

### Blackout Signal

One 5-minute blast on sirens and whistles is the signal for a blackout in Klamath Falls. Another long blast, during a blackout, is a signal for all-clear. In precautionary periods, watch your street lights.

# Herald and News

ASSOCIATED PRESS

IN THE SHASTA-CASCADE WONDERLAND

NEA FEATURES

PRICE FIVE CENTS

MATH FALLS, OREGON, SATURDAY, JULY 18, 1942

Number 9543

### Weather News

July 17—High 76, Low 52  
Precipitation as of July 11, 1942  
Last year ..... 10.58  
Normal ..... 11.91  
Stream year to date ..... 13.13

# NAZIS JAB AT GATE TO CAUCASUS

## Egypt Battle Hot

### In The Day's News

**By FRANK JENKINS**  
THE war labor board allows to employees of "Little Steel" (meaning the so-called smaller steel companies) a wage increase of 44 cents a day instead of the \$1 a day they had asked through their union.

The compromise decision, it is announced, is designed to MAINTAIN the purchasing power of hourly wage rates as of January 1, 1941.

It might be more accurate to say that it is intended to BRING UP the purchasing power of PRESENT wage rates to the level of January 1, 1941.

THIS question then arises: What will be done when it is AGAIN necessary to bring up the purchasing power of wage rates in order to catch up with rising prices?

It is an interesting question because the whole process of inflation is a continuing race between rising wages and rising prices.

History tells us that when such a race gets under way full tilt, wages usually LOSE OUT.

WE should be realistic about this wage situation. We have what amounts to a labor government, and it is to be expected that when favors are shown they will be shown to labor.

### Navy Reveals More Sinkings; Toll Now 381

**By The Associated Press**  
Two more United Nations' ship sinkings, one a medium-sized American merchant vessel sunk by a Japanese cruiser off the tip of India, and the other a British merchantman torpedoed in the Atlantic, were announced by the navy today.

Twenty-four members of a 42-man crew perished on the U. S. vessel sunk in the Bay of Bengal April 7, survivors said upon landing at an east coast port. Two Japanese planes also bombed the ship before she was fired upon by a cruiser.

Survivors of the small British ship sunk in the western Atlantic several weeks ago have been landed at an eastern port.

The British merchantman's sinking increased the unofficial Associated Press count of United Nations and neutral losses in western Atlantic seas to 381 since the U. S. entered the war.

Announcements yesterday said 17 seamen lost their lives when U-boats sank a small Dutch and a large American merchantman and a medium-sized British cargo ship in the Caribbean. The navy also announced (Continued on Page Two)

### ENGLISH GIVE GROUND NEAR EL ALAMEIN

#### Air Activity Intense In Central Sector; Tobruk Raided

CAIRO, July 18 (AP)—British troops on the northern sector of the El Alamein front drove southward yesterday but later were counter-attacked twice by Marshal Erwin Rommel's axis forces and compelled to give up some of the ground they gained, British headquarters announced today.

On the central front, where New Zealand troops were holding the eastern end of the Ruweisat ridge, an attack by motorized troops was repulsed, the British communiqué said. There also was activity on the southern end of the 40-mile British line about 75 miles west of Alexandria.

