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NEWS BEHIND THE NEWS

By PAUL MALLON

WASHINGTON, May 3—A new reform program for a third new deal—in case Mr. Roosevelt is reelected in person or through a proxy—has been worked out in preliminary detail by the official administration thinkers.
 It may be described as the unwritten platform of 1940. Basis of it will be found chiefly in the intricate and generally unnoticed national economic committee investigation. For months administration guiding spirits (Eccles, Henderson, Currie, Cohen, Lubin, et al) have been pouring out their prepared evidence of defects in the economic system into the committee reservoir. Remedies they have in mind have either been mentioned directly or suggested by the nature of their evidence.
 Main planks laid down there and in speeches by the leading government economists at public and private dinner parties are these:

BUSINESS

Break up big business—Expand the principle of the Public Utilities Holding company act to other pyramidal layers of corporations in all industries. The purpose primarily is to destroy the leadership or non-competitive price fixing systems. This is planned to be done by new legislation stiffening the statute against inter-corporate dividends and by strengthening the justice department's anti-trust controls.
 The eyes of the reformers are clearly on such industries as International Harvester company, United States Steel, American Can and American Telephone and Telegraph, all of which have been pointed out in TNEC evidence.

PUNITIVE TAX

Further halt big business—By putting a clamp on its breadbasket, its financial reserves. To do this, revival of the undistributed profits tax in a new form is being advocated half openly. Such a course is to be recommended to the TNEC by the commerce department as a "progressive and liberal" reemployment measure. Economists of that department are now spreading the punitive tax doctrine in private addresses.

TRUST CLAMP

Firm government regulation of insurance companies and investment trusts—the Wagner-Lea bill already introduced discloses the purpose of limiting the size of investment trusts. Open end trusts would be put for instance under a \$150,000,000 ceiling (largest open end trust is now working at about \$120,000,000). Similar regulatory legislation has been recommended to limit the financial power of insurance companies in handling their huge invested reserves. No pre-conceived method has been mentioned but the TNEC testimony gropes toward putting insurance companies more on a pay-as-you-go basis which might open the way for a reduction of premiums.

SAVINGS, LOANS

Unfreeze the savings in banks as well as investment trusts by similar blow torch methods.—One group wants a state socialist bank to provide small business and other loans by syphoning money from savings. Others favor new gigantic made-work programs which would drain off savings, either by voluntary investment or a compulsory tax on savings accounts. The tax on savings has been mentioned by Chairman Eccles of federal re-

SIDE GLANCES



"Do you know you're spending an hour a day in front of that mirror ever since Dr. Dudley said you had a perfect dental arch?"

serve in a speech.

His group is the one which Emmett F. Connely, head of the Investment Bankers association, was hitting at in his speech charging "a government group wants to tax savings."

JOBS, SPENDING

Legislate against technological displacement of workers in industry—something apparently like the new O'Mahoney bill which is supposed to be backed by CIO, but not by the administration groups yet. It proposes a tax of industrial machines to pay workers displaced.
 Continued spending—particularly in a new housing program for rural slums clearance.
 Reorganization of fiscal policies—to provide more money for spending through a changed tax structure and extra-budgetary corporations.

NEST EGGS

These are a few of the nest eggs of a third new deal. They may not all be hatched as laid. It is equally true that other eggs equally important with these representative few can reasonably be expected, if a new popular mandate is obtained. But at least these few now noticeable, represent the known and provable elements of the new reform program behind the third term drive.

FUNERAL

YORK WILLIAM STALFORD
 Funeral services for the late York William Stalford who passed away at his residence Wed-

nesday will be held in the chapel of the Earl Whitlock Funeral Home, Pine street at Sixth, Saturday, May 4, 1940, at 3 p. m. with the officers of Klamath Falls lodge No. 1247, BPOE, officiating. Commitment services and vault entombment family plot in Linkville cemetery. Friends are invited.

Portland's Census Runs Far Short Of Total For 1930

PORTLAND, May 3 (UP)—An unofficial tabulation of Portland's population as determined by the current census today showed the city to be more than 3000 shy of 1930's 300,000 mark.
 City officials and departments have been enlisted in a last-minute campaign to boost the city over the old figure. The city water bureau plans to mail 90 postcards to householders urging them to return an attached card if they have not been enumerated.

PENDLETON, May 3 (UP)—W. W. Sirrine, district census supervisor, said today that Pendleton has gained 33 per cent in population since 1930. Preliminary figures show the new figure to be 8919.

LAST DAY * LORETTA YOUNG "KENTUCKY"

TOMORROW
 ONE DAY ONLY!

"I'm a peaceable man ... but I'll blast the brains out of scum startin' any trouble!"

ELLIOTT
 THE MAN FROM TUMBLEWEEDS
 WITH IRIS MEREDITH
 A WILD BILL SAUNDERS ADVENTURE
 A COLUMBIA PICTURE

RAINBOW

VOX
 TODAY

TEX RITTER
 AND HIS HORSE WHITE FLASH
 RHYTHM OF THE RIO GRANDE
 2ND HIT!

