

WIRE SERVICE

The Herald and News subscribe to full leased wire service of the Associated Press and the United Press, the world's greatest news-gathering organizations. For 17 hours daily world news comes into The Herald-News office on teletype machines.

THE KLAMATH NEWS

THE SHASTA-CASCADE WONDERLAND

WEATHER NEWS

Fair High 87; Low 51 At Midnight 68 24 hours to 5 p.m. 11.77 Season to date 15.01 Last year to date 15.01 Normal precipitation 12.05

Vol. 14, No. 241—Price Five Cents

ALLS, ORE., SATURDAY, AUGUST 21, 1937

(Every Morning Except Monday)

Editorials on the Day's News

By FRANK JENKINS ALBERT VON YAEGER, holder of degrees from several German universities and a former member of the German diplomatic service, who is visiting in Klamath Falls, spoke to the Kiwanis club on Thursday on conditions in Europe—notably in dictatorial Germany and Italy.

His picture of what has happened over there, and how, was interesting because of its bearing on what MIGHT HAPPEN HERE if some of our "advanced" thinkers have their way.

(Herr von Yaeger himself made no such intimation, but the thought occurred to many of his hearers.)

HITLER and Mussolini (he said) were able to seize dictatorial power because conditions in Germany and Italy got so bad they couldn't very well get any worse, and people hoped that under a dictator they MIGHT GET BETTER.

BOTH Hitler and Mussolini (he added) have HELD their power because of an unusual combination of magnetic personal charm, shrewd understanding of human motives and aspirations and an uncanny ability to "handle" people.

(Besides, Herr von Yaeger said, both Hitler and Mussolini actually have IMPROVED conditions in Germany and Italy. Rigid regimentation of EVERY PERSON'S LIFE toward the objective of advancing the welfare of the STATE has borne fruit.)

YOU will answer, of course, that I CAN'T HAPPEN HERE. At present, to be sure, it can't. But suppose that increasing restrictions and pyramiding taxes shake the confidence of employers in the future of America. Suppose that prices, climbing the inflation spiral, advance faster than wages, so that working people are worse off each year than they were the year before.

If that went on LONG ENOUGH, the time would come when conditions here in America would appear to be so bad that they could become no worse.

Who knows what might happen then?

IT is an unpleasant thought. Perhaps it is an ABSURD thought. God knows, every good American hopes so.

But who can doubt that fear of what MIGHT HAPPEN if present trends and tendencies and ambitions go on unchecked is back of the stiffening determination of congress to reassert itself and resume its rightful place in the American system of government.

JAMES ROOSEVELT TELLS YOUNG DEMOS OF NEW DEAL WORK INDIANAPOLIS, Aug. 20 (AP)—James Roosevelt, delivering the keynote address today at the biennial convention of the young democratic clubs of America, said that "in four short months your party transformed a pseudo-democracy that couldn't work into a real democracy that did work."

"In four short years," he continued, "it has not only pulled the country out of the slough of despond but actually has rebuilt it on a higher and firmer ground than it occupied in the lush days of 1929 itself."

The son of President Roosevelt, who serves his father as secretary, said the nation had been rebuilt by "redirection, given by common sense governmental policy, to that constant willingness of the great majority of people to work hard and play the game with each other."

F. R. APPROVES FUND FOR NEW STATE LIBRARY

Grant of \$450,000 Lifts Last Barrier To Immediate Building at Salem

SALEM, Aug. 20 (P)—The last barrier to an immediate start on construction of a new state library, authorized by the legislature which also appropriated \$300,000 for the purchase of land on which to locate it, was removed today when President Roosevelt approved allocation of \$450,000 as a PWA grant for the project.

News of the president's action was contained in a telegram received by Senator Charles L. McNary from Harold Ickes, PWA administrator. It read: "President has just approved project 1630-2-D for grant of \$450,000 for new library at Salem."

"I am very much gratified over the president's action, although I was confident that he would approve the project concerning which I talked to both him and Mr. Ickes just before leaving Washington," said Senator McNary.

"The president told me he would use the first public money for rebuilding burned schoolhouses, the next for public buildings destroyed or damaged by fire or floods but that he was confident there would be enough left for Oregon's state building program."

The immediate effect of the president's action was to speed up negotiations by the capitol reconstruction commission for the purchase of a block across the street from the new capitol on which the library is to be located.

Options on approximately half of the site were secured today.

Options on approximately half of the site were secured today.

Options on approximately half of the site were secured today.

Options on approximately half of the site were secured today.

Options on approximately half of the site were secured today.

Options on approximately half of the site were secured today.

