

The Evening Herald

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MEMBER AUDIT BUREAU OF CIRCULATION

NEWS BEHIND THE NEWS

By PAUL MALLON

WASHINGTON, Jan. 8.—Tremendous expansion of business is forecast officially inside Mr. Roosevelt's new budget. The prophecies are a boom of extensive proportions, apparently broader, greater and sharper than any in modern history.

It came this way: In estimating tax receipts for the next 15 months, the administration was required to calculate the future of various lines of business during this period. The treasury found the task too great to attempt alone. Every outstanding economist in the government service was called into consultation to give his opinion—Goldenweiser, Nathan, Currie, Ezekiel, Bean, Lubin, Gartfield, and a dozen others. Their individual confidential forecasts were sifted and applied to the various lines of business.

The results were amazing, especially in view of the general impression that we are entering a period of reaction beyond which the future is gravely doubtful.

SPECIFIC GAINS
 Some specific lines of business were forecast in the budget to be up 50 to 60 per cent in this and the coming fiscal years.

Increase in radio sets and phonographs was fixed at 33 per cent for this year, 23 per cent next. Auto truck activity was calculated to be 23 per cent greater this year than last, and 26 per cent higher next year. Sales of mechanical refrigerators up 30 per cent this year, up 18 per cent more next. Passenger autos and motorcycles were judged to be up 28 per cent this year, an additional 16 per cent next. Telephones and telegraph up 13 per cent, then up 8 more; gasoline 7 per cent, then 6 and 6, cigarettes 7 and 7.

Use of electrical energy (a key index of general business activity) was predicted to be up only 1 per cent this year, but 6 per cent next.

However, stock buying (which is perhaps the broadest barometer of general business) was expected to be up 15 per cent next year. No increase was expected this year.

PRODUCTION UP
 Note well that these are the fiscal years—this year being the one starting last July 1 and running to next July 1, next year being the ensuing 12 month period. In view of this overlapping, it is difficult to calculate precisely how much higher the government expects business to go above existing levels.

Yet some conclusions can be measured justifiably in industrial production, the official federal reserve board business barometer. I. P. in the calendar year 1939 just closed has averaged about 8.05. The treasury figures indicate the average for the next six months will be about 112; for the twelve months beyond that at about 120.

In short, the best minds of government seem to have measured business down for the next few months industrial production like this: December 127, January 120, February 117, March 115, April 119, May 107, June 105. Then they have started an upward cycle which they expect to carry activity higher than ever before, probably to a maximum of 130 or 140.

ADVERSE NOTE
 NOTE—This should be of special interest to John L. Lewis' economic advisers in CIO who have just announced a collapse is coming the last quarter of this year and advised everyone to dig in for it.

POLITICAL TINT
 Wishful political thinking may lurk somewhere behind these big boom prophecies, but the evidence does not disclose it. The men who wrote the estimates may have been mindful of the coming presidential balloting only they would know about that. On its valid face their effort is an official forecast, a composite viewpoint.

SIDE GLANCES



"Gee, Pop, why do ya always have to go to a movie when my band starts rehearsing?"

A serious attempt to guess tax receipts—and the biggest boom prediction this government has made.

REFORM MOVE
 Senator Pat Harrison's move for an independent congressional inquiry of the budget is not the anti-administration move it is widely interpreted to be. Treasury Secretary Morgenthau first suggested the idea in testimony to the house ways and means committee May 27. Morgenthau recommended it as a permanent reform.

Eventually it probably will be made permanent. If congress is to appropriate efficiently it must necessarily go behind the budgetary conclusions to ascertain if these are justified. Without such inquiry, congress must accept whatever figures and general conclusions are offered without independent knowledge or understanding of their accuracy. In this particular inquiry, for instance, an inquiry might easily find the \$460,000,000 of new taxes desired by the president are not necessary—and it probably will.

The Harrison idea, therefore, will not only be adopted by congress this time, but probably will become a habit.

Baker Kills Wife Over 'Poison Plot'
 ONTARIO, Calif., Jan. 8 (UP)—Joseph O'Alto, 51-year-old baker, went berserk Saturday night and shot and killed his wife, Margaret, because "someone was trying to poison me."

O'Alto, father of six daughters and prominent in this vicinity, surrendered to police two hours after the shooting. Police said he had shown symptoms of mental distress but had been considered quite harmless by the family. He was placed in the psychiatric ward of the county hospital for examination.

