

# JAPANESE SET UP DICTATORSHIP

## Herald and News

Telephone 3111

KLAMATH FALLS, OREGON, SATURDAY, JUNE 9, 1945

Weather News		
June 9, 1945		
Max. (June 8)	70	Min. 49
Precipitation last 24 hours	0.1	
Stream year to date	13.06	
Normal	11.29	Last year 8.70
Forecast: Threatening.		

### NEW LANDINGS REPORTED IN BORNEO AREA

#### Chinese Advance To Indo-China Border

By LEONARD MILLIMAN, Associated Press War Editor.

Amid reports of new reverses, allied invasions and bombings, Japan's wartime parliament met in a hurriedly called extraordinary session today to grant the government dictatorial powers over virtually every phase of Japanese life.

Under the emergency measure the diet would transfer its own legislative powers to the government, which then could supercede existing laws by imperial decree. Nevertheless the legislators were expected to approve the bill as a necessary step in preparing for invasion and meeting such adverse war developments as those reported today. They included:

- Labuan Invaded**
1. A division of allied troops, probably Australian, was reported by Tokyo radio to be landing on Labuan island in the second invasion of the Borneo area.
  2. Chinese broke through to the Indo-China border, threatening to drive into the formerly French-governed country which was one of Japan's east coast conquests.
  3. Between 100 and 150 Superforts unloaded explosives on aircraft plants in three Japan.
- (Continued on Page Two)

### PATROLMAN HURT IN GUN SCUFFLE

State Highway Patrolman George Wilson of Tulelake was wounded in the leg by his own gun in a scuffle in a moving car with a prisoner on the highway south of Tulelake last night.

Wilson had William Blakely, arrested on a Mann act charge, in the car with him. Blakely was handcuffed, but suddenly lurched toward Wilson, who grasped his pistol. In the scuffle, the gun discharged, inflicting a flesh wound on Wilson's right leg.

The officer managed to get control of the car and the prisoner, and delivered Blakely to other officers at Tulelake. He then went to Camp Tulelake and received medical treatment.

Blakely is accused of taking two girls across state line for immoral purposes, according to Officer Wilson. Wilson also placed the girls under arrest and all are held at Tulelake.

The FBI is investigating Blakely's case, Wilson said.

### Major Part Of Britain's Gold Supply Moved From Isles In Historic Gamble

By JAMES F. KING, LONDON, June 9 (AP)—Britain moved virtually her entire gold supply from this island in the greatest gamble in financial history when a German invasion threatened, a Bank of England spokesman said today.

Every type of ship, from tramps to luxury liners, some running through U-boat-infested waters unescorted, carried the gold to secret hiding places in the far parts of the world.

**\$20 Million Lost**

Movements during the entire war from England and South Africa amounted roughly to \$4,000,000,000 worth of gold, with losses totaling hardly more than \$20,000,000.

Some of the lost gold was later recovered after treasure-laden ships sank. One case which the spokesman called "perhaps the most remarkable salvage job in history," saw Australian divers scrape up from the ocean bed 423 feet down all but \$325,000 worth of a gold cargo valued at \$5,000,000 that the ship "Niagara" was carrying when she went down in the Pacific.

**Stored At Bases**

Stores of gold were concentrated in naval bases and other strategic spots throughout the world—a testimonial that Prime Minister Churchill meant what he said when he asserted Britain would fight on even though the home islands fell to the nazis.

Huge funds were moved to two North American centers, New York and Ottawa, as Britain needed all the coin she could "get her hands on" to obtain supplies before the lend-lease program was inaugurated, the spokesman said.

**"Minimum Losses"**

"It was moved in an incredibly uneconomic manner with minimum losses," the spokesman Bank of England representative said.

The ships ranged from tramps to such liners as the Queen Mary and the Queen Elizabeth. Sometimes total cargoes of up to \$800,000,000 and \$800,000,000 were on the high seas at one time, the spokesman said.

