

PICTURES!

Associated Press Teletype, NEA Telephoto and a live local newspaper and engraving staff provide The News and Herald readers with a comprehensive photographic service.

The Evening Herald

ASSOCIATED PRESS

IN THE SHASTA-CASCADE WONDERLAND

UNITED PRESS

PRICE FIVE

TH FALLS, OREGON, WEDNESDAY, AUGUST 20, 1941

Number 9367

WEATHER

High 81; Low 54
PRECIPITATION
24 hours to 8 a. m.00
Season to date16.73
Normal precipitation12.22
Last year to date17.02



WARMER

REDS COUNTER ALONG DNIEPER

In The Day's News

By FRANK JENKINS

N Washington today there are authentic reports of arrangements to fly American-made warplanes to the Russians by way of Siberia.

These reports are supplemented by rumors that the Russians have prepared a series of landing fields all across Siberia, so that not only bombers but the shorter-ranged fighters can be flown clear up to the fighting fronts.

A GLANCE at your globe will show you the feasibility of such a project. From Alaska it is only a step to Siberia.

COUPLE this report with President Roosevelt's earlier announcement of a new service to ferry American warplanes to West Africa and thence on to the Middle East (Iraq, Iran, etc.) and you will get a slant at what America is planning as a contribution to the war against Hitler.

Airplanes are SUPREMELY important in modern warfare. We'll make them, and instead of slow transport by ship will FLY them direct to the hot spots, thus gaining immense speed in delivery.

The next thing is to MAKE them with equal speed. To do that, we'll have to get down to business.

IN Washington today, Harry Hopkins is expected to head the American delegation to the Russian-British-American conference at Moscow.

At this conference, arrangements for flying American-made planes to Siberia and on across to the fighting front (or keeping them at Vladivostok for possible use against Japan) are expected to be worked out.

THE Germans today mention counter-attacks by masses of red army tanks on the lower Dnieper. These attacks are intended to cover the retreat of Russian forces across the river, which at this point is a mile wide.

Remember this in connection with Marshal Budyenny's difficult task of withdrawing his armies under German pounding on a new defense line. Much depends on his success or failure.

IN London, there are reports (without official confirmation) of a 48-hour ultimatum to Iran to expel some 3000 German "tourists" and technicians. British and Russian troops are said to be poised on the frontier, ready to move if Iran balks. Iran has called up additional reservists, bringing her army to 200,000.

(Remember at this point Ankara rumors a few days ago to the effect that Iran will put up a show of resistance to British-Russian demands but WON'T FIGHT.)

WASHINGTON dispatches today tell us that allocations and commitments for the defense program now top \$1 BILLION. The present Congress, which began January 3 of this year, has appropriated \$32,782,370,190 odd cents omitted.)

HERE (roughly) is how the money is to be spent: Army 25 billions. (Continued on Page Two)

Looking Backward

By The Associated Press

Aug. 20, 1940—British-American agreement in principle announced on leasing air and naval bases in Britain's western hemisphere possessions to the United States. Italians take Berberia, completing conquest of North Africa.

Aug. 20, 1916—British admit loss of two light cruisers in engagement with German high seas fleet but claim sinking of one U-boat and damaging another.

Metal Plants Set

BONNEVILLE AREA LISTED IN PROGRAM

Big Aluminum Production Increase Aim Of Government

WASHINGTON, Aug. 20 (AP)—Jesse Jones, federal loan administrator, announced today the government would build, at a cost of \$52,000,000, aluminum plants in Arkansas, New York, and the Bonneville dam area in order to produce metal for the manufacture of bombers.

The projects were undertaken, Jones told reporters, at the request of the OPM and the army as part of a recently announced plan designed to double the aluminum capacity of the country.

The \$52,000,000 announced today is to be for plants to be built by and operated by the Aluminum Company of America but actually owned by the government.

Price Reduction Jones also announced that as a result of negotiations with Arthur Y. Davis, chairman of the board of directors of the Aluminum Company of America, "that company will reduce the price of ingot aluminum from 17 cents to 15 cents per pound on all shipments made after September 30 . . . and prices for other types of aluminum will be reduced at least 2 cents per pound."

