

PICTURES!

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The Evening Herald

ASSOCIATED PRESS

IN THE SHASTA-CASCADE WONDERLAND

UNITED PRESS

WEATHER

High 74; Low 55
PRECIPITATION
24 hours to 8 a. m.52
Season to date14.81
Normal precipitation12.20
Last year to date17.02



COOLER

PRICE FIVE CENTS

KLAMATH FALLS, OREGON, MONDAY, AUGUST 18, 1941

Number 9366

SOVIET STRIKES GERMAN FLANK

In The Day's News

By FRANK JENKINS

NOT much HOT war news over the week-end. The British-American conference on the high seas is still the big news. More was cooked up there than has yet met the eye. The admirals and generals who were present weren't there to talk peace terms if and when their job is to FIGHT, and you can bet your bottom dollar that fighting plans occupied the bulk of the conference time.

THE Jap press is muttering into its beard about ENCIRCLEMENT of Japan. Paste it in your hat that encirclement of Japan was one of the plans discussed at the Roosevelt-Churchill conference. The idea is to encircle Japan so effectively that she won't be able to do much about it. In Tokyo today there are menacing rumors that a Russian Far East army of great strength has been mobilized and stationed on the Siberian border. The threat back of that is that if Japan gets brash in the south she'll be smacked by this Russian army in the north.

THE wires tell us today that American Ambassador Grew in conference (as these words are written) with Jap Foreign Minister Toyoda. It is reported that the subject of their discussions is of the UTMOST importance. It's a fair guess they aren't just passing the time of day.

THE Russians admit today the loss of Nikolaev and Krivoi Rog, in the southern Ukraine. You'd better take a look at your map here. It will tell you more than words can. Loss of Nikolaev and Krivoi Rog indicates that Odessa is surrounded. Odessa, of course, can be lost and Russia will still go on. Russia is BIG. The interesting point is the size of Russian forces surrounded and the possibilities of their destruction. Men and guns mean more to Russia's defense than cities.

It is possible, as your map will show you, that Odessa might become another Tobruk. It is open to the Black Sea, and might be supplied by the Russian Black sea fleet, thus becoming a threat on the flank of a farther German advance. Tobruk, on the Libyan coast, supplied by the British Mediterranean fleet, has become such an effective threat on the Axis flank as to have held up the German-Italian advance on Alexandria. (Consider this as a possibility, but don't do any wishful thinking about it.)

IN London today, the belief is said to be growing that Britain and Russia are planning a decisive step shortly in Iran. Remember there was a rumor to that effect from Ankara the other day, and these Ankara rumors have been right often enough to give them a certain dignity.

Ankara today says Germany is demanding air bases and aviation gas in Iran and is threatening to overthrow the government if her demands are not complied with.

It is estimated there are some 3,000 German "tourists" and technicians in Iran. German agents are said to be filtering into the Iranian army. Grabbing countries by this device. (Continued on Page Two)

Looking Backward

By The Associated Press

Aug. 18, 1940—United States, Canada announce agreement to set up permanent joint board on defense.
Aug. 18, 1916—British take German positions in region of Yancy and Guillemont on same front. French capture Verduin.

Five Die In Blaze

FIRE DESTROYS VESSEL, PIER AT N. Y. PORT

Other Deaths Feared; Navy Base Supply Cargo Burns

NEW YORK, Aug. 18 (P)—Five men were killed, considerable property damage was caused and a number of seamen were feared dead today in a fire which swept a section of the Brooklyn waterfront.

The blaze, touched off by a series of lightning-like explosions, damaged the Cuba Mail Line freighter Panuco, a 1,000-foot Cuba Mail Line pier, and damaged an adjoining pier and several craft assisting in the unloading of a highly inflammable cargo from the Panuco.

L. D. Parmelee, vice president in charge of the line's operations, estimated the value of the vessel without cargo at \$500,000. No value was placed on the cargo.

Navy Base Supplies
The pier held materials waiting to be loaded for the Panuco's return trip. Parmelee said these included construction materials, wire, paint and machinery for the Navy base at Guantanamo, Cuba.

Anthony Gehrnes, a stevedore working from decks of the Panuco, who jumped onto a nearby lighter, estimated that a total of 132 stevedores were working below decks when the fire broke out.

