

Drafts of peace treaties submitted to the Paris conference indicate that Russia will be the largest beneficiary of the postwar settlements in Europe. The facts are given in an AP dispatch from Paris. You'll find it on page 7-A.

ESTABLISHED 1888

# Harold Ickes

How The Incredible Canal Project Was Conceived

By HAROLD L. ICKES  
DRAMATIS PERSONAE: Hugh A. Fulton, Chief Counsel for the Truman Committee.  
James H. Graham, a dollar-a-year adviser (and worth every cent of it) to Sen. Brehon Somervell.  
As explained in Monday's column, the Canal Project was a brilliant idea to get oil from the Norman oil field in Canada to Alaska in the hardest, most circuitous and most expensive way. The following is the verbatim testimony from the Truman Committee's inquiry into the details of the project.

Department conference which resulted in the recommendation for the construction of the Canal Project.

Fulton: How many miles did you think that pipeline was going to be?

Graham: About five or six hundred.

Fulton: How many did it turn out that it actually was?

Graham: I do not know.

Fulton: Are you aware it was longer than you contemplated?

Graham: No. I do not know.

Fulton: How much did you estimate it would cost?

In my column printed on July 26 there was a mistake in a figure which I wish to correct. I referred to a fee of \$5,000 for a former law partner of Congressman Jed Johnson. The figure should have been \$2,500 instead of \$5,000—Harold L. Ickes.

mate it would cost in terms of materials and manpower?

Graham: On a war project I never make an estimate.

Fulton: Who made any estimate of any kind?

Graham: None was made that I know of.

Fulton: Who had any factual background to make any such estimate?

Graham: I do not know.

Fulton: How much did you figure it would cost per ton to cart materials over that route?

Graham: I do not know.

Fulton: How are you going to transport 20,000 barrels a day over a 3,000-barrel-a-day pipeline?

Graham: In a statement made before the Joint Chiefs of Staff, I said: "Eventually you will have a larger pipeline."

Fulton: You mean you'd tear up the pipeline and...

Graham: No, put another along.

Fulton: How big will that be?

Graham: I don't know.

Fulton: Did you consult the Navy as to what they could do on transportation?

Graham: No.

Fulton: Sen. Ferguson: You didn't consult the petroleum department... Mr. Ickes?

Graham: I have already said "No" to that, Senator.

Fulton: What tanker experts have you consulted?

Graham: None.

Fulton: How much discussion was there as to how much that refinery would cost?

Graham: I do not think there was any.

Fulton: Did you or anyone consider how much shipping would be required to dismantle that refinery and take it to transport it to White Horse?

Graham: No.

Fulton: How much shipping would be involved and how much expense?

Graham: I cannot tell you.

Fulton: That subject was not discussed... was it?

Result: Canal Project, Cost: \$135,000,000; plus wages, maintenance, uniforms and supplies for thousands of troops. Now abandoned. Don't make an estimate! Damn the cost!

Moral: A soldier soldier can sometimes spend more money, faster, than the traditional "drunken sailor."

## Experts Propose Four-Area Palestine Split



**ANDERSON EXPLAINS PAYMENT TO REP. OFFICE**—Eivind Anderson (left), war defense contractor of Tacoma, Wash., tells the Mead Committee in Washington the details of a \$2,500 payment he made to Rep. John M. Coffee (right), Democrat of Washington, in 1941. Paul Olson (center), Coffee's former secretary, listens. Coffee claimed the money was a campaign contribution and had no connection with war contracts. Today, Olson testified that Anderson tried to blackmail him into withdrawing last January from the Tacoma mayor's race. (AP Wirephoto).

**Would Let Jews Decide On Entries**  
All Depends Upon U. S. Co-Operation

LONDON — (AP) — The British Government announced today that Anglo-American experts proposed to split Palestine into four areas and leave to a Jewish province itself the problem of deciding how many of Europe's homeless Jews might migrate to the Holy Land.

But the implementation of the experts' plan as a whole depends upon United States co-operation, said Acting Prime Minister Herbert Morrison and Dominions Secretary Morrison in simultaneous announcements in the Houses of Commons and Lords.

**Law Violations Studied**  
Seven-State Klan Inquiry Announced By Justice Dept.

WASHINGTON — (AP) — The Justice Department disclosed today that it is investigating Ku Klux Klan activities in seven states to determine whether Federal laws are being violated.

The department said court action will be instituted against the Klan if such violations are uncovered. Evidence involving any violation of state laws will be turned over to the state authorities, it requested.

The investigation is being made under the direction of the Department's Civil Rights Section, headed by William L. French, Jr., of New York, Michigan, Tennessee, Florida, California, Mississippi and Georgia.

Some names, places and persons involved in alleged Klan acts. All such complaints are turned over to the FBI.

**Official OPA Action**  
Farm Machinery Increase Granted

WASHINGTON — (AP) — In its first official action under the new price control law, OPA today authorized an average 6 per cent increase in retail ceilings for all farm machinery and replacement parts.

The increase, effective immediately, covers dealers' price increases as required by the OPA retail act.

OPA had reduced the margins of retailers last May 10 when it granted a ten per cent increase in manufacturers' and wholesalers' price ceilings.

In the case of farm machinery, previously granted in manufacturers' and wholesalers' price ceilings, OPA today authorized a ten per cent price increase. The ten per cent price increase is in effect on the old law. This increase on fabric, the minimum required under the new price control law, is expected to be in effect on the old law. This increase on fabric, the minimum required under the new price control law, is expected to be in effect on the old law.

**Democracies Called On To End Franco's Fascist Rule**  
Peace Conference Hears Demand

PARIS — (AP) — Soviet Foreign Minister V. M. Molotov, in a speech to the Paris Peace Conference today, called upon "democratic countries" on the world to put an end to the Franco regime of Spain.

