

# WPA AIDS TESTIFY IN DIVERSION TRIAL

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that all work was to be done on "county-owned property."

During the opening session yesterday Judge Robert C. Baltzell dismissed a motion to quash the indictments against Mr. Kortepeter and Mr. Eickhoff. The motion was made on the grounds that qualified women were barred from the jury.

## Claims Work Not Needed

B. Howard Caughran, District Attorney, in his opening argument told the jury that heavy rains in the spring of 1938 washed many farm-to-market roads out and the Marion County Commissioners asked the Government for a project to build a belt of hard surface farm-to-market roads and for another project to repair bridges and culverts.

He said that the "evidence will show that the resulting project was not in the public interest and was not a part of the farm-to-market proposal advanced as a justification for the projects."

The District Attorney asserted that the evidence would show that in violation of the project application and instructions filed by Mr. Kortepeter, he told his subordinates to go to a certain tract of land and construct two roads and several bridges there.

The "certain tract of land" according to the Government is the Silver Hills addition owned by Mr. Eickhoff and his family.

## Attacks Expenditure

"Not one lick of work on this project," Mr. Caughran said, "was in the public interest and not one dime should have been spent."

Mr. Caughran asserted that Mr. Jefferson was employed by Mr. Eickhoff as an engineer and that they both planned the Silver Hills development.

One count in the indictment charges all three defendants with conspiracy to defraud the Government.

Harvey B. Hartsock, attorney for Mr. Eickhoff, told the jury in his opening argument that he was present, as they were, to see that an injustice was not done. "I am



B. Howard Caughran, U.S. district attorney... carries his "ammunition" to Federal Court as WPA trials start.

here," he said, "to see that an innocent man is not convicted."

Mr. Hartsock said that WPA was seeking projects to keep men on the rolls busy and that they had approached Mr. Eickhoff with the Silver Hills proposal.

## Denies Collusion

Homer Elliott, attorney for Mr. Jefferson, made no opening statement.

According to Paul Y. Davis, Mr. Kortepeter's attorney, "there is not a shadow of evidence" to support any charge of collusion among the defendants. He told the jury that Mr. Kortepeter was only doing his duty and that the improvements made by the WPA and which are now in question were not in violation of WPA regulations.

He said that Mr. Kortepeter's connection with the project was this: "It was his duty to supply continuous work for all on WPA rolls. It was suggested to him that the improvement of these two roads—Minnesota St. and Ritter Ave.—would be desirable as a means of putting men to work."

# LONDON FIGHTS DAYLIGHT RAID

Vichy Waits Hitler Reply Which May Demand Air Base in Tunisia.

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tack on the nearby British base of Malta.

Vichy sources continued to insist that under the Franco-German armistice no question could arise of turning over the French fleet to Germany. Their latest statement, however, did not mention the African Colonial Empire.

Possibly in preparation for Hitler's communication, Petain accepted the resignation of two Cabinet Ministers who have incurred the wrath of the Nazi-controlled French press in Paris and assumed full dictatorial powers over his remaining Cabinet colleagues.

## Italy's Flight Desperate

The question of German aid to Italy was becoming more pressing daily. Today's reports from the African battle front told of British operations west and southwest of Derna, making it apparent that the British were driving head for Benghazi, Capital of Libya, after surrounding Derna.

In East Africa British columns had driven 100 miles into Eritrea to threaten Agordat and Barentu. The Royal Air Force bombers attacked remaining Italian bases and airfields in Libya and Fascist positions in the line of the British columns striking deep into Eritrea.

The Middle East command reported that prisoners taken in Eritrea had mentioned to 1200. A delayed dispatch from Jan. 27, 1941, United Press Staff correspondent accompanying the British into Eritrea, revealed that the Italians had stopped to fight only three times in the course of their retreat from the Anglo-Egyptian Sudan border.

He said the British were advancing on an average of 11 miles a day.

The reaction in Italy to these continued setbacks was news that more members of Benito Mussolini's Cabinet have left for the front.

## Greeks Launch Offensive

The latest recruits to the armed forces were the Ministers of National Education and Public Works, Giuseppe Bottai and Giuseppe Gorla. They joined four other Cabinet Ministers, including Foreign Minister Count Galeazzo Ciano, son-in-law of Benito Mussolini.