A. Dean Lindsay of Ocella, Ga., tames porcupines as a hobby.

To provide more parking space in the congested district, it is suggested that diagonal parking be adopted on one side of the street and either parallel or no parking on the other.

Mr. and Mrs. W. C. McAuley. Pedestrians get all the breaks in the business section. They will

walk right in front of a car and cause a motorist to miss a slight break in traffic. Why not control this in some way?
 E. F. JONES.

NORTH NATIONS ISSUE WARNING

COPENHAGEN, Denmark, Jan. 8 (UP)—Europe's northern nations redoubled efforts toward safeguarding their neutrality today and the Netherlands issued an official statement declaring that any "violation of Dutch territory will be met with the most severe power of our weapons."

The Dutch reiteration of determination to maintain a neutral position but to fight any threat of aggression followed:

1. Severe German criticism of Norway and Sweden for permitting transit of British armaments en route to Finland and charges that Britain was seeking a Scandinavian base for attack on Germany.

2. Reports—persisting in spite of official denials at Stockholm—that the allied powers had offered a pledge of assistance or a mutual aid pact to Sweden and possibly to Norway.

3. A barrage of newspaper criticism from Moscow assailing the Swedish liberal parties and charging that Britain was seeking a base in Sweden under the guise of aiding Finland against the red army.

4. A speech of King Carol of Rumania, after inspecting military preparations in Bessarabia, warning Soviet Russia that any move toward the Rumanian frontier would be resisted with all of his country's military power.

The fact that the Dutch government issued an official survey of its own position indicated the increasing nervousness of the little nations of northern Europe as a result of war on both the western European and the Finnish fronts.

Portland Girl Killed by Man in Los Angeles
 LOS ANGELES, Jan. 8 (UP)—Joanne Morris, about 26, pretty blond cigarette girl in a Los Angeles hotel, and Andy Alcoro, kitchen employe in the same hotel, died Saturday from gunshot wounds incurred, police believed, when Alcoro apparently shot the girl, then turned the gun on himself. Police said Miss Morris was from Portland, Ore.

Both Alcoro and Miss Morris were shot with the same gun, a .25 caliber automatic pistol, officers said. The shooting occurred in Miss Morris' room in the hotel.

Among Miss Morris' effects was found a telegram asking: "When are you coming back?" It was signed "George (Koe)." There was no date on it, but officers believed it had been sent recently since Miss Morris was believed to have been in Los Angeles only a little more than a month.

Alcoro, who police said was a Filipino kitchen boy, was dead when police arrived at the girl's room. Miss Morris died at a police hospital at 8 p. m., barely an hour later.

Friends of the pair said they had quarreled because Alcoro had been attentive to another woman.

Checking Trade Barriers

EFFECTIVE work has been done to check the trend toward "Balkanization" of the United States by state trade barriers. About two years ago the extent of these barriers was suddenly realized and public-spirited newspapers, civic organizations and public officials began the campaign that is now bearing fruit. The Council of State Governments did a most effective job toward checking a trend that struck at the foundations of the federal system and promised increasing unfavorable economic effects upon the country.

Governor Stark of Missouri, speaking a few days ago at a meeting of the Council of State Governments in Chicago, recalled the interstate barrier trend in these words:

"Interstate trade barriers had been growing rapidly throughout the country. Innumerable laws requiring the states to purchase only from local bidders, statutes levying special taxes on out of state corporations, enactments of various kinds establishing a variety of high-way regulations and restrictions were being enacted by state after state, and retaliatory measures were being passed by other states."

Discussing the campaign to stop this, he said: "Its effect upon state legislatures then in session was most encouraging. No new trade barriers were enacted by the 43 legislatures then in session; all such laws introduced were defeated, or if passed were vetoed by governors; and many tariff laws then in effect were repealed."

Oregon was no exception as the states moved to erect barriers between themselves. The last legislature saw new efforts of that kind in this state, which fortunately were halted. Others may develop at the next session.

Interstate trade barriers are of particular danger to the Klamath country, which exports most of its great agricultural crop and would be sadly damaged by any action taken in Oregon that would prompt retaliatory measures by other states, particularly California. Candidates for the legislature from this district should be asked to make their positions clear on this issue, and Klamath voters should see to it that men are sent to the legislature equipped with the ability, prestige and spirit to fight effectively any efforts to erect trade barriers that would be harmful to our district.