Options on approximately half of the site were secured today.

Options on approximately half of the site were secured today.

Portland Leader Tells Labor Relation Board to Stay Out After Offer of Aid in Mills

PORTLAND, Ore., Aug. 20 (UP)—Abe Muir, vice president of the Capenters' International union, strong A. F. of L. affiliate, today told the national labor relations board to mind its own business and keep out of the undeclared war in the Portland lumber industry.

Said Muir: "The labor relations board has no legal right to interfere. The brotherhood is going to handle its own affairs. Portland mill operators have no right to break existing agreements with the A. F. of L. and we won't recognize any pretended right of the labor board to step in."

No Real Relief He said the board, in two years, had failed to "offer labor any real relief," and on the contrary had given only embarrassment.

"We don't want anything to do with it," he added. "We will straighten out our own affairs."

PORTLAND, Aug. 20 (AP)—Charles W. Hope, regional director of the national labor relations board, in a telephone interview from Seattle today, said he would "hop the next plane and make a courtesy audit of union membership rolls" if requested to do so by operators and rival union leaders.

The director said he would be willing to make the same kind of audit in Portland, where seven major sawmills have been closed by AFL-CIO rivalry, as he conducted in Tacoma.

"Something to Go On" "While my audit wasn't made as an official act of the board, it was held impartially and showed that CIO must be recognized as the bargaining agency for the employees at the Tacoma mill," said Hope.

"If I should make a Portland audit, it would be for the purpose of giving the management something to go on. It would be the same as an election, only not official. Should I make an audit, it would be of AFL and CIO membership rolls as against the sawmill payrolls."

Morris H. Jones, head of an employers' group, said "naturally we will consider any proposal that will be a speedy settlement of the present controversy." CIO leaders said they would have to make a courtesy audit of union membership rolls.

PORTLAND, Aug. 20 (AP)—Missing a week, the vanished soviet transpolar fliers will be the object of one of the most widespread international aerial searches in Alaska-Arctic history with arrival this weekend of Sir Hubert Wilkins, noted explorer, and a party of five in a 17-ton flying boat.

Sir Hubert and his pilot, Herbert Hollick-Kenyon, noted Canadian aviator, arrived at Port Arthur, Ont., from Toronto, and (Continued on Page Nine)

FAIRBANKS, Alaska, Aug. 20 (AP)—Missing a week, the vanished soviet transpolar fliers will be the object of one of the most widespread international aerial searches in Alaska-Arctic history with arrival this weekend of Sir Hubert Wilkins, noted explorer, and a party of five in a 17-ton flying boat.

Sir Hubert and his pilot, Herbert Hollick-Kenyon, noted Canadian aviator, arrived at Port Arthur, Ont., from Toronto, and (Continued on Page Nine)

FAIRBANKS, Alaska, Aug. 20 (AP)—Missing a week, the vanished soviet transpolar fliers will be the object of one of the most widespread international aerial searches in Alaska-Arctic history with arrival this weekend of Sir Hubert Wilkins, noted explorer, and a party of five in a 17-ton flying boat.

CONGRESS HAS ONE DAY LEFT TO MOP SLATE

Bodies Agree on Wagner Housing Bill; Economy Fight Expected Today

By ARTHUR F. DEGREVE United Press Staff Correspondent WASHINGTON, Aug. 20 (UP)—One of the last major legislative obstacles to adjournment was cleared away tonight when house and senate conferees reached agreement on the Wagner housing bill.

After hours of discussion of differences between the senate and house provisions relating to the new federal jobs created under the act, the conferees agreed to apply the classification act to all employees, and civil service rules to all getting \$1950 per year or less.

One Bill Left Clearing up another disputed point, the conferees agreed on a provision requiring local communities to contribute 20 per cent of the subsidies provided for in the act to help repayment of the federal government's loans for low cost housing.

With disposition of the housing bill, the only legislation before congress was the \$149,000,000 third deficiency bill which is in conference. It is expected to be disposed of in short order tomorrow as leaders drive to adjourn congress "before sunset."

Thrift Fight Up It was possible that the session which began on a note of economy likewise may end in a fight over federal spending. The house appropriation committee snipped millions of dollars from the budget estimates for the third deficiency bill, including a \$20,000,000 lump sum for the experiment in farm tenancy relief.

The senate today blasted what it called the "house's attempt to save the house and add about \$40,000,000 to the bill. Among the increases were: \$20,000,000 for administration of the new sugar quota bill, \$1,000,000 for the trade-belt project rejected by the house, \$742,000 for the great Smoky National park and increases in departmental appropriations.