Aides estimated that this (Continued on Page Two)

Third Army Serial in City Tuesday

Their speed pared to a minimum by heavy truck traffic over the northern California mountains, 750 men and 43 officers of the U. S. army's 7th division rolled into Oregon near dusk last night, some two hours behind schedule on the second day of their 1000-mile trek to Washington war games.

The troops, field artillery and anti-tank units, comprised the third serial to roll into the Klamath country in the past three days. The men are part of a mass mechanized march to the Fort Lewis area for late summer maneuvers.

The entire outfit left with the crack of dawn this morning, felled by a 300-mile jaunt to The Dalles by tonight.

As the soldiers poured through Klamath, another equally large (Continued on Page Two)

'Chute Technique Alters Army War Game Tactics

By STUART WELCH
WITH THE ARMY IN SOUTH-WEST WASHINGTON, Aug. 20 (AP)—Development of the parachute technique in the European war has brought changed tactics in the army's war maneuvers.

There are no parachute troops hovering about in the current large scale maneuvers, but caution is taken to assure that one of them wouldn't be able to find his way to any vital point if he did drop in.

Sentries remain hidden at night, ready to seize any unsuspecting person who might appear along a dark rural road. Only civilians in lighted cars are allowed to proceed unmolested.

Nazi Bomber Flies Over Iceland City

REYKJAVIK, Iceland, Aug. 20 (AP)—A single German twin-motored bomber flew low today over Reykjavik, the capital of Iceland, and was chased out to sea immediately by fighter planes. It dropped no bombs. Iceland is occupied by both United States and British troops. (This is the first such reported incident over strategic Iceland since President Roosevelt on July 7 announced that U. S. naval forces had occupied the far northern Atlantic island in agreement with Iceland and Great Britain.)

(Previously there had been somewhat regular Nazi reconnaissance flights and occasional attacks. On Feb. 10 the German air force raided a British airport at Reykjavik.)

F. D. R. REQUESTS RETURN TO WORK

President Asks End of New Jersey Shipbuilding Strike

WASHINGTON, Aug. 20 (AP)—President Roosevelt has formally asked both sides in the 13-day-old strike at the Federal Shipbuilding and Drydock company, Kearny, N. J., to put the importance of national defense ahead of their points of difference and "return to your work at once."

The strike, affecting 17,000 workers, has tied up work on \$493,000,000 worth of navy and merchant marine shipbuilding since August 7.

The White House said today that identical letters had been sent yesterday by the chief executive to John Green, president of the CIO Shipbuilders union, and L. H. Korndorff, head of the company.

Rumors, meanwhile, were circulating. (Continued on Page Two)

Oilmen Don't See Gas Rations For Oregon

PORTLAND, Aug. 20 (AP)—Gasoline rationing, as predicted by Interior Secretary Harold Ickes, is not in the immediate future for Oregon, oil company managers said here yesterday.

One spokesman admitted, however, that if more coastal oil tankers were diverted to Russian trade, a 15 or 20 per cent curtailment at service stations might be forthcoming.

Dealers in automobile tires and batteries said shipments from the east were being delayed and that stocks were being depleted.

Military observers with the army in the field expressed the opinion that the rough western Washington terrain was ill-suited for panzer-type warfare, and horse cavalry and mule pack mountain artillery would be vital elements in defending the region against any enemy invasion.

Two Die Two soldiers from Fort Ord, Calif., were killed yesterday in the first fatal accidents of the current maneuvers, which will involve 100,000 soldiers. The victims were Private Douglas Elliott and Private Melvin Luchetti, of the 7th division, 3rd army corps.

Four others were injured. All the men were of the 7th division's 7th reconnaissance troop. Their truck overturned in a ditch in wheeling around for a hurried getaway from an "invasion." (Continued on Page Two)

U. S. READY TO FINANCE RUSS WAR MACHINE

Jones Says Cash to Be Loan Rather Than Lend-Lease Aid

WASHINGTON, Aug. 20 (AP)—Jesse Jones, federal loan administrator, said today he was prepared to lend money to Russia to finance war supply purchases in this country.

Jones said a loan to Russia was more likely than lend-lease aid, once Russia runs out of cash to pay for purchases. He said he did not know how long the Soviet cash would last.

"If the administration policy is to help Russia and she is unable to pay cash," Jones said, "I think we (the federal loan agency which includes the reconstruction finance corporation), can find some way to help."

No Application "I think it would be a loan, rather than lend-lease," Jones added, but has not made a formal application for a loan, but apparently has hinted.