## Future War Ability Of Germany Doomed

SUPREME HEADQUARTERS ALLIED EXPEDITIONARY FORCE, PARIS, June 9 (AP)—Germany will be stripped of various industries to destroy her future war potentiality, through one of the principal functions of the reparations program, Ambassador Edwin W. Pauley, President Truman's personal representative on the allied reparations commission, announced today.

Pauley said it was the view of the United States that any German industries of a war nature which could not be removed should be destroyed.

"We do not want another war to take place," Pauley said, "and we are anxious to see that type of equipment taken out of Germany, even though we don't want it ourselves."

Pauley heads the American delegation en route to the initial reparations conference to be held in Moscow under plans laid down at the Yalta conference.

**Definite U. S. Program**

Pauley indicated that the American delegation, which just completed a lengthy survey in the American-occupied zone of Germany, was going to Moscow with a definite program in mind, but virtually in the dark as to the desires of Russia and Britain, the only other powers to be represented at the initial meeting.

He said there had been no exchange of views.

Pauley and 18 to 20 others of the 35-man delegation will leave Monday for Moscow, while the remainder, all technical representatives, will continue studying the possibilities of reparations in Germany.

Speaking strictly as an American representative and principally on a basis of preliminary observations made in Germany during the past few weeks, Pauley told correspondents that the United States realized mistakes were made in reparations after World War I and "we don't intend to make the same ones this time."

**Basis For Reparations**

Damage to property and cost of effort and energy in defeating the enemy form the principal basis for reparations, Pauley said, pointing out that the United States was short on the former but long on the latter.

"It would be futile for us to seek repayment for the total cost of our war effort," he said. "Both money and lives are gone."

But he declared the United States would assert a claim, although "as to what it will be I am not prepared to say."

Disclosing that the United States is feeding 7,000,000 persons in Germany, including its troops, prisoners of war and displaced persons, Pauley said it seemed like false economy to consider reparations until after that burden was lifted.

He and his staff found that Germany's transportation system was so wrecked by allied bombing that it would take an inestimable time to repair it; but her industrial capacity—with few exceptions, such as fuel production—could be restored in up to eight months.

### WARD BATTLE TO CONTINUE TO TOP COURT

CHICAGO, June 9 (AP)—The government's court battle with Montgomery Ward and company over seizure of the mall order house properties, declared legal by the U. S. circuit court of appeals, appeared headed today to the U. S. supreme court for final decision.

It was the company's next move in the controversy following yesterday's ruling by the court of appeals upholding the late President Roosevelt's December 28 seizure order affecting company properties in seven cities. The 2 to 1 decision reversed Federal Judge Philip L. Sullivan's decision which held the seizure unconstitutional.

Company attorneys filed in the U. S. circuit court of appeals today a motion for a stay of mandate pending a review by the supreme court.

### ARMY TO RETAIN PW'S FOR LABOR

PARIS, June 9 (AP)—The U. S. army disclosed today it plans to retain 600,000 German prisoners of war as laborers.

When victory came, American armies held 2,852,000 German war prisoners on the continent. In addition to the 600,000 to be used by the American army, arrangements have been completed for transferring 200,000 to 225,000 American-held prisoners to France for labor, Colonel Robert J. Gill of the U. S. provost marshal's office disclosed at supreme headquarters.

These prisoners, who will come under complete charge of the French just as if the French had captured them, are now held in seven inclosures in France.

With nearly 500,000 prisoners in Britain, Gill estimated it would take at least nine months to reduce the total figure to 600,000 by various means, some of which have not been decided upon definitely.

He said about 18 per cent of the total would be discharged and sent home under the plan to release all miners, farmers and transport workers, women prisoners and men over 50 not suspected of war crimes.

### \$175,000 Bonds Sold By Marines

Playing an important part in Oregon's bond sales, members of the Marines Barracks show troupe Thursday invaded California to sell \$175,000 in bonds to residents of Yreka, a town of less than 2500 population.