WASHINGTON, Aug. 20 (AP)—Congressional leaders virtually abandoned hope of adjourning congress tonight when senate house conferees failed to reach an agreement on the important Wagner housing bill.

House Leader Rayburn told reporters a resolution for adjournment tonight definitely would not be brought before the house.

He said he had told Senate Majority Leader Barkley it would be brought before the house.

ROAD COMMISSION WILL HEAR LAKE HIGHWAY PLEA SALEM, Aug. 20 (P)—The state highway commission will leave here August 21 on an inspection tour of central and southern Oregon roads, R. H. Baldock, state highway engineer, said today.

The commission will go over the north Santiam highway, which will be dedicated on that day, and then to Bend and Lakeview. From there the commissioners will go to Klamath Falls, Medford, Grants Pass and Roseburg.

Klamath Falls good roads enthusiasts were making plans Friday to present the Lakeview highway problem, particularly, to the state highway commission on its trip into this part of the state at the first of the next month.

It appeared probable a group of Klamath citizens will go to Lakeview to meet jointly with Lakeview people and the highway board on the Lakeview road matter. The chamber of commerce roads and highways committee will meet early next week to plan for the commission's visit.

ALTURAS, Aug. 20—A wire from Congressman Harry L. Englebright, Washington, reads: "Glad to tell you I have succeeded in having Alturas placed on approved list for postoffice building at cost of ninety thousand."

Governor Gives Wife a Job



Gov. Bibb Graves of Alabama is shown with his wife, Mrs. Dixie Graves, whom he appointed to fill Supreme Court Justice Hugo Black's seat in the senate and who today took her oath of office.

Manila Plunged in Darkness By Earthquakes as American Refugees Land From Shanghai

MANILA, Saturday, Aug. 21 (UP)—President Manuel Quezon today declared a state of emergency throughout Manila to cooperate in aiding hundreds of American refugees from Shanghai.

The state of emergency will prevent profiteering in food stuffs and rents. Authorities were ordered to keep a close check on prices and to prosecute violators.

The president of the commonwealth also ordered members of his government to co-operate fully with U. S. Commissioner Paul V. McNutt in his refugee relief program.

MANILA, P. I., Aug. 20 (AP)—Two sharp earthquakes threw Manila into darkness tonight in a terrifying welcome to American refugees arriving from war-torn Shanghai.

Manila residents fled from homes and hotels into the darkened streets, on many of which light wires lay in a tangled mess. Many fires started by the shocks, the worst in 40 years, added to the panic.

Several large buildings and a number of churches were damaged. Other major structures stayed noticeably. Many injuries but no deaths were reported during the confusion following the first shock about 8 p. m. The second tremor added new terror 20 minutes later. The shocks were felt at least 200 miles away.

Another War? Most terrified by the rumbling and shaking of the earth were (Continued on Page Nine)

CRUISER SELLING DECISIONS UP TO SHANGHAI OFFICERS WASHINGTON, Aug. 20 (AP)—President Roosevelt said today that whatever action was deemed advisable in connection with the shelling of the cruiser Augusta off Shanghai would be determined by officials on the ground there.

The president told a press conference he had received only fragmentary unofficial dispatches on the shelling.

Asked what this would mean as far as any counter action was concerned, the president said (Continued on Page Nine)

DUMP KEEPER GETS FIVE YEARS FOR HAYES SHOOTING Allen Session, keeper of the city dump, was sentenced to serve five years in the state penitentiary after he pleaded guilty Friday to assault while armed with a dangerous weapon.

SHELL STRIKES AMERICAN SHIP IN CHINA PORT

One Killed, 17 Injured in Explosion Aboard Augusta; Probe Started

By H. R. EKINS Copyright, 1937, by United Press SHANGHAI, Saturday, Aug. 21 (UP)—Using tanks and bombing planes, Chinese troops today tried to smash through Japanese lines in the northern Hongkong section of the international settlement.

While the battle raged in the tangled wreckage of Chapel and Hongkong and in the air, American naval authorities held an investigation aboard the U. S. Augusta to determine the source of a shell which killed one seaman and wounded 17 on the cruiser yesterday.

Bridge Occupied First Chinese reports said hundreds of their crack central government troops had poured into the east Seward section section of Hongkong and occupied the bridge over Hongkong creek. The bridge is only a few hundred yards away from the junction of Hongkong creek and the Whangpoo river where the Japanese consulate general is located.

Two Chinese attempts to rush Japanese lines at the eight-character bridge and in the north Czechuen road sector were repulsed, a Japanese naval attaché said.

