

NAZIS ATTACK BASTOGNE AREA

Day's News

By FRANK JENKINS
 THE tip of Von Rundstedt's "wedge" has been battered back 12 miles from its point of penetration and its width reduced to 16 miles at the narrowest place. It is really no longer wedge-shaped. It is now more like a sack.

THIS is on the basis of reports that are still from 30 to 48 hours delayed. Our high command says today it will return to current reports as soon as it is safe, but it isn't safe yet.

At its narrowest point, the German salient is now commanded by our artillery, shooting in from both sides.

THE map tells us these possibilities, but offers no answer. We just have to wait.

WHATEVER we do, let's quit UNDERESTIMATING the Germans—and the Japs. No good ever comes of underestimating your enemy.

IN Budapest, the fighting is with bayonet and hand grenades, from house to house and from street to street. The surrounded Germans are buying delay—with their lives.

TOKYO radio is going to town on the big U. S. convoy that is supposed to be threading its way through the inter-island passages from Leyte gulf to Mindoro (all the "news" we have of the convoy comes from the Japs; our side naturally hasn't mentioned it).

IT is probable that we are sending a convoy to Mindoro, which is our newest base of operations against Manila, some 150 airline miles away. Obviously, we are giving the Japs no more information about it than we can help.

NIMITZ, backing up Mitscher, says today the Japs will be likely to "hurl what is left of their fleet into action at any opportunity."

Meanwhile, London announces that the British are readying two (more) powerful fleets for action in the Pacific in 1945.

THE Jap radio says it will "take 20 years to burn Tokyo out of existence through bombing alone, even if the present"

Logger Found Dead in Bed

Michael John Joyce, for 12 years a woods employe in the Klamath district, was found dead in his bed at Pelican Bay Lumber company camp near Bly on Thursday morning, December 28. Joyce, a native of County Galway, Ireland, was 44 at the time of his death. He is survived by his parents, both of whom live in Ireland. Remains are at Whitlock's.

No Mail Delivery New Year's Day

There will be no mail delivery here Monday, New Year's Day, and the Klamath postoffice will be closed, declared Burt E. Hawkins, postmaster.

Herald and News

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Weather News	
Max. (Dec. 29)	December 30, 1944
Precipitation last 24 hours	Min.
Stream year to date	4.16
Forecast: Main	4.51
Forecast: Last year	2.45
Forecast: Open	8:59
Sunday Shooting Hours	Close
Tulalake: Open	8:55
	Close
	8:19
	5:13

Year Climaxed By \$12,000,000 Navy Spending In Basin

By MALCOLM EPLEY
 Well, mates, it was a big year for the navy, and the navy made it a big year for Klamath Falls. The two military installations, built here by the navy at a cost of nearly \$12,000,000, most certainly provided the No. 1 local news story of the year, and their impact upon the community accounted for several other items on the list of "big ten" final stories reviewed in this final edition of the dying year.

Against the black back-drop of war, this western community went through the dramatic throes of sharp population gains, a more-than-mild economic boom, and the task of functioning as a good liberty town for thousands of service men—all of which made 1944 a memorable year in Klamath history.

At the same time, the Klamath area maintained its pace in production of war-vital food and timber products, dipped its fingers into some of the problems of the future, inaugurated important peace-time projects, and drew its quota of tragedy, comedy and controversy.

There is no question about giving first place in the "big ten" list to the construction and beginning operation of the Klamath Falls Marine Barracks and the Klamath naval air station. Both were built by the navy bureau of yards and docks, with authorized construction expenditures for the Marine Barracks hitting a total of \$5,340,000, and those for the naval air station of \$6,353,000, including about \$300,000 at Lakeview.

This makes a total of \$11,693,000 for construction only, while operation of the two installations runs into millions more. The air station access road, not included in the figure, the housing project, and other related jobs undoubtedly place the construction total itself, stemming from the navy activity, at more than \$12,000,000. All of this building, plus the effect of the installations upon the community, made Klamath

REDS BATTLE THROUGH CITY YARD BY YARD

Main Streets of Nazi-Defended Budapest Cleared

By EDDY GILMORE
 MOSCOW, Dec. 29 (AP)—Red army troops fighting their way yard by yard into the heart of Budapest have cleared the defenders from several main streets after all-night bayonet battles and grenade-throwing at close range.

Numerous buildings fell into Russian hands during the night and it is believed a major part of Buda, that section of Budapest which stands high on the western bank of the Danube, now is held by soviet forces.

Steady Progress
 In Pest, across the Danube from Buda, red army troops have made steady progress, especially in the southern sector where most of the Hungarian capital's docks and quays are situated.