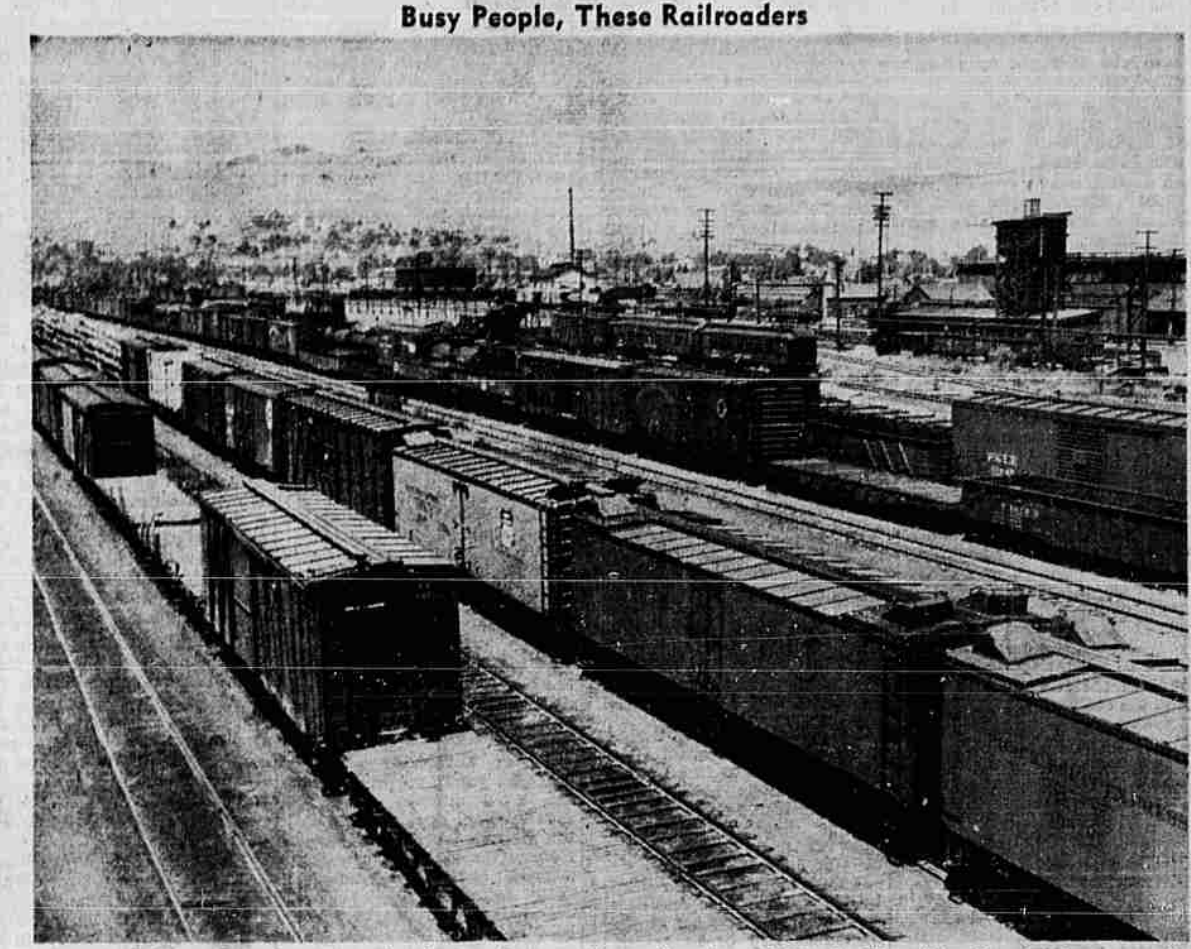
Air activity was intense over the battle front, especially in the central sector, and British fighters shot down five axis aircraft.

Light British bombers ranged over the central sector of the front attacking transport vehicles and tanks and violent explosions were caused.

Ship Hit  
In a raid on the axis supply port of Tobruk, allied heavy bombers hit a large ship and a tanker in the harbor and started a fire in the dock storage area which was spreading as the bombers (Continued on Page Two)

### CIO Accepts FDR's Plea for Co-Operation

**By MARBEN GRAHAM**  
PITTSBURGH, July 18 (AP)—The CIO United Steel Workers union moved rapidly today to make industry-wide the war labor board's award of 44 cents a day increase in pay for 157,000 employees of four "Little Steel" companies, after a 125-man policy committee last night accepted the decision upon President Roosevelt's plea for "co-operation" in his anti-inflation efforts.



Directly athwart the main coast railroad route between the northwest and California, Klamath's railroaders have a wartime job on their hands in keeping vital war material and traveling soldiers steadily traveling. It's being done, however, and with a minimum of delay and lost motion. Above is a picture of a part of the Southern Pacific's busy yards.

### YANKS ACTIVE IN MIDDLE EAST AREA

#### Brereton Takes Command of Air; Reveals Details

CAIRO, July 18 (AP)—Maj. Gen. Lewis H. Brereton has assumed command of the United States army air forces in the middle east.

General Brereton, who headed the air defense of the Philippines, has been in New Delhi, India, in command of American air operations in that area and in Burma and China.

He disclosed today that in the 36 days that big American bombers have been operating in the middle east area they have accomplished 21 tactical missions.

In addition to bombing enemy convoys in the Mediterranean and attacking Bengasi and Tobruk, the main ports of entry for the axis to the African theatre of war, the American bombers have shot down five enemy aircraft in combat and possibly have destroyed three others, Brereton said. Three American bombers have been lost in combat since operations started here.

### SP, GN Jump Handling Capacity 80 Per Cent

(EDITOR'S NOTE: This is the second in a series of weekly articles on Klamath's part in the industrial drive to win the war.)

**By BOB LEONARD**  
"We railroad guys never knew what we could do until we had to do it," said a Southern Pacific employe.

Which, unless you can find a better one, is the principal reason why the SP and their one-time rivals, the Great Northern, have been able to increase tonnage handling capacity in Klamath Falls—and that goes for the nation, too—up to 80 per cent since Pearl Harbor.

We say "one-time" because the boys aren't fighting any more. Well, they're not fighting as much, because there's more than enough business for both.

But not very much left over because the railroad boys—and we know this is so because ODT Director Joseph L. Eastman, who's the boss, admits it—are doing one of the bang-up jobs of a whole nation doing bang-up jobs for a country at war.

### BRITISH STEP UP DAYLIGHT ATTACKS

#### Four-Motored Bombers Roar Over Ruhr; All Back Safe

LONDON, July 18 (AP)—Great new four-motored British Lancaster bombers roared over Germany to blast the Ruhr in broad daylight for the third successive day today and all returned safely despite German fighter opposition.

