

The Evening Herald

E. J. MURRAY
Editor
FRED SOULE
City Editor

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MONDAY, MAY 24, 1920

EXTRAVAGANCE CAUSES BOND SHRINKAGE

NEW YORK, May 24.—A terrific arraignment of the reaction and waste which have seized on the American people as a cause for the present economic evils now threatening the nation was made recently by R. C. Leffingwell, assistant secretary of the treasury, in an address before the Academy of Political Science at New York. Liberty Bonds and Victory Notes, he said, were never meant to be used as spending money and their misuse in that way is the primary reason for the fall in price of those securities.

"Since Armistice day," he continued, "the world has not only failed to make progress toward the restoration of healthy economic life but in fact has receded further from a sound position. We have failed to restore peace and peace conditions in Europe and in America, unsound economic ideas have in many instances prevailed, and the effort is being made first here and then there to improve the condition of some of the people at the expense of all of the people."

"At this most critical moment in the history of Europe, when our own financial and economic stake in Europe's affairs is so great that disaster there could only mean disaster here, many of our own people have turned gamblers and wasters. For plain living and high thinking we have substituted wasting and bickering. We enjoy high living while we grumble at the high cost of living—of silk stockings and shirts for the poor, of automobiles for men of small means, of palaces for the profiteer and the plutocrat."

Regarding the depreciation in the market price of Liberty Bonds and Victory Notes, Mr. Leffingwell said: "In the history of finance, no device was ever evolved so effective for procuring saving as the Liberty Loan campaigns. A year ago, it was freely predicted by financial authorities that Victory Notes would shortly go to a premium and that Liberty Bonds would be selling at or near par within a year or two."

"Every one knows why these sanguine expectations have not been realized. With the armistice, and still more after the Victory Loan, our

LECTURE TRANSLATES LIFE EXPERIENCE

Sam Grathwell Knows Whereof He Speaks.

Sir Philip Sidney once said: "If a man would write poetry let him look into his heart and write." What is true of a poem is true of a lecture. With a real live struggle—in which he was often knocked down but never knocked out—what more natural than that Sam Grathwell, lecturer at Chautauqua on the second afternoon, should



talk on "Getting by Your Hoodoo," a study of obstacles and how to overcome them. Grathwell's story is not dry, nor filled with abstract theories, but a message of human interest straight from the heart. He knows the value of faith, hope, optimism and exalted ideals. He brings them to you with the enthusiasm of virile manhood and by force of his presentation impels you to accept them for your own.

people underwent a great reaction. Those who bought Liberty Bonds as a matter of patriotism but not as investors, began to treat their bonds as so much spending money. Those who had obeyed the injunction to borrow and buy Liberty Bonds ignored the complementary injunction to save and pay for them. A \$50 bond in the hands of a patriot turned spendthrift was to him a \$50 bill to be spent Saturday night or to her a new hat, and if the \$50 turned out to be a \$45 bill, small matter. This was the first and most immediate cause of the depreciation of Liberty Bonds."

Mr. Leffingwell declared that inflation since the armistice is attributable to world inflation and the internationalization of prices; heavy expenditures by our government, and reaction and waste among the people. "Our own prices are being inflated," he continued, "and our own banking and currency position expanded by feverish speculation in European currencies, credits and securities. The government of the United States has been slow to realize upon its salvageable war assets and to cut down expenditures."

"Instead of telling the people frankly and boldly that prices are high because they are wasting, we fix prices and prosecute profiteers in order that the people may buy more and pay less. Instead of telling the people that Liberty Bonds have depreciated because they are treating their bonds as spending money, we clamor that the rate of interest upon the bonds is too low and urge a bonus to bondholders disguised as a refunding operation."

"We must get together, stop bickering, and face the critical situation which confronts the world as we should a foreign war. We must cut our government expenditures to the quick, abjure bonuses and realize promptly on all salable war assets, applying the proceeds to the war

These Tell the Story:

CLEARFIELD PAPER SUSPENDS

CLEARFIELD, Pa.—The Daily Public Spirit has suspended, after 20 years' publication. The high cost of print-paper and labor was given as the cause.

TWO TOWANDA PAPERS QUIT

TOWANDA, Pa.—The Bradford Star, issued for the past 25 years, suspended May 1 on account of newsprint and labor troubles. Publication will be resumed when conditions return to normal. The Reporter Journal, which had been published for 80 years, discontinued publication April 29 for the same reasons.

CHICAGO, May 20.—Several hundred daily and weekly newspapers were put out of business last year by the shortage of print paper, it was stated Wednesday at the final conference of members of the Inland Daily Press association.

"The best remedy is to sit tight and eliminate non-essentials," Robert R. McCormick, one of the editors of the Chicago Tribune, advised the members, "such as cartoons and extra illustration. We have to pay the price, for if we don't others will, and they will use print paper for soap and other wrappers."

WANT REGULATION OF PAGES

MC ALESTER, Okla.—Resolutions strongly urging Oklahoma editors to use every possible means of conserving print paper were passed at the closing session of the Oklahoma Editorial association here last week. The resolutions urged every publisher in Oklahoma to not only economize on print paper, but to raise advertising rates.

ST. CATHARINES JOURNAL SUSPENDS

TORONTO.—The Evening Journal, the oldest St. Catharines newspaper, has suspended publication. It has been published as a daily since 1859, the present proprietor, ex-mayor J. M. Elson, having acquired it in 1910.