The fact that the trend has been generally halted should not be permitted to lull us into complacency and false security. We don't want any harmful exceptions in Oregon.

Safety Sally Unsafe

THE city recreation office reports that in the past month "Safety Sally" signs near the city's schools have been struck at least eight times by automobiles. In some instances the motorist whose car struck the sign called up to report the accident and to offer to pay for repairs. In others, he said nothing to the authorities about it.

Destruction or damage of these signs, which are a part of the important work of protecting Klamath children when crossing streets, is most deplorable.

But there is reason for greater concern in the presumption that a motorist who cannot see a "Safety Sally" cannot see a child. The signs are of the approximate size and form of a little girl, and so far as the motorist is concerned, it might just as well be a small child waiting for him to pass. If his car strikes tin instead of flesh, it is just his good luck and no credit to his driving ability or his caution.

Heavy Snows in Midwest Bolster Hopes for Crop

KANSAS CITY, Mo., Jan. 8 (UP)—Farmers of the plains country today had hopes for a wheat crop in spite of the drought as snow storms blanketed their fields to a depth of 4 to 8 inches.

Snow has fallen almost continuously in western Kansas, western Oklahoma and the panhandle area for more than two days and additional snow is expected over the weekend.

Highways were drifted over with snow in many parts of the midwest and in Oklahoma the state highway department warned that many roads were "virtually impassable." Air traffic was suspended west of Kansas City.

FUNERALS

LOUIS TIMOTHY DUMILIEU
 Funeral services for the late Louis Timothy Dumilieu who passed away in this city Friday, January 5, 1940, following a brief illness, were held in Colfax, Calif., Sunday, January 7, 1940, at 3 p. m. The remains were forwarded by Southern Pacific company on Saturday evening at 7:50 p. m. Arrangements were under the direction of the Earl Whitlock funeral home of this city.

RUBY ARLEY EVANS
 Funeral services for the late Ruby Arley Evans who passed away in Dorris, Calif., on Saturday, January 6, 1940, following a brief illness, were held in the chapel of the Earl Whitlock fun-

eral home, Pine street at 6th, Monday, January 8, 1940, at 1:30 p. m. with the Rev. Cecil C. Brown of the First Baptist church of this city officiating. Friends are invited. Commitment services and interment, Fowlerston, Tex. The remains will be forwarded by Southern Pacific company on Monday evening.

LAST DAY • WALLACE BEERY DAY • "PORT OF SEVEN SEAS"

RAINBOW
 TOMORROW
 Irene Dunne

Invitation TO HAPPINESS with Fred MacMurray
 ALSO TRAVEL, NOVELTY AND NEWS

PINE TREE
 NOW
 Ah! A CLUE!
 TO SWELL ENTERTAINMENT!
 —The old sleuth stark left a boy at the Thin Man's house and so...
 William POWELL LOY
 Myrna LLOYD
 ANOTHER THIN MAN
 Color Cartoon
 PULSEN SMITH
 Latest News
 HUTCHINSON GREY

LAST DAY "BARRICADE" ALICE FAYE WARNER BAXTER

TOMORROW! ★ ★ ★

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MELVYN JOAN DOUGLAS' BLONDELL
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 The Amazing Mr. Williams
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ADDED Featurette! Artie SHAW and his ORCHESTRA

NEWS AND "STRANGER THAN FICTION"

PELICAN

The Family Doctor

By DR. MORRIS FISHBEN
 Editor, Journal of the American Medical Association, and of Hygiene, the Health Magazine

A CERTAIN small amount of copper is necessary for the body every day. In fact, it is so necessary to life that babies are usually born with a reserve supply of copper, which is associated with the formation of the red blood cells and the red coloring matter of the blood. In most of the food one obtains in the diet, iron, an essential element in the red coloring matter of the blood, and copper are usually found together.

Most foods that supply to the body from 1 to 5/1000th of a gram of iron will also supply about one 1/1000th of a gram of copper. Meats are an excellent source of iron and copper, but poultry is better than beef for the copper content. Iron and copper are usually found also in the leafy vegetables, the seeds like beans and peas, and the root vegetables. Liver and oysters are also rich in iron and copper.