London had no comment on a report broadcast by the Ankara radio station that Marshal Rodolfo Graziani, Italian commander in chief of Africa, had been dismissed.

They suggested that if Graziani were dismissed Gen. Benito, who fought in the Spanish civil war and was in Libya last September might succeed him.

## Fight On in Indo-China

In the Far East fighting between Thailand and French Indo-China did not cease at the agreed hour of 10 a. m. Each side blamed the other. Preparations for a complete for the Japan-sponsored conferences, starting tomorrow to seek a way of ending the conflict.

The French were gloomy and foresaw increasing Japanese domination of southern Indo-China.

At Vichy United States Ambassador William D. Leahy issued a statement emphasizing his confidence in a British victory.

The Rome communiqué reported that the Royal Air Force had again attacked Catania, Sicily, where German dive-bombers are based and Naples, the great city of Southern Italy. Damage was slight, it was contended.

The weekly shipping losses reported by the British Admiralty jumped to 58,212 tons, slightly under the weekly average since start of the war but considerably above the average for the last month or so.

The Admiralty belatedly told of an attack by naval torpedo planes on Italian warships more than two months ago. It said two submarines, a destroyer and a depot ship were sunk in an unnamed roadstead.

## PARENTS ENLISTED IN SAFETY CAMPAIGN

Parents of 250 children who will enter Washington School Thursday will receive letters warning them of the increased traffic dangers the children face.

The letter, prepared by the Washington P-T-A Safety Committee, points out that most of the students will have to travel out of their own communities for perhaps the first time. Parents were asked to remind their children to be cautious.

Faced with the traffic complications of an increased number of autos on West Side streets because of industrial expansion, the civic leaders decided to widen the scope of their safety program.

Representatives of all the grade schools in the area serviced by Washington High School were called in for a conference.

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# How Hitler Stands Now— Axis to Stick Together as Long as Booty Holds Out

(Continued from Page One)

above picking each other's pockets on the side.

The German-Russian relationship is typical of this.

The Soviets' primary concern is to maintain their present position as a world power and as agents of world counter-revolution. Merely to defend this position, to say nothing of strengthening it, the Soviets have had to avoid a conflict with an enemy or enemies of superior strength. They have had to prevent the formation of an anti-Bolshevik coalition, and they have had to keep out of too-serious trouble with Germany alone.

And beyond maintaining their present position, the Soviets also want, if possible, to strengthen it. They want to add to the territory of the Soviet Union itself, and they want to spread Bolshevism as widely as possible throughout the world.

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There were, however, difficulties in Finland and the Balkans. The Finns themselves made the difficulties in Finland. The Germans and Russians were unable to agree when it came to working out in detail the agreement they had made in principle for the Balkans.

## Nazis Score a Point

When the Finns held up the Soviets, Stalin decided to call a temporary halt and put off the final conquest of the country to another time. The Nazis, however, saw a chance to score a point at Stalin's expense, they had granted him a free hand in Finland, but now they reasserted themselves. They made an agreement with the Finns allowing the Reich to send troops and material through Finland, to and from Norway and under the cover of this agreement, some of the troops and material just stayed in Finland.

Do the Germans intend to stay indefinitely in Finland, or to keep the Russians out by other means? Or will they simply use their position there as a bargaining point—will they give it up again if the Russians pay for it by concessions elsewhere? Time alone probably can answer these questions.

The German-Russian agreement regarding the Balkans has been complicated by similar double-dealing.

The Reich was notified in advance and agreed in advance, to the Russian seizure of Bessarabia. It knew nothing, however, until it had happened, about the Russian seizure of northern Bukovina. The Nazis were accordingly annoyed. They countered by occupying all the rest of Rumania.

## Two Spheres Clash

Bulgaria and Turkey are still bones of contention between the Nazis and the Soviets. The Nazis plan to incorporate Bulgaria in the Reich's "New Order" in Europe, and the Soviets want to give Bulgaria a "guarantee" of its independence and integrity, and it has proven impossible to date to reconcile these aims.

As for Turkey, the Russians want a naval and air base on the Dardanelles and the Germans do not want the Russians to have it, and here, too, agreement has not yet been reached.

The Nazis argue that the Balkans and the Near East should constitute a German sphere of influence and that the Bolsheviks should confine themselves to the middle east—notably Persia, Afghanistan and Baluchistan—and make an agreement with the Japanese carving up China and the western powers' possessions in the Pacific area among themselves.