"A lot of men were trapped below decks," said Joe Wilde, another stevedore who escaped. "I don't see how they could have gotten out."

Police Commissioner Lewis J. (Continued on Page Two)

BASEBALL

NATIONAL LEAGUE

Cincinnati	R. H. E.
Philadelphia	13 14 2
Philadelphia	5 11 8
Moore, Beggs (2), and West	
Beck, Hughes (1), Harman (6), and Warren	

First game:	R. H. E.
Chicago	4 7 0
New York	6 8 0
Passequo and McCullough	
Schumacher and Danning	

Pittsburgh	R. H. E.
Brooklyn	5 9 1
Brooklyn	6 12 6
Lanning, Wilkie (3), Dietz (6), Butcher (8), and Lopez, Baker (9); Fitzsimmons, Casey (9) and Franks, Owen (8).	

Second game:	R. H. E.
Chicago	1 4 1
New York	7 13 0
French and Scheffing; Melton and Hartnett.	

President Signs Measures for Draft Changes

WASHINGTON, Aug. 18 (P)—Legislation authorizing him to add 18 months to the army service periods of draftees, national guardsmen, reserves and enlisted men was signed into law today by President Roosevelt.

The new law provides mandatory deferment for men not yet inducted and directs that those of the specified age who request (Continued on Page Two)

NEW BILLIONS FOR LEASE-LEND EYED

President Reports to Leaders on Talks With Churchill

WASHINGTON, Aug. 18 (P)—Senator Connally (D-Tex.) predicted after a White House conference on international affairs today that congress would be asked to appropriate in the neighborhood of \$4,000,000,000 additional for the lease-lend program "if and when the money is needed."

Connally, chairman of the senate foreign relations committee, talked with reporters after receiving from President Roosevelt, in company with other congressional leaders, a picture of the president's dramatic conference at sea with Winston Churchill, the British prime minister.

No Nearer War
The Texas Senator said Mr. Roosevelt gave the group a complete outline of his Churchill conference. "I do not believe," Connally declared, "that any commitments were made at the conference which in any way would alter our position toward the war. "I do not believe that we have drifted any closer to actual involvement."

Lease-Lend
Saying that speculation on a projected new lease-lend appropriation had placed the probable figure "much too high," Connally said the figure probably would approximate the sum of \$4,000,000,000.

"By far the greater part of the original \$7,000,000,000 lease-lend appropriation has not yet been expended," Connally declared. Connally said he had gained the impression that "not all of the money we spend under the lease-lend program will be tossed (Continued on Page Two)

REDS REPORTED MASSING ARMY ON JAP BORDER

Far East Kept Tense As Hull Raps Tokyo Detention Order

By The Associated Press

There are indications that Russia has fully mobilized a Far East army of great strength on the Siberian frontier, opposite Japanese forces massed in Manchukuo, Tokyo dispatches said today, while Tokyo newspapers warned the Japanese public that war threatened on all sides.

Casting new emphasis on the Far East crisis, Secretary of State Cordell Hull declared in Washington today that Japan had given no satisfactory explanation for refusing to allow 100 American citizens to leave the Island Empire.

Hull also disclosed that his talk with President Roosevelt, on Mr. Roosevelt's return from his secret meeting with Prime Minister Churchill, covered every geographical area in some form or another.

Japanese newspapers splashed reports that Chinese Generalissimo Chiang Kai-Shek would visit Moscow, presumably to confer on what the Japanese charged was a plan by Russia, China, Great Britain and the United States to "encircle" Japan.

Previous reports have said Japan had concentrated upward of 500,000 troops along the Manchukuo-Siberia border, opposite (Continued on Page Two)

Traffic Expert Cites Use of 'Horse Sense'

Traffic problems in any city, no matter how small or large it may be, must have the horse sense of good business applied in the solution of such problems, according to Ted Loveless, field representative, safety division of the International Association of Chiefs of Police.