German resistance has stiffened both in Buda and Pest, but soviet advances along the Danube have given Marshal Rodion Malinovsky's forces the possibility of denying virtually all future river traffic to the Germans and Hungarians.

Capital Encircled
 Striking out from the docks in Pest, Russian fighters have advanced toward the heart of the town. None of Budapest's air (Continued on Page Two)

Convoy Clips Through Island Seas, Nips Say

By LEONARD MILLIMAN
 Associated Press War Editor
 A huge American troop convoy, Tokyo radio reported today, has cut through the inland water passages of the Philippines despite three days of Japanese air attacks and turned northward toward Mindoro island—and Manila.

A Tokyo propaganda broadcast designed for Italian consumption, claimed that "70 per cent" of approximately 20 troopships in the convoy were sunk. It said the remainder reached Mindoro, just south of Luzon island, ultimate objective of American re-invasion forces.

Gen. Douglas MacArthur, who has made no mention even of the existence of such a convoy, directed his military police to arrest any Filipinos who have aided the Japanese to prevent their jeopardizing future military operations.

Fleet Adm. Chester W. Nimitz cautioned that the Japanese would hurl what's left of their fleet into action at any opportunity but spoke with confidence of seizing air bases closer to Japan and invading the home islands themselves. As he spoke London announced two powerful British fleets were being prepared to join his surface units in the Pacific in 1945.

A Japanese communique reporting progress of the U. S. convoy through the Philippines claimed Nipponese aircraft sank four more large transports, making a total of 10 assertedly knocked out of the 50-ship company. Newest attacks, the enemy high command said, also sank a PT boat, damaged two (Continued on Page Two)

FUEL TO GO ON RATIONING LIST IN CITY

Wood, Coal Products Included In Order

Fuel rationing will go into effect in Klamath Falls on Tuesday morning.

The program, which will insure delivery of fuel first to those greatest in need, is an aftermath of the decision of the government to subsidize fuel wood shipments into Klamath Falls to relieve the local shortage.

It was described as a cooperative arrangement between fuel dealers and the office of price administration. With the government subsidizing shipments of fuel in here, the rationing was agreed upon to assure this fuel getting to those most greatly needing it.

Wood, Coal Rationed
 The rationing covers coal and wood products, including Presto-logs.

Those users with less than 30 days supply of fuel on hand will (Continued on Page Nine)

NAZI SALIENT SLICED DOWN IN BELGIUM

Three Divisions Hit In Try to Close Corridor

WITH U. S. FORCES IN BELGIUM, Dec. 30 (AP)—The Germans have launched a heavy new attack on the Bastogne corridor, throwing three divisions into an attempt to close that gap.

Two German divisions on the west and one on the east tried to close the relief corridor to Bastogne.

On the rest of the front, sporadic fighting was reported, with Field Marshal Karl von Rundstedt not tipping his hand for the next move.

By JAMES M. LONG
 PARIS, Dec. 30 (AP)—American counterattacks have narrowed the deep German salient into Belgium down to 16 miles at one point, and won back almost one-third of the area in Belgium and Luxembourg overrun in the Nazi winter offensive.

The hammer blows of the U. S. third and first armies up to Friday morning had surged back as much as 13 miles or more from the south, and 10 miles from the north. The German bulge into Belgium had been narrowed to a width averaging 20 miles.

Salient Reduced
 A front dispatch said this salient had been reduced to 16 miles wide above Bastogne by Thursday.

Field reports earlier had reported the German corridor narrowed to 13 miles above Bastogne, but supreme headquarters announced this was the result of an erroneous measurement at an army group headquarters, and that the distance actually was 16 miles—itsself hazardous enough to the whole German position.

Between Towns
 The 16-mile neck was between Grandmenil on the north and Longchamps, nearly four miles above Bastogne.

A front dispatch this evening declared U. S. infantry and armor hitting the waist of the German salient "have narrowed the distance between Manhay in the (Continued on Page Nine)

Medford Man Kills Self

MEDFORD, Dec. 30 (AP)—A 48-year-old man stabbed himself to death on a main street here last night while his wife and 17-year-old son stood by, Deputy Coroner Carlos Morris said.

Morris said Benjamin F. Hershberger had come to the cafe where his estranged wife worked, and tried vainly to effect a reconciliation.

Angered, he slashed at his wife with a long-bladed fishing knife, Morris said, and then while his son tried vainly to stop him—turned the knife on himself. Mrs. Hershberger was not injured.

Delap Appoints Staff Members

Charles DeLap, county clerk elect, who will take over duties in that office January 1, has named members of his staff, several of whom are familiar to visitors at the courthouse.

