who arrested 30 persons and seized a quantity of books and pamphlets, including copies of Adolf Hitler's "Mein Kampf."

The raid was made after neighbors complained of military training of young men in the headquarters at night.

Rosario, with 514,000 inhabitants, is Argentine's second city.

BUENOS AIRES, Aug. 1 (P)—Latin American actions against Nazi influence in the western hemisphere have put two German diplomats on the doorstep, pointed for home, placed a third under fire and rebuked a fourth for a role aimed at hampering anti-axis economic cooperation with the United States.

Although Mexico had rejected a German request that she protect President Roosevelt's blacklist of pro-axis business firms, diplomatic quarters at Buenos Aires said Argentina intended to withhold her support of the United States blacklist.

Consul Ordered Out
Chile, which is housing the ousted German minister to Bolivia, Ernst Wendler, until a Japanese ship can take him away, ordered the German consul general at Valparaiso out of the country for the second time. Wendler was accused of complicity in plans for a Bolivian putsch and the Valparaiso consul general of falsifying passports.

Chile had charged that the consul general falsified passports to help crewmen of the scuttled German pocket battleship, Admiral Graf Spee, escape from in (Continued on Page Two)

BASEBALL

AMERICAN LEAGUE
Chicago 2 8 2
Washington 8 12 0
Lee, Dietrich (6) and Tresh; Leonard and Early.

NATIONAL LEAGUE
Boston 1 2 2
Cincinnati 5 9 0
Javery, Hutchings (8) and Berres, Montgomery (8), Vandermeer and Lombardi.

Brooklyn 5 16 0
Chicago 4 11 1
Allen, Drake (7), Casey (8) and Owen, Franks (9); Olsen, Presnell (8) and McCullough.

West Point Gets Hearty Greeting At N. Y. Pier

NEW YORK, Aug. 1 (P)—The US navy transport, West Point docked with 388 passengers, mostly consular service employees, shortly before noon (EST) today amid scenes reminiscent of the first returns of World war soldiers.

Approximately 2400 relatives and friends lined the pier as the huge camouflaged ship was tied up and a tumultuous cheer arose as soon as those on board were allowed on the pier. Embraces mingled with joyful tears reminded observers of early 1919 when returning World war veterans received a like greeting.

Among the consular officials returning from Europe was Frederick A. Sterling, minister to Sweden, whose ill health caused him to seek a three-month leave of absence. Sterling said he would report to Washington before beginning a recuperative leave.

With Sterling was Prince Carl Bernadotte of Sweden, who said he was on a business mission. Both denied they were here in connection with reports that Sweden was about to enter the war. The two reached Lisbon by specially chartered plane at the last moment which caused some speculation in Lisbon.

The trip, passengers said, was without untoward incident and made in calm weather and seas.

THREE FLIERS DIE AS PLANES CRASH

One Pilot Parachutes To Safety in Surf At Monterey

MONTEREY, Calif., Aug. 1 (P)—Three air corps men lost their lives today as two observation planes locked wings in midair. Another man escaped death but was injured seriously.

One ship crashed on the beach. The other plunged into the Pacific about 200 yards offshore where breakers boil into a treacherous surf.

Second Lieut. Burt F. Meyer, who piloted one of the planes was the one of the four fliers to survive. He had a broken leg and other injuries but when rescuers reached him he was crawling along in the surf, apparently in an attempt to find his fellow fliers.

The dead: Second Lieut. John C. Rounfave, 21, son of Gus Rounfave of Alto, Texas; Private Earl E. Potter, 20, son of Mrs. Nellie Cox, Route 1, Westville, Okla., and Private Marcus W. Owen, son of Mrs. Grace Owen of (1120 East 59th St.) Los Angeles.

Lieut. Meyer is a son of Frank J. Meyer of Roland, Wyo.

The single engine planes were attached to the 82nd observation squadron at nearby Salinas.

The planes were flying low when the accident occurred. Meyer managed to get his parachute open but hit hard upon the sand.

Wreckage of his plane was scattered over a wide area on the beach.

Aluminum Pile Grows as Drive Nears End Here

The rattle of aluminum dropping into the community stockade resounded at the courthouse Friday, as a big crew of Boy Scouts, Boys' club members and truckmen scoured the community for old pots and pans.

To bring the campaign to a close tonight, the city band will present a concert, preceded by talks at the courthouse lawn by County Judge U. E. Reeder, Mayor John Houston and Defense Coordinator Earl C. Reynolds.

The program starts at 7:30 p. m.

TRADE ACCORD SIGNED WITH SMALL STATE

New Move Would Put Nipponese Nearer Singapore Base

TOKYO, Aug. 1 (P)—The Japanese finance ministry announced today conclusion of an agreement between Japan and Thailand under which Japan gained a credit of 10,000,000 bahts for purchases in Thailand. (The baht is not quoted in the foreign exchange market but has a nominal value of about 36 cents).

The agreement was taken as an indication of the difficulty under which Japan has been placed financially by the United States and British freezing of Japanese credits.

Koh Ishii, cabinet information board spokesman, said today, "It is very difficult to get Thailand currency."

By The Associated Press
Japan's high-pressure march to the south took another big stride today with reported demands on Thailand (Siam) for military bases and control of that country's rubber, rice and tin production.

Authoritative quarters in London, the source of this report, said Japan in exchange had offered to restore the province of Laos and the ancient city of Angkor, both in Japanese-dominated French Indo-China.

Near Singapore
British concern was pointed by the fact that Japanese occupation of bases in Thailand would put them within 400 miles striking distance of Britain's great fortress of Singapore and also pose a direct threat to British-ruled Burma and even India, which lies across the Bay of Bengal.

Coinciding with this report, the London air ministry announced that the royal air force in Burma has been strengthened by the construction of airdromes "for both offensive and defensive actions."

Burma Reinforced
Strong reinforcements were said to be arriving in Burma, including numbers of American-made bombers.

Meanwhile, dispatches from Shanghai said Chinese communist and Russian officers had already held staff conferences to plan joint military action in (Continued on Page Two)

Peru Parachutists Capture Towns as Border War Ends

LIMA, Peru, Aug. 1 (P)—Peruvian parachute troops were reported today to have captured the Ecuadorian cities of Puerto Bolivar and Machala only a few hours before a truce ended three weeks of border war between the two countries at 6 o'clock last evening.

Introduction of European blitzkrieg tactics for the first time in the western hemisphere was disclosed in a Peruvian communique which claimed a brilliant victory over Ecuador's armed forces.

Before the cease-fire order was given, the communique said, Peruvian troops had regained all territory seized by the Ecuadorian army since July 6, when a 100-year-old boundary dispute flared into open war.

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