Also included on the itinerary of the show's personnel are Ashland, where a show will be presented June 26, and Malin, where marines will play June 29.

Taking part in Portland's bond celebration June 13, the Barracks band, drum and bugle corps and drill team will march in a "Mount Suribachi" parade with men from other military installations in the state. Later that day they will present a program at Multnomah stadium.

On the next day the group will split up, the band traveling to Hood River and the Dales for concerts there, and the drum and bugle corps and drill team marching in Eugene before returning to Klamath Falls.

### Hitler May Have Fled City After Marrying Actress

By EDDY GILMORE, BERLIN (Via Moscow), June 9 (AP)—Evidence in the hands of the red army indicates that Adolf Hitler married Eva Braun two days before soviet forces captured Berlin, Marshal Gregory Zhukov told correspondents here today.

Zhukov said Hitler's present whereabouts is a mystery, adding: "We have found no corpses which could be Hitler's, and I can make no authoritative statement as to his fate or whereabouts."

Zhukov, second in command to Marshal Stalin in the red army, said however, that Hitler had good opportunities to make a getaway with his bride.

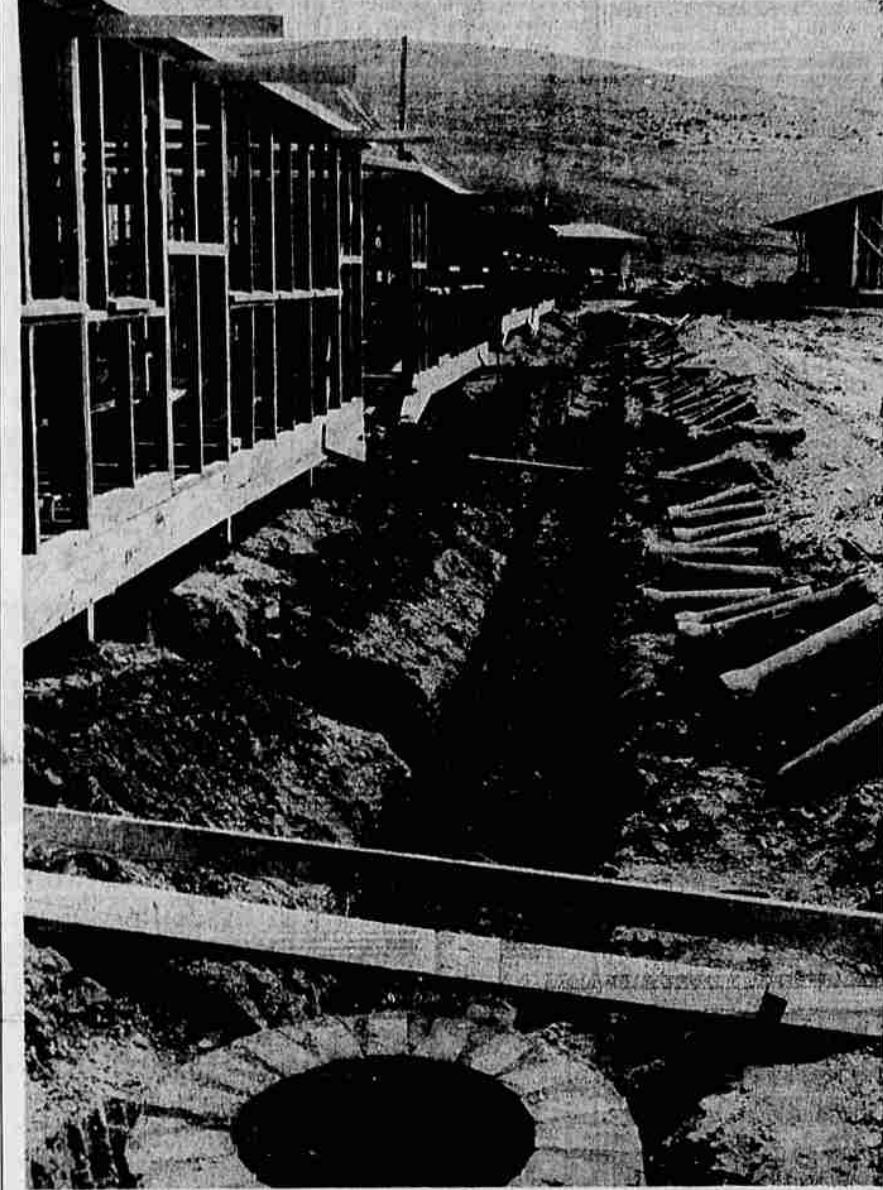
**Air Trip Possible**

Zhukov said Hitler "could have taken off at the very last moment, for there was an airfield at his disposal."

He continued: "It is well known that two days before Berlin fell Hitler married Eva Braun. We have found references to this marriage in the diaries of Hitler's personal adjutant in the German general staff."

The captor of Berlin spoke to

### Housing Job Moving Along



Construction of 40 pre-fabricated housing units for civilian use is proceeding at a site on the old Evans road, near the canal and Main street bridge. Picture shows a sewage ditch, several of the unfinished units, and "Motorcycle hill" in the background.

### Police Report Details Of Heuvel Arrest In Kensett

AURORA, Ill., June 9, (AP)—Police today told how Earl Heuvel, Klamath Falls ex-police chief, was traced to the remote Arkansas town where he was working quietly under an assumed name.

A desire for more money, police said, led to the exposure in Kensett, Ark., of a recently-arrived electrical worker who used the name of Henry Knapp and told friends he was hiding from "persecution."