## Japan Put on Spot

The Reich's relations with Japan are almost as equivocal as its relations with Russia. The Nazis began by enlisting Japan in a crusade against Russia, only to make an agreement with Russia a few months later. The Japanese were taken aback, but they also had no place else to turn, no other friends, they had to stand alone or strike a new bargain with the Germans, so they struck a new bargain with the Germans.

It was characteristic of the original German-Italian-Japanese deal, glorified under the superbly cynical title of an "anti-Comintern pact," that the Nazis went right ahead helping the Chinese against the Japanese by maintaining a numerous and highly expert military commission of advisers in China and by selling the Chinese war materials.

The Japanese finally succeeded in inducing the Germans to withdraw the military mission—which the Germans were not loath to do, anyway, because by that time they had more important work for the members of the commission to do some where else. Yet the Reich is still selling war materials to China.

## No Explanation Needed

The community of interests in plunder continues to unite the Germans and Japanese in spite of their minor disagreements, however. United, they may make it impossible for the Western powers and the United States to maintain their positions both in Europe and the Far East, or, conceivably, in either. Divided, the Germans and Japanese might both fall.

And so the Nazis, who sold themselves to Germany and the world as the champions of "Aryan" white supremacy and the saviors of a world threatened by Communism, wage their war and counter-revolution with the aid of the Japanese and the Communists. And if the Nazis win the war, they will not be unduly hurt if anybody asks for an explanation between their promises and their performance. If they win, nobody will even be able to ask for an explanation.

## CLAIMS ROTHSCHILD PROPERTY SEIZED

BERLIN, Jan. 28 (U. P.).—The official news agency DNB reported from Paris yesterday that French Chief of State Marshal Henri Philippe Petain had ordered the property of the Rothschild banking family confiscated.

The various properties will be turned over to national relief work and youth relief organizations. The central authority of the relief work organization has taken up headquarters in the Rothschild Bank building in Paris while the Chateau Ferrieres, in Seine et Marne Department, has been placed at the disposal of the Youth Relief Organization.

The organization will open a school for gardeners there.

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# BRITAIN SEEKS MORE PLANES

Morgenthau Says, However, London Can't Pay for New Production.

(Continued from Page One)

to meet present obligation of \$1,400,000,000 that represent materials ordered in this country.

He added that the British are selling gold as rapidly as it is produced, remarking "we have just landed a considerable amount of South African gold from a U. S. warship." He referred to the cruiser Louisville which arrived last week.

"I don't believe they are holding out on us," he said.

Mr. Morgenthau then directed his attention to the estimated \$4,000,000,000 worth of British holdings in Latin American countries. He asked whether these properties might be used as "practical collateral for further loans" from the United States.

Mr. Morgenthau said that they could be so used, if Congress deemed it wise, but he questioned how great the value would be.

In reply to a question from Senate Democratic Leader Alben W. Barkley, Mr. Morgenthau said that the \$4,000,000,000 valuation was the "face value," and that the true value probably would be less.

Mr. Morgenthau appeared before the Committee following indications that four amendments to the measure—including a ban on the use of U. S. Naval vessels in convoys—may be adopted before it is finally approved by Congress. The suggested changes were discussed at a bi-partisan White House conference last night.

These three proposals, in addition to the suggested ban on U. S. convoys, appeared to have the most general support.

1. A time limit on the grant of power to President Roosevelt, so that his authority to manufacture arms for foreign countries would expire on June 30, 1943.

2. A requirement that the President report to Congress every 90 days on all lending or leasing transactions entered into under the bill.

3. A provision that no articles manufactured or procured by the Army and Navy shall be released to foreign nations without specific

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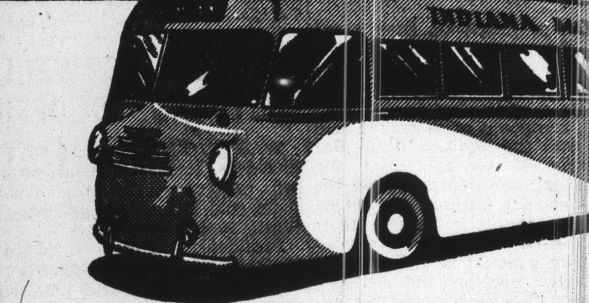


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