The number of planes sent over in today's "small formation" was not disclosed but a British air informant said each carried several tons of bombs.

This source said the continuing daylight attacks upon the heart of Hitler's big industrial area were designed to knock out vital targets and to harass the Germans when bad weather keeps night raiders at home.

A town on the English south (Continued on Page Two)

### RUSS-ALLIED LINK HELD IN GRAVE DANGER

#### Wheeling Change of Course Cuts Swath To Don River

**By CLYDE A. FARNSWORTH**  
Associated Press War Editor  
After a wheeling change of course by some of the strongest elements of Germany's million-man Caucasus offensive, the Germans appeared today to be stabbing close to Rostov and toward the deep Caucasus in thrusts which now imperil Russia's link with the allies in the Middle East.

The Germans proclaimed that one drive had cut a broad, cross-country swath to the Don, at the rear or east of Rostov, the front gate to the oil riches of the Caucasus, while Russian as well as German advices told of another advance upon Rostov along the main railway route from the north.

In their first appearances on this dominant world-front, American-made Douglas Boston bombers were being flung into Russia's fight for life. They blasted at onrushing German tanks in the Don basin and on the Don steppes. Russia's supply lifeline through the Middle East and the Caucasus was at stake.

Russia's plight may impel the United States and Britain to drive across the English channel soon to open a second front, according to London military experts. The operation likely would be constricted by the shipping shortage to something less than the grand scale one envisioned as necessary to winning the war.

The German high command did not precisely locate its claimed foothold on the lower Don but said that it was east of the Donets as well as east of Rostov. The Donets flows into the Don about 70 airline miles upstream from the mouth at Rostov.

The bulk of the German forces which had thrust through Mil (Continued on Page Two)

### Ankara Reports Change in Red Army Command

BERLIN (FROM GERMAN BROADCASTS), July 18 (AP)—A dispatch from Ankara said diplomatic circles there received reports today from Kulybyshev, soviet Russia, indicating a change in command of Russia's southern armies was "imminent or already has been carried through in the past 24 hours."

### CHINESE CHALK UP VICTORY ON COAST

#### Defense Practiced at Hawaii; Allies Bomb Rabaul

**By The Associated Press**  
Reports on realistic invasion defense practice by Americans at the Hawaiian birthplace of the Pacific war, on continued aerial harassment of Japanese positions facing Australia and of a Chinese victory on the China coast marked today's news from the Pacific theater.

The central news agency of Chungking said that Japanese forces after only a few days of occupation had been forced to retire from Wenchow, southern Chekiang province port, under heavy Chinese pressure.

The Japanese who took the port, impelled by fear that some day it might become a base of attack on Japan, retreated toward Julian, 13 miles south. The capture of Wenchow had completed a Japanese arc of conquest southeast across Chekiang from Hangchow.

Two other disputed positions on China's far spread fronts, Kinki, in Kiangsi province, 80 miles south of Nanchang, the provincial capital, and Siaoqi, central Shansi province, were reported also back in Chinese hands. Kinki has changed hands often.

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The Chinese high command (Continued on Page Two)

### Eugene Love, KUHS Star, Accepted as Army Cadet

(Picture on Sports Page)  
Eugene Love, valedictorian of the 1942 Klamath Union high school graduating class and star and mainstay of Pelican football, basketball and tennis teams for the past four years, left this morning to enter the U. S. Military academy at West Point, N. Y. It was disclosed today.

### Work Stoppage At Ford Plant Settled Today

IRON MOUNTAIN, Mich., July 18 (AP)—A work stoppage which halted production at the Ford Motor company plant here for nearly two days was reported settled today with about 700 men again at work in the plant's five divisions.

### Speedy Action On Rising Costs Predicted

**By JACK BELL**  
WASHINGTON, July 18 (AP)—Congressional leaders today promised speedy consideration for any recommendations President Roosevelt may make to link wage stabilization authority to over-all price controls in the fight against the rising cost of living.

Apparently authentic reports were current that the president would ask for broad and flexible authority to put ceilings on wages and to clamp down further on farm prices.

Senate Democratic Leader Barkley of Kentucky said he did not know what form the president's recommendations would take or when they might be forthcoming, but he forecast favorable consideration for any necessary legislation to round out the anti-inflation program.

### Baseball

National League	R.	H.	E.
New York	3	9	1
Cincinnati	1	5	0
Lohrman, and Danning, Starr, Shoun (5), Beggs (9), and Lamano.			
Boston	0	3	0
Pittsburgh	3	5	1
Javery and Klutz, Heintzelman, Erickson (8), and Lopez.			
Brooklyn	4	9	2
St. Louis	7	16	1
French, Casey (6) Head (6) and Owen, White and W. Cooper.			
American League	R.	H.	E.
St. Louis	0	5	0
Washington	3	6	0
Galehouse, Appleton (8), and Ferrell, Carrasquel, and Early.			
Chicago	6	11	1
New York	7	11	0
Wade, Welland (7), and Haynes (9), and Turner, Breuer, Lindell (9) and Rosa.			

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