Asked directly whether Russia has applied for credit, Jones (Continued on Page Two)

British Give Iran Week in Ouster Demand

LONDON, Aug. 20 (AP)—Britain has given Iran (Persia) about a week in which to answer a British request for expulsion of 3000 German tourists and technicians said to have filtered into the country, authoritative quarters said today.

They regarded this as sufficient time for Iran to reply. Although these sources insisted that Britain had not sent an ultimatum on the issue, British and Russian troops were reported poised on Iran's frontiers ready for possible direct action if the Iranian government should fail to satisfy the allied governments.

Press dispatches from Tehran said Iran was speeding defense measures and had called up three additional army classes, increasing the strength of the army from 120,000 to 200,000 men.

Russ Naval Base Falls to Nazis



Sustained drives of the German forces into the Ukraine industrial area west of the Dnieper river; capture of the Russian naval base of Nikolayev and the iron ore city of Krivoi Rog mark new war claims of Berlin, as shown in this map. Russian reports indicated Russians were leaving scorched crops and twisted wreckage of industrial plants and shipyards in their wake.

"—Come and Get 'Em, Medium Rare!"



A couple of hundred steaks were turned out by this chef's crew at the American Legion's tenth annual steak fry in Moore park Tuesday night. Left to right, "Hermie" Foster, "Red" Bussman, Roland Warren and "Hod" Eller. In the background stands Legionnaire Fred Heilbronner, and at the right, Dr. J. Calvin Hunt takes a juicy steak from the fork. Story on page 2.

TRANSPORT STRIKE HAMPERS DETROIT

Street Car, Bus Operators Quit; Mayor Ponders Force

DETROIT, Aug. 20 (AP)—Street car and bus operators of Detroit's municipal transportation system struck suddenly this morning leaving some 400,000 office and factory workers to seek emergency means of getting to work. Thousands were delayed.

The strike brought from Mayor Edward J. Jeffries, youthful head of the city administration, a threat to "call upon the might of government" to end the tie-up.

"Can't Run City" "You can't run the city of Detroit," he warned leaders of the American Federation of Labor here at a conference.

Jeffries and the strikers met throughout the morning, but the session was recessed at 1 p. m., with negotiations still deadlocked.

The mayor suggested a plan whereby the strikers return to their jobs pending formal arbitration by a city-appointed board, but AFL officers refused to hear it.

"We're not ready to listen to (Continued on Page Two)

British See Further Jap Move Serious

LONDON, Aug. 20 (AP)—Any further move by Japan in the far east would be regarded by Britain as "extremely serious," authoritative quarters said today, although it is understood that London has given Thailand no specific assurances that this little nation's independence would be maintained by British arms.

"There is no doubt what the British government's feeling would be if Thailand's independence were threatened," one of these quarters said, although it was added that Britain had not been asked to guarantee this independence.

Comment had been provoked in authoritative quarters by a speech on a program broadcast by the British to Thailand from the Netherlands East Indies in which the speaker had said: "Let Thailand stand firm in (Continued on Page Two)

Seven Fliers Die in Three Florida Mishaps

JACKSONVILLE, Fla., Aug. 20 (AP)—Seven aviators from three Florida naval air stations have died in two days in accidents—five of them in two collisions.

A lieutenant and two aviation cadets were killed yesterday when their ships crashed head-on at 4500 feet in the air near Pensacola. They were flying blind on instrument. One lieutenant was thrown from one of the planes and parachuted to safety. Two aviation cadets from the Miami naval air station at Opa-Locka died in the crash of their (Continued on Page Two)

REGISTRATION FOR CIVIL RESERVE SET

Klamath Citizens Will Sign Up Next Week For Defense Jobs

A list of registration places for Klamath county's civil reserve registration was announced by the county defense council Wednesday. The council asked all citizens of the county to make registration a "must" duty on Tuesday, August 26. The booths will be open on that day from 2 p. m. until 8 p. m.

Organizations of the county were urged to get a 100 per cent registration of their membership. Companies and employees were asked to put notices on bulletin boards, giving polling places, date and hours of registration for this program.

Citizens were asked to register, regardless of any past registration in defense work. A sample application blank may be found on page 10 of this issue.