Aurora's police chief, Fred Hess, said a bonafide \$1400 check drawn on Heuvel's Oregon account was the first clue to the hideout of the ex-police official who fled Klamath Falls after indictment on several morals charges.

The check had been cashed here.

**Hiding Out**

Hess checked with Aurora residents who had endorsed the check, and they told this story: They received the check from an acquaintance of theirs in Kensett, Ark. The Kensett resident explained that a friend, Earl Heuvel, had been forced to hide out in that town to escape unjust "persecution."

Not realizing a criminal charge was involved, they cashed the check as a favor to their friend.

Police Chief Hess said that when Oregon authorities asked him to trace Heuvel, the endorsers told him the story. Arkansas officials then talked to Heuvel's friend in Kensett, and arrested Heuvel, in the electrical shop where he was working.

Sheriff Lloyd Low said today that the FBI will bring ex-Police Chief Earl Heuvel to Oregon, and that in view of the federal charge, extradition procedure would not be necessary. The sheriff said he expects the FBI to turn Heuvel over to Klamath authorities when he gets into this state, for prosecution on state morals charges.

### Forger Sentenced To 15-Year Term

Lawrence J. Bennett, 46, who had pleaded guilty to a charge of forgery, was sentenced to a period of time not to exceed 15 years in the Oregon state penitentiary by Judge David R. Vandenberg in circuit court this morning.

Bennett was alleged to have forged a check for \$120 on H. Douglas Whiteline of Swan Lake on May 1, 1945. Bennett had waived preliminary hearing and grand jury indictment.

It was revealed that Bennett possesses a long criminal record. He was convicted of second degree murder in California in May of 1925, and served 13 years and five months of a 30-year sentence in San Quentin penitentiary. He was released on parole October 30, 1938.

After his release he was arrested for strongarm robbery in Shasta county, California, but was freed when a jury disagreed on the case, Bennett said. Over a period of years he had been arrested numerous times for vagrancy and forgery and had recently completed serving 18 months of a two-year sentence in California for forgery.

### Prizes Offered To Bond Seller

Hey, kids! Want a jeep, a German helmet, or a year's pass to local theatres? Those are the prizes offered in a contest sponsored by the 7th War Loan committee.