Loveless arrived here at noon Monday from Medford and was guest at luncheon of the traffic safety council of which Frank Drew is chairman. Loveless, resident of Evanston, Ill., and himself a police officer, is familiar with traffic problems of scores of cities throughout the United States. He was brought here from Medford by Traffic Officer Tom Judge, and after a brief session with the council Monday night was to leave for Portland to aid in that city's problems. Loveless ventured the figures (Continued on Page Two)

"—And Here's Where the Traffic Lights Go"



Ted Loveless of Evanston, Ill., field representative, safety division of the International Association of Chiefs of Police, talks over traffic problems at noon Monday. Frank Drew, chairman of the safety council shows Loveless a diagram of proposed traffic lights. Seated about the table, left to right, Warren Bennet, Frank Drew, Loveless, Officer Tom Judge and Chief of Police Frank Hamm.

Lost River Sand for Defense



Runway beds for the \$319,000 Klamath Falls municipal airport defense project are being constructed from sand taken from what engineers believe is the old bed of Lost River at the airport's south end. Above, a crane is loading the sand onto trucks.

AIRPORT PROJECT RACES ELEMENTS

Work Expected Before Winter on Latest Appropriation

With a Class 3 airport certain and a Class 4 port probable for Klamath Falls within the next few months, contractors this week were racing against time and weather to complete two 5100-foot runways before winter. Work on the \$319,000 defense project which was begun in June is scheduled to wind up under the present contract by late October. Specifications for construction under an additional \$278,000 appropriation made in July have not been completed but army engineer expect to start on the added building before winter.

Class 4 Port
The second appropriation . . . bringing the project's total cost to \$616,000 . . . is expected to provide a third runway, runway light, control tower, and a 200-foot extension on the two present runways, which will classify the finished job as a Class 4 airport, suitable for the biggest planes made.

Construction under way now calls for two asphalt runways 5100 feet long and 150 feet wide, boundary lights around the end (Continued on Page Two)

Internal Revenue Collections Hit All-Time Record

WASHINGTON, Aug. 18 (P)—The treasury said today internal revenue collections aggregating \$7,370,108,377 in the fiscal year which ended June 30 were the largest in American history.

The treasury statement was contained in a final revision and analysis of fiscal year figures. The total collections last year after adding customs and other non-internal revenue receipts were \$7,607,211,852, also a record year.

The internal revenue figure represented a 38 per cent increase over the preceding fiscal year, due partly to better business and partly to increased taxes. Expenditures, as a result of the defense program, however, gained even faster. Total spending last year was \$12,774,890,323 and the deficit was \$5,167,678,471. In the previous year, spending was \$9,127,373,805 and the deficit was \$3,740,249,136.

Troops Enjoy Entertainment Sunday Night

Ben Czerskie, a former master of ceremonies in a Council Bluffs, Iowa, nightclub, and Bob Cole, radio crooner who hails from Omaha, Nebraska, boomed over the program presented Sunday night to a jammed armory of soldiers and civilians as Klamath Falls entered the role of host to 2500 troops en route north for war games. The convoy arrived in a drizzle, pitched camp on a wet, grassy field, and then made for town. They were well equipped for rainy weather and seemed to favor the dampness over the heat of central California. About 5 o'clock Monday morning the convoy moved on, high in its praise of this city's efforts to make the boys feel at home.

Sunday's rain moved the entertainment center from Main between Eighth and Ninth street, to the armory and if Monday night's skies are threatening, the same procedure will follow.

The rain moved the entertainment center from Main between Eighth and Ninth street, to the armory and if Monday night's skies are threatening, the same procedure will follow.

A great many residents took the boys into their homes for Sunday dinner, drove around the country to show them "the sights," and saw that there was transportation to and from the camp for the entertainment. Master of Ceremonies Chet Smith reported Sunday night's program the finest presented since the troops first invaded Klamath Falls last spring.

Officers were entertained at the Willard hotel's blue room through the courtesy of donations from firms and individuals. R. D. "Hod" Eller and Eugene (Continued on Page Two)

GERMAN TOURISTS IN IRAN PROTESTED

Britain, Russia Seek To Keep Persian Area Clear

LONDON, Aug. 18 (P)—Indications grew today that Britain and soviet Russia were planning a decisive step shortly in Iran (Persia) where reports of German infiltration have brought a second protest from London and Moscow.

The daily mail said "We cannot afford to go slow here" and called the country "on Germany's road to India." It asserted Britain had been caught napping when a revolt in Iraq threatened the entire middle east position. Protracted fighting, which the British charged was instigated by the Germans in Iraq, finally ended (Continued on Page Two)

Six Children Die In Farmhouse Fire

PUNXSUTAWNEY, Pa., Aug. 18 (P)—Six children, ranging in age from two to 11 years, perished early today as flames destroyed their farmhouse at Grange, near this western Pennsylvania community.