LIMA EVENING PAPERS MERGE

LIMA, Ohio.—The Times-Democrat was purchased by the Lima News Publishing company on May 1 and the News and Times-Democrat were merged as the News on May 3. W. J. Galvin, publisher of the Times-Democrat, becomes business manager and a stockholder in the Republican-Gazette, morning newspaper.

FT. FRANCES JUMPS PRICE TO \$120

TORONTO.—There is trouble again with the paper mill at Fort Frances, Ont. Immediately following the decision of the Supreme Court that the Board of Commerce did not possess power to regulate the sale of newsprint, the Fort Frances company jumped the price to its western Canadian customers to \$120. It has now notified a number of them that it cannot let them have any more paper. The situation in Manitoba and Saskatchewan has become acute as a result of this action.

MAY REDUCE TO WEEKLIES

GRAND RAPIDS, Mich.—The Michigan Association of Home Dailies has decided to issue tri-weekly editions after July 1 and weeklies after October 1, if the high price of paper continues. This will effect 25 daily newspapers with circulations of less than 5,000. Frank H. Moses, president of the association, and manager of the Marshall, Mich., Chronicle, was delegated to testify before the senate committee investigating the newsprint famine.

Newsprint in Italy is selling at \$34 to \$38 a hundred pounds.

You will see from the above, all of which appeared during the past week, that the newsprint scarcity and high price is not confined to Klamath Falls or any particular section—it is general throughout the United States and Canada. The Herald has felt the pinch since last fall. The subscription rate should have been raised months ago, but it was kept at the old figure in the hope that some other way out could be found. That hope, however, was useless and The Herald, like all dailies throughout the nation, had to bow to the inevitable and raise its subscription price.

Beginning June 1, the subscription price of The Herald will be:

One Month	\$.65
Three Months	1.75
Six Months	3.25
One Year	6.50

SPECIAL OFFER

No assurance can be given at this time that these rates will remain in effect for any stated length of time. Indications now are that they will have to be advanced again by October 1, unless some of the plans under consideration for economizing on the use of paper will result in a decided saving. The Herald has no desire to place an extra burden upon its subscribers, any more than subscribers have no desire to place an extra burden on The Herald. For that reason a special subscription offer is being made during the month of May, whereby you can effect a big saving for the next year. In order to make this special offer it will be necessary for The Herald to invest all of the money paid on these special subscriptions in paper. This offer closes May 31. Under this offer the rates will be:

Delivered by carrier within the city, 1 year.....	\$5.00
Delivered by mail within the county, 1 year.....	4.00
Delivered by mail outside the county, 1 year.....	5.00

There Are Only EIGHT DAYS Left in Which to Take Advantage of This Offer.

Chautauqua Presents Evelyn Bargell



There is probably no more favorably known entertainer in the Chautauqua world today than Evelyn Bargell, the talented cartoonist. Last year she went overseas as an entertainer for our boys in France. She has returned with a wealth of new material and her appearance on the first night of the coming Chautauqua will be one of the outstanding features of the week.

debt. We must have a national budget with teeth in it.

"And above all WE MUST WORK AND SAVE. We must produce more, but more important still, WE MUST CONSUME LESS."

It might be added that it is not enough to save unless those savings are safely and profitably invested, and it is for this reason that the treasury department has adopted the issue of savings securities, War Savings Stamps and Treasury Savings Certificates, as a permanent policy.

FORGERS PLY TRADE FREELY IN BERLIN

BERLIN, April 29. (By Mail).—Fifty gangs of banknote forgers have been discovered and arrested in Germany as a result of the labors of a recently instituted special department of the Reichsbank dealing with counterfeit money.

New types of German bank notes are in course of preparation, which are claimed to be absolutely forger-proof.

NEW CONCRETE LINER NAMED FOR HERO

NEW BERN, N. C., May 24.—Named in memory of Major Archibald W. Butt, the young Georgian army officer who was aide to Presidents Roosevelt and Taft and who lost his life in the Titanic disaster, the concrete passenger-carrying steamer Major Archibald Butt is being put in shape here for service in the transportation division of the war department. The vessel was launched recently at the Newport Shipbuilding corporation's plant here and was christened with champagne by Mrs. T. F. Hines, wife of Brigadier-General Hines.

WOMAN OFFICIAL

BUDAPEST, April 26. (By Mail).—The first woman elected to office in Hungary is Margarete Schlachta, successful Christian Nationalist candidate for the national assembly from the first district of this city.

England's latest and greatest bath-tub has kitchens that can serve fourteen hundred meals in ten minutes and a bakery capable of turning out fourteen hundred pounds of bread daily.

Only a little more than ten years ago Mr. Handley-Pago, the famous aeroplane builder now visiting

America, was an unknown electrical engineer working for a wage of eighteen dollars a week.

Sir Auckland Geddes, the new British ambassador at Washington, was a splendid athlete in his college days, and excelled at Rugby.

A Classified Ad will sell it.

Western Floral Shop



YES, YOU LOVE THEM

We know that, and we know that you will love our flowers too. They are so exquisitely beautiful in form and color, they have such wonderful fragrance and daintiness, that they would win over the hardest heart. Our flower shop is a thing of beauty just now—come and see it.