Here are the registration places:

Klamath Falls 1. Sales room Balsiger Motor Co. (Continued on Page Two)

Douglas Fir Price Ceiling Hearing Opens

PORTLAND, Ore., Aug. 20 (AP)—The office of production and civilian supply opened a hearing today that may lead to establishment of fixed mill prices for fir lumber.

Approximately 100 Oregon and Washington lumber operators attended. The OPACS has established prices for plywood and southern pine. Leon Henderson, OPAC's chief, said last week fir lumber would be next.

FIVE RUSSIAN VILLAGES ARE RECAPTURED

Reds Admit Leningrad Circle Tightened; Air Troops Used

By The Associated Press
Masses of Russian tanks were reported by the Germans to be counter-attacking Nazi lines on the lower Dnieper river front late today, while elsewhere on the 1200-mile battle line a Russian counter-offensive was said to have recaptured five Soviet villages.

The locale of the red army's counter-offensive, reported by the official Soviet news agency, Tass, was not disclosed except that it was in a "western direction"—possibly on the central front guarding Moscow.

The Germans said red tanks in large formations were attacking Nazi troops storming up to the Dnieper river in an attempt to cover the retreat of sizeable red forces eastward across the river.

Ring Tightened Adolf Hitler's invasion armies have tightened the ring on Leningrad with another 50-mile advance, the Russians acknowledged, driving to the Novgorod region 100 miles south of the old czarist capital.

While two other German and German-Finnish columns drove on Leningrad from the west and north, the Soviet high command's communique said the fiercest battle raged about Novgorod, an ancient walled town above Lake Ilmen.

A red army bulletin also indicated that the Germans were beginning to use air-borne troops in the 60-day-old conflict, reporting that a number of big 4-motored bombers were loaded with light tanks and men had been shot down.

Wing Advances Coincidentally, British military experts predicted the Germans would make an unprecedented use of air-borne forces in an attempt to smash their way across the formidable barrier of the Dnieper river, in the southern Ukraine.

German military dispatches said the left wing of General von Rundstedt's army, estimated at 1,500,000 men, was advancing against stiff resistance toward the great bend of the Dnieper river, site of the big industrial city of Dnepropetrovsk.

Advices reaching London indicated that Marshal Semyon Budyenny had succeeded in withdrawing a great many of his troops across the river, but that his forces were believed to be weak in guns and depending too (Continued on Page Two)

News Index

City Briefs	Page 5
Comics and Story	Page 8
Courthouse Records	Page 4
Editorials	Page 4
Information	Page 5
Market, Financial	Page 10
Midland Empire News	Page 9
Pattern	Page 3
Sports	Pages 6-7

Ickes Flays Private Power Companies, Charges Monopoly 'Brother' Connivance

SEATTLE, Aug. 20 (AP)—Interior Secretary and Mrs. Ickes arrived here in a special railroad car early today for what the secretary said would be "pure pleasure" of several days in Seattle and at least a fortnight in the Olympic national park. Mr. and Mrs. Ickes were greeted by the president's son-in-law and daughter, Mr. and Mrs. John Boettiger, and by Supt. Preston P. Macy, of the Olympic park.

SPOKANE, Aug. 20 (AP)—Harold L. Ickes is convinced that private utilities alone are to blame for the growth of government-sponsored power operations which he is determined shall be expanded to the very limit. "There would be no public (Continued on Page Two)

power versus private power issue in this country today if the private utilities had been satisfied with a reasonable profit, if they had not engaged in corrupting our political life," the secretary of interior declared.

"If we check up on those who are trying to make the people pay for the federal government's power taking advantage of your spending hundreds of millions of dollars out here, in order to make you economically free, we will probably discover a private utility man, or a little brother of a private utility man."

Addressing a mass meeting last night in this public-power-conscious section of the northwest, Ickes took occasion also to proclaim his belief that industrial leaders worked in league to achieve their own advantages without regard for public economy.

"Remember that every monopoly you scratch is a brother under the skin to every other monopoly," he said. "They will give each other help when an assault is to be made upon the 'gray train'."

"All of us . . . want to stifle industrialization. We don't want any monopoly, 'beneficial or otherwise, to have the power of economic life or death here or anywhere else. We want healthy industrial rivals.'"

Refusal Explained Thus did the secretary explain his department's refusal to grant the Aluminum Company of America an additional 60,000-kilowatt block of power from (Continued on Page Two)