90,000 Chinese Chinese massed armored cars and tanks and buried them at Japanese lines at the eight-character area of the settlement down the Whangpoo river from the Bund. Japanese claimed their own tanks split the invasion and drove the Chinese back.

A Japanese naval authority said that at least 50,000 crack central government Chinese troops were concentrated in the area.

A Chinese plane bombed the (Continued on Page Nine)

LEWIS LASHES AT DEMOS FOR DEATH OF WAGE-HOUR BILL WASHINGTON, Aug. 20 (AP)—John L. Lewis, head of the Committee for Industrial Organization, today demanded that democratic party leaders discipline southern conservative congressmen who killed the administration wages-hour bill, or openly confess their inability to carry out 1936 campaign pledges on social reform.

Lewis' blast came after the southerners succeeded in blocking plans of proponents of the measure to hold a caucus to bind house democrats to the bill. It has been so effectively strangled in the rules committee that leaders said tonight it was dead for this session.

Lewis bitterly assailed the "sabotage of the democratic party by a small group of its more conservative members" and said the incident proves that democratic leadership is unable to carry out the pledges made in the name of their party during the 1936 campaign.

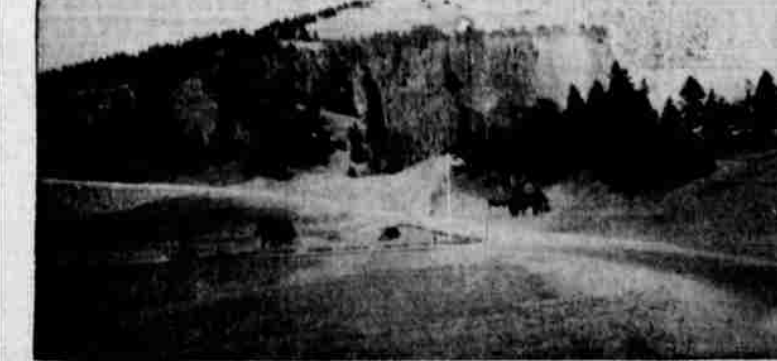
"The spectacle of four or five members of a house rules committee defeating the will of the people is one that must cause the gravest concern to all believers in democracy," Lewis continued. "Add to this the refusal of democratic congressmen to answer to their names at the caucus last night, thus preventing a formally valid party action, and we are witnesses a major test of our governmental system."

SECURITIES DROP NEW YORK, Aug. 20 (AP)—A sharp drop in U. S. treasury obligations marked a further general decline in security and commodity prices today.

Two sharp earthquake shocks plunge Manila into darkness, provide terrifying greeting for Shanghai war refugees. Page 1. Congress cleans up last bills with view to adjournment by "sunset Saturday." Page 1. Senator Guffey forecasts defeat at next election for foes of court revision bill. Page 1. Abe Muir, Portland labor leader, asks labor relations board to stay out of Portland sawmill dispute, after board offers to audit membership rolls. Page 1. Fliers converge upon Arctic to hunt soviet airmen, missing a week. Page 1.

IN THIS ISSUE City Briefs .....Page 5 Comics and Story .....Page 6 Courthouse Records .....Page 8 Editorials .....Page 4 Family Doctor .....Page 4 Market, Financial News .....Page 7 Recreation Notes .....Page 5 Sports .....Page 2 South-End News .....Page 9

New Park Checking Station Area



This picture shows the new North Entrance checking station area at Crater Lake park. A checking kiosk and the general landscaping are shown. Unusually fine views of Crater lake itself are to be had from viewpoints just inside the northern checking station.

Night Wire Flashes

"PSYCHIANA" BACK MIAMI, Fla., Aug. 20 (UP)—Frank R. Robinson, Moscow, Idaho, publisher and leader of a religious cult, arrived from Havana today aboard the S. S. Florida after an immigration board gave him permission to re-enter the United States.

FIRE CONTROLLED MAHESFIELD, Ore., Aug. 20 (UP)—A forest fire which last night swept over 1500 acres of logged-off land was under control tonight after 300 loggers and 150 CCC workers had battled it for hours.

FRIENDS AGAIN PALERMO, Sicily, Aug. 20 (UP)—Premier Benito Mussolini tonight announced to a cheering throng of 400,000 Sicilians that Italo-British friendship has been restored and appealed to "all countries bathed by the Mediterranean to work for peace."

LIGHTER LEVIES SACHAMENTO, Cal., Aug. 20 (UP)—License levies against vehicles entering California from bordering states in interstate commerce will possibly be lightened within a month, Ray Ingels, state director of motor vehicles, announced today.