The youngster between 1 and 15 who sells the most bonds in Klamath county between June 7 and 27 will have his choice of the prizes.

The jeep is a model—an exact replica of the rugged jeeps the soldiers drive. The helmet is bona fide headgear from a European battlefield, received by A. M. Collier and presented to the contest. The year's pass will permit admission to any local theatre for a whole year.

The winner takes his choice, and the second highest bond seller takes his choice of the remaining prizes, and the third highest gets the remaining prize.

### Vandenberg Raps Jail Management

Circuit Court Judge David R. Vandenberg remarked this morning that, "that's the way the jail is run," when it was revealed by past records that William Hunter, 19, had been required to serve only one day of a 30-day county jail sentence for carrying concealed weapons.

Hunter had recently been sentenced on the charge by Justice J. A. Mahoney.

Hunter was sentenced this morning by Judge Vandenberg to two years in the state penitentiary after he had entered a plea of guilty to obtaining money under false pretenses. He reportedly cashed a worthless check for \$20.

### Day's News

FRANK JENKINS

VO radio says this morning that allied assault forces landing on Labuan island, northwest Borneo (another oil area) under the command of a considerable allied force.

side is still silent, but news of landings has usually been reliable.

There is a terse statement in news that Australian and British troops have practically surrounded Tarakan (oil) island in month of hard fighting. It is just across the narrow north Borneo, to the west, Tarakan.

It seems likely that the landing is being made by Australians and maybe Dutch.

It is important because its oil resources—which, in possession, would greatly aid our transport problem in the Pacific. For some time little news of the Borneo has been available.

There is an interesting and possibly significant report from Correspondent Richard Holz in Mindanao—where, signs have been noted lately, brawls and drunkenries among Japanese front troops.

Isolated Japs should GET OFF OF DYING IT would be the whole face of the war.

There has been quite a powwow in Tokyo.

Jap parliament (according to radio) has "transferred powers" to Suzuki, who says that his government will fight the war through to the end. He calls it a "holy war" and tosses in some nice words about the Japanese "to uphold the principles of human justice."

It got excited over the rubber stamp parliamenting over its powers.

WING got that out of his system, Suzuki gets down to the nub of the problem.

says: "The enemy's boast about unconditional surrender of Japan can mean nothing but the outright death of 50 MILLION people in this country."

Just possible that he is talking to US—suggesting we modify our terms and act as a threat the statement killing outright a hundred million people is a bigger job than slaughter than we are of.

Jap mind is a wierd and penetrable mystery, but it did to escape the belief that deliberately seeking to state and discourage us with respect that in order to win we'll have to KILL JAP.

That Suzuki UPS the backs of Japs, placing it at 100 PERCENT, whereas the generally accepted figure is around 50%.

### Powers To Buy Land For Camp

AIN—Potato growers meet Friday night decided on purchase of a 10-acre tract of a mile south of town for a migrant farm camp.

land will be purchased here, Katie Spolek at \$500.

struction of the camp is started soon, and details will be worked out between the growers and the Klamath Potato growers association. It will camp for white workers.

Tests will be furnished for the war food administration. The city of Malin will water free of charge.

### Missie Glider Expert Aids In Rescue From Shangri-La

RALPH MORTON

LANDIA, DUTCH NEW A, June 9 (AP)—A glider who knows the jungle strange tribesmen acted as an adviser today while operators in the "Hidden Valley of Shangri-La" prepared a rescue.

expert, Michael J. Leahy, Australian air force leader, probably will lead two army aviators who at a transport crash 28 to which killed a score of army sightseers.

**First Contact**

ed by giant, spear-throwing, paratroopers on the swampy strip in the valley 150 miles west of Hollandia. The operators had brought the first contact with the natives.

are the red and white army tents which the surviving trio, two technicians, eight paratroopers, and Capt. Cecil A. Walters of Oregon who has lost most of his life in the