The body of a human being of ordinary size contains about 135/1000ths of a gram of copper. Most of this is contained in the muscles, the bones and the liver. These tissues in animals, therefore, are good for their iron and copper content.

Anemia, when they occur in infants, indicate the need for both copper and iron; but it has been found that adults have enough stored copper in the body so that extra copper is seldom required. Since the amount of copper needed in the diet is so small, it is seldom necessary for the average person to give much concern to its provision. If people plan suitably for iron, the copper will usually take care of itself.

Since these discoveries are fairly recent, investigators are continuing to study the question of anemia as it affects infants and women—particularly women who are going to have babies and those nursing babies.

According to authorities of the United States department of agriculture, some of the surveys of diets that have been made on groups of families in different parts of the world showed that even the poorest families eat foods that supply at least 2 to 3 milligrams of copper a day.

LAKEVIEW COUNCIL HOLDS FIRST MEET

LAKEVIEW — The first session of the Lakeview town council for 1940 was held Tuesday night at the City hall with newly-elected Mayor F. Carl Fitch presiding. Other new members of the town council were R. L. Ackerman and Dave DeArmond replacing J. Eric Bennett and Carl Lange, retiring councilmen. Holdover councilmen were H. M. Nolte and Merle H. Alger.

Appointments made were as follows: John M. Flynn, day marshal; Tim Murphy, night marshal; Theodore Conn, attorney; and Dr. Joycelyn Roberts Decker, health officer.

Mayor Fitch named H. M. Nolte and R. L. Ackerman to serve on the sanitation committee; Merle H. Alger and Dave DeArmond, committee on streets; H. L. Ackerman and H. M. Nolte, finance; and Dave DeArmond and Merle Alger, fire committee.

The appointment of a city engineer has been postponed until such time as the city council can work out different arrangements from those which have prevailed during the past few years.

Woman Victim Of Vicious Slayer In San Francisco

SAN FRANCISCO, Jan. 8 (UP)—Bashed with a baseball bat and stabbed with a long butcher knife, Mrs. Louise Brewer, 67, was murdered Saturday, allegedly by her mentally deficient nephew, as she was preparing dinner in the kitchen of her home, police announced.

The police homicide bureau said Mrs. Brewer's assailant was identified as Raymond Mugford, 35, her nephew, recently released from the Mendocino state hospital for the insane at Ukiah. Mugford fled after the slaying, and police started a city-wide search for him.

A description of the slayer was given police by 13-year-old Clarence Taylor, Jr., Mrs. Brewer's grandnephew.

As police reconstructed the crime, Mugford apparently became suddenly deranged and attacked the aged woman first with the bat, then slit her throat with the knife.

"He (Mugford) took my bat from the hall and went to the kitchen where my aunt was cooking dinner," young Taylor told police. "I heard noises and Raymond came back into the dining room where we had been listening to the radio. He had a long knife in his hand, covered with blood."

"He told me better get out of the house. I ran across the street and had neighbors call police."

Mugford had been living with his aunt since he was released from the insane asylum April, 1938.

Soothe your nerves at bedtime WIELAND'S ALE.

Bodies Tossed in Train-Truck Crash

MISSOULA, Mont., Jan. 8 (UP)—Two sisters were killed near their home east of here Saturday when a Northern Pacific freight train struck the truck in which they were riding, tossing their bodies more than 600 feet.

The dead were Mrs. Anna Fleming Bergseth, 22, and Helen Kathleen Fleming, 18. View of the

LAST DAY "FUGITIVE AT LARGE" JACK HOLT

DAY • "FUGITIVE AT LARGE" JACK HOLT Patricia Ellis

TOMORROW!
 GIANT COMEDY AND DRAMATIC BILL!
THE HIGGINS FAMILY
 ...ON THE LOOSE AGAIN... TOSSING JOKES AND... FURNITURE!!

MONEY TO BURN!
 with JAMES GLEASON LUCILLE GLEASON Russell GLEASON

THE PICTURE ALL WOMEN IN LOVE WILL WANT TO SEE... AND NEVER FORGET!!

MIRACLE ON MAIN STREET!
 with MARGO WALTER ABLE WM. COLLIER, Sr. LYLE TALBOT

LATEST NEWS VOX Doors Open 1:45 P.M.