Merle Bush, 47, father of the children and a WPA worker, reported the fire started from an explosion of soot in a coal stove which he was firing. Bush, his wife and two other children, Elva, 14, and Cloy, 4, escaped from the home.

The victims, trapped in an upstairs bedroom, were Leora, 11, Fanny, 10; Curt, 9; Shirley, 7; Nancy, 5, and Letha, 2.

Hermiston Undergoes Explosive Boom; Everything at Premium

By CLYDE WALKER

Pendleton East Oregonian
HERMISTON, Aug. 18 (P)—Prosperity has hit this little eastern Oregon town and brought almost as much ache in the head as cash in the pocket.

Five thousand workers who earn up to \$95 a week building Uncle Sam's \$12,000,000 Umatilla ordnance depot have been set down on top of a town geared for 803 people who collected a modest living from irrigated farm land.

This is no defense boomlet, but a first-rate explosion leaving a wake of difficult social and economic problems. The previous-

ly enterprising town now looks like a country fair gone wild—an overgrown carnival on a 24 hour shift.

The most vital question of living is "where?" Hastily built cabins and one-room shacks, tents, and trailer houses jam every vacant lot and pasture so tight there's hardly room for the almost inevitable "no vacancy" sign.

Temperatures at the depot, frequently 100 degrees, and choking desert sand when the wind blows, naturally prompt high wages and overtime added in has created a local sort of in-

NAZIS CAPTURE BIG SHIPYARD, IRON ORE CITY

Russians Claim Heavy Toll Inflicted on Ukraine Front

MOSCOW, Aug. 18 (P)—Powerful red army counter-attacks costing the Germans at least 25,000 men on the central and northern Ukrainian front were reported today by the Russians while acknowledging the loss in the south of their big shipbuilding port of Nikolaev and the mining center of Krivoi Rog.

In addition the Russians declared their troops had crippled at least three other divisions which were said to have been beaten back after losses of 50 to 80 per cent of their normal fighting strength of 43,500 men. Striking flank

Thus the red army apparently was hitting back full strength against the northern flank of the long wedge the Germans were driving relentlessly past Odessa and east toward the hydro-electric power center of Dnepropetrovsk at the Dnieper river bend.

The midnight communique which acknowledged the Russian withdrawal from Nikolaev and Krivoi Rog said defense forces carried out Premier Stalin's scorched earth order before falling back. The vast Nikolaev dockyards where the Bug river empties into the Black Sea were reported blown up.

The port, 60 miles northeast of the grain-shipping center at Odessa, had been second only to Leningrad as a shipbuilding and repair base.

Krivoi Rog, in the heart of the Ukraine iron ore region, is 100 miles northeast of Nikolaev and midway between that port and Dnepropetrovsk.

BERLIN, Aug. 18 (P)—Red army forces in the southern Ukraine have fallen still farther back toward the lower Dnieper and their flight has become in part a rout before the advancing German armies, the war bulletin from Adolf Hitler's headquarters declared today.

A military spokesman said 10,000 Russian prisoners had been taken somewhere south-east of Smolensk, on the central front, as the Germans continued (Continued on Page Two)

Two Youths Killed As Hoodlums Fight At Los Angeles

LOS ANGELES, Aug. 18 (P)—Two youths were killed, one stabbed seriously and two were arrested as the result of a flare-up in rivalry between hoodlum gangs yesterday, police declared.

Officer J. T. Hamilton said Posidiro Vargas, 22, was held in central jail on a charge of suspicion of murder after his automobile struck a coupe and killed Peter Barbaras, 16, and Peter Delgado, 18.

The driver of the car in which the two boys were riding was held on suspicion of negligent homicide.

The collision occurred at an intersection where 50 members of rival gangs were fighting, Hamilton said. When police arrived they found Juan C. Flores, 22, bleeding from a deep stab wound. One policeman was cut slightly on the arm with a razor while attempting an arrest.

RECORD STORM

What appeared to be the heaviest rain storm in many years struck Klamath Falls shortly after 3 p. m. Monday. No figures were available for comparison but the downpour was of "near-cloudburst" proportions.

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