C. C. Heidrich, present staff member, has been named first deputy, which carries the office of assistant county clerk. Other deputies will include Elda Beal, who was employed for many years in that office under the old DeLap regime, Geneva Garland, former employe of County Clerk Mae K. Short, June Bradbury Terrill and Thelma Hubbard.

DeLap said he had not yet named the photostatic operator.

Dehydrated Love Account Tops '44 Lies in Contest

BURLINGTON, Wis., Dec. 30 (AP)—Love—albeit dehydrated—earned for Capt. Hope Harrin, of Conway, Ark., today the undisputed title of World's Champion Liar of 1944, awarded by the Burlington Liars club, unquestioned critic of tall tales.

Several years ago the judges made an award to a young man who described how his "wife" cooked eggs, then discovered that the story-teller was a single man. Mindful of this incident, the judges noted in passing that Captain Harrin's writing carried a certain feminine slant, pondered the given name "Hope" and wondered if perhaps they hadn't been "taken in again."

WAC Liar
 They had been. Investigation by The Associated Press disclosed that Capt. Harrin is in the women's army corps—serving overseas.

Here's the champion's story, adjudged the best of 5000 submitted in the club's 16th annual contest.

Dehydrated Sweetheart
 "Two years away from my girl friend became unbearable. I've been a mess officer and have done much work with dehydrated foods in the ETO. I wrote to my girl, a petite blond, to go to a place that processed fresh vegetables for overseas shipment and get herself dehydrated."

"She did."

"Immediately her mother put her in an envelope and sent her to me air mail. When the letter arrived, I took her out, poured water over her, and in half an hour she was as good as ever—and here with me."

Constitution Of Panama Suspended

BALBOA, PANAMA C. Z., Dec. 30 (AP)—A decree suspending Panama's 1941 constitution has opened the way for Ricardo Adolfo de la Guardia to retain the presidency which, under normal conditions, he would yield soon to an assembly-elected successor.

De la Guardia and his cabinet issued the decree yesterday, while intense political agitation swept the little republic.

Subsequently it was officially announced the cabinet had resigned.

Regency Okehed By Greek King

ATHENS, Dec. 30 (AP)—Prime Minister Churchill's efforts to solve the Greek crisis bore fruit today with an authoritative statement that Archbishop Damaskinos probably would be sworn in as regent tomorrow as the result of the assent of King George II.

The archbishop's secretary said Damaskinos "in all probability" would take the oath tomorrow and immediately assume his new duties.

Earlier authoritative reports said King George II had consented to the formation of a regency after a long talk with Churchill who has just returned to London from Athens.

SP Workers Top 6th Loan Quota

Southern Pacific employes boomed their war bond sales over quota in the December 6th War Loan, it was announced today.

The committee, headed by W. C. Hughes, O. V. Gibson and W. J. Paul, reported complete contact with employes.

Sales today had reached \$59,526.75, as compared with a quota of \$54,000.

Tillotson and Blohm

It is traditional for this newspaper to carry, in its final December edition, business reviews and previews from the two managers of the local banks—Mitchell Tillotson of the First National, and Godfrey Blohm of the U. S. National. These worthwhile articles will be found on page seven.

Happy New Year

That's the wish of The Herald and News staff to ALL OF YOU.

There will be no publication of this newspaper Monday, New Year's Day, giving all of us a holiday and saving on precious newsprint.

The next paper will appear Tuesday, January 2.

Shoe Rationing To Be Tightened

WASHINGTON, Dec. 30 (AP)—Tightening of shoe rationing is imminent, it was learned today.

Reliable sources said the current policy of two pairs a year cannot be continued in 1945.

They predicted that the next shoe coupon will not be validated until sometime next summer.

However, the agency is expected to maintain validity of the three shoe stamps now in use, airplane stamps Nos. 1, 2 and 3.

Camera Highlights of Memorable 1944 In Klamath



Here are some of the outstanding local news pictures of 1944, illustrating events of importance or interest that occurred in the memorable year now dying. 1—These beauties competed in the Miss Klamath contest, won by Jean Bolin. 2—Here is the huge mess hall at the Marine Barracks looked like in the early stages of construction. The navy spent about \$12,000,000 in construction here, at the barracks and air station. 3—Housing was a throbbing community headache throughout the year, and this picture shows a few of the government's row-houses built to help relieve the situation. 4—"Timber-r-r-r!" And another Klamath pine hit the dust in 1944. The lumber cut ran over 600,000,000 feet, and community interest was directed to the problem of getting more man-hours and cash out of the timber resources that is left when the huge wartime cut is over. 5—A spectacular local incident of the year was the flood that covered the southwest side of the city and adjoining suburbs after a break in the main canal.