"It is impossible to safeguard peace," said Molotov, "unless Fascism is destroyed."

The Soviet Foreign Minister spoke after an appearance before the Conference Rules Committee at which he sought to establish a two-thirds majority voting rule for the conference of 21 nations, because, he said, "if all decisions were made by a simple majority the U.S.S.R. would be sure to find itself always in the minority."

## Reds Claimed Yanks Spies

**BERLIN** — (AP) — Capt. Harold Cobin and Lt. George Wyatt, American officers who were detained last night by the Russians, said today they had been detained for 27 days on the allegation that they were spies.

The two, who vanished almost a month ago on an unauthorized trip into the Soviet zone, said they had been held for most of the 27 days at Russian headquarters in Potsdam.

Cobin and Wyatt, who related their experiences at a press conference in the presence of U. S. Army staff and intelligence officials, said the Russians had treated them well but had questioned them almost daily and at length in an attempt to ascertain whether they were secret agents.

## Coffee's Aide In Clash With Olson

**WASHINGTON** — (AP) — Paul A. Olson, former secretary to Rep. Coffee, Democrat, Washington, told the Senate War Investigating Committee today that "the jails of America are going to be filled" if the Justice Department enforces a law barring Government contractors from making campaign contributions.

Olson, who is an attorney, said he was a close associate of the late Senator Ferguson, Republican, Michigan, an anti-communist. He said he was a close associate of the late Senator Ferguson, Republican, Michigan, an anti-communist. He said he was a close associate of the late Senator Ferguson, Republican, Michigan, an anti-communist.

## Senate Votes GI Pay Bill

**WASHINGTON** — (AP) — The Senate approved a \$2,400,000,000 service men's terminal pay bill today, putting the measure one step from the White House.

The House of Representatives still must act.

Senate approval came on a voice vote.

An estimated 15,000,000 former members of the armed services would share in the payments, which would be in lieu of bonuses earned but not granted during the war.

## Pol Tax Bill Doomed

**WASHINGTON** — (AP) — The Senate declined today to limit debate on the anti-pol tax bill. The decision was generally interpreted as killing the legislation for this session.

By a vote of 30 yeas and 33 nays, far short of the required majority, the Senators rejected a motion to limit debate on the bill.

The bill would have previously passed the House by a vote of 21 yeas and 19 nays, but it was defeated in the Senate.

## Weather

Mostly cloudy and moderate temperatures with occasional showers and rain. High and low temperatures for the week ending July 31, 1946.

Day	High	Low
Monday	82	68
Tuesday	80	66
Wednesday	78	64
Thursday	76	62
Friday	74	60
Saturday	72	58
Sunday	70	56

## Would 'Outlaw' Paper

**Miami** — (AP) — The Miami Daily News said today it had received a letter from Senator Theodore Bilbo, Democrat, Mississippi, saying that he was thinking of introducing a bill to "outlaw" the Miami Daily News because it did not like its views at all.

The editorial to which Bilbo referred said in part: "... It now rests with the Senate to decide whether the Miami Daily News has consistently followed the legislative action in the capital and State of Mississippi in direct violation of the constitution and laws of the nation. He has fought constant and bitter battle for reaction."

## Premature Blast Is Fatal To Two

**SAN JOSE, Calif.** — (AP) — A premature explosion of experimental blasting powder killed two research workers, hurting three others, today in a blast at the Los Alamos property of the Permanent Metals Corp.

The blast shattered three small corrugated metal buildings about a quarter of a mile from the main plant, blew a wheelbarrow into the top of a nearby tree, twisted the body of a small truck nearly 180 degrees and started a fire which sent up a thick column of smoke.

## Arms Found Beneath Tel Aviv Synagogue

**TEL AVIV, Palestine** — (AP) — A gun-carried chaplain of the Church of England led British troops today to the discovery that the great synagogue of Tel Aviv sits atop a cache of arms.

The arms were found at noon on the second day of the British Army's hunt by inch combing of this modern all Jewish city in search of terrorists responsible for bombing out British Army and Government headquarters at the King David Hotel in Jerusalem, in which 111 were killed or are missing.

## Outbreak At Sea

**BOSTON** — (AP) — An emergency call for anti-toxin from the troopship Colby Victory, aboard which an outbreak of diphtheria was reported, was answered today by the U. S. Navy.

After the Brazil reported she had diphtheria aboard, the Colby Victory was ordered to the scene of the outbreak. The Colby Victory was carrying 1,000 troops from New York to Brazil.

## New Yorker Named Envoy To Austria

**WASHINGTON** — (AP) — President Truman today nominated John G. Bland, a New York banker, as ambassador to Austria.

He would become this country's first full-fledged post-war diplomatic representative to the Vienna Government.

## Fear Held For Missing Girl

**ONSET, Mass.** — (AP) — Saying they were convinced that Ruth McCune, 14, who disappeared last week, was being held prisoner, investigators today directed their search for the girl to a nearby farm. The girl, who was 14 years old, was last seen on Saturday evening.

Failure of "Frank" to identify himself as the girl's kidnaper, aroused new concern for her safety. The girl's friends, who are all in the military service, are able to give only a sketchy description of McCune, who was engaged to be married within a few weeks to a man who would not be in the military service.

## Bilbo Makes Attack On Miami Daily News

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## White Rhino In Zoo

**PRETORIA, South Africa** — (AP) — The first white rhinoceros ever held in captivity is now in the Pretoria Zoo. It was found abandoned by a mother in Zululand and brought 600 miles to Pretoria by motor truck.

New to the zoo, it weighs 75 pounds and consumes a gallon of milk daily fed by bottle.

## Diphtheria Anti-Toxin Delivered To Vessel

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