LITTLE DRIVE
 JOHN SHEPHERD
 ERNEST TRUAX

NOW PLAYING
 MADE BY THE PRODUCERS OF
 "GONE WITH THE WIND"

Note: Because of the extraordinary mood and unusual suspense of both the love story and mystery of this picture, patrons are urged to see it from the beginning!

"REBECCA"
 DAPHNE DU MAURIER'S
 LAURENCE OLIVIER • FONTAINE
 PINE TREE

Telling The Editor

CRITICIZES LETTERS

KLAMATH FALLS, Ore. (To the Editor)—During the past few weeks this column has been the medium for the conducting of a more or less personal and private argument, purported to be political.

Since many of the letters published have contained so little of general interest, and nothing whatsoever designed to be constructive, this writer suggests that space in your splendid newspaper be given to more of the pertinent and helpful communications.

Personal opinions may not always be the truth, but most certainly these opinions cannot be expected to carry any weight unless expressed with dignity and assurance, and without of-

fensive wording.
 This is not to be construed in any sense as personal criticism since the writer is not acquainted with any of the authors to whose letters he refers. The electing of officials deserves the thoughtful consideration of voters, and newspapers are of real service at such a time, if those whose letters are published confine themselves to honest statements regarding the subjects selected, and omit hostile and disparaging personalities.

Must serious-minded, thinking readers conclude that no more suitable material is available, or must they believe that a choice has been made in your editorial rooms.

J. E. CLANAHAN, D.M.D.
 Medical-Dental Building.

Editor's Note: This newspaper makes no choice between letters submitted to the editor. It seeks to keep the forum column open to all persons with opinions they

wish to express in this manner on subjects of general interest, such as the election of public officials. However, we may disagree, we censor only in extreme instances of violation of good taste, or when subject matter becomes libelous or defamatory.
 Worthy and sound is Reader Clananahan's suggestion that letter writers should avoid disparaging personalities and offensive language.

REX
 Showing Each Saturday and Sunday
2 THRILLERS 15¢
 Complete New Program Each Day

SATURDAY
 "MAN FROM TEXAS" "DAUGHTER OF TONG"

SUNDAY
 COMPLETELY NEW PROGRAM
 "TRIGGER FINGERS" "SMUGGLER'S CARGO"

LAST DAY * **EDWARD G. ROBINSON** * "DR. ERLICH'S MAGIC BULLET"

STARTING TOMORROW! ★ ★ ★ ★

WHEEEEE!

What Adventure
 What Excitement
 What Laughs
 What Stars
 What a Whale
 of a Tale!

It is humanly impossible to see and savor at one sitting all the wonders and minute perfections of this amazing and affectionate picturization of one of the world's beloved masterpieces. We urge you to SEE IT SOON, SO YOU'LL HAVE PLENTY OF TIME TO SEE IT OFTEN!

Walt Disney's
 First and only Full-Length Feature since "Snow White"
 With all its magic ... yet so completely different!

Pinocchio
 With Seven New Song Hits and 12 Great New Stars
 Including Jiminy Cricket, Monstro the Whale, Honest John, Figaro
 And 100's of Other Delightful New Disney Creations
 For the Young in Heart
 Of Every Age

Distributed by RKO RADIO PICTURES

In 2000 Shades of TECHNICOLOR

MARCH OF TIME
"CANADA AT WAR"
PELICAN

Lagging Interest

NOT alone in Klamath county is there growing alarm over lagging interest in the primary election campaign. Throughout the state efforts are being made to stir up the citizenry, lest there be a pitifully weak turnout of voters on election day and consequent decisions by small minorities.

The Salem Statesman remarked the other day that a study of the editorial pages of all state dailies, for one certain day, showed virtually no comment on election issues. The situations in the various localities were not warm enough to stir up even editorial interest.

The decisions to be made at the polls May 17 are not to be taken lightly. In Klamath county there are a number of contested nominations for county offices on both tickets, as well as the circuit judge race. In Klamath Falls, voters will be asked to decide on two special levies, including one which will affect the old issue over the city's alleged need for traffic signals. Important party, state, legislative and congressional district decisions are to be made.

Certainly, all of this is of sufficient significance to deserve increasing local attention between now and election day, and to call for a heavy balloting when the polls are open.

Carry It On

VITALLY important to every Oregon citizen is the continuance of the tradition of sound finance in state government that has made this state the envy of the west. In Oregon there are no desperate struggles with mounting deficits, no futile special sessions of the legislature, no fears for the good financial standing of the state.

Leslie M. Scott, at present a candidate for the republican nomination for state treasurer, has had a hand in the sound financial policy of this state. Under his chairmanship, the state highway commission (1932-35) reduced the state highway debt approximately \$5,000,000, at the same time expending \$18,000,000 of state and federal funds on Oregon highways. The highway commission inaugurated successful deficit-reducing policies in its own department, and with the cooperation of Rufus Holman, then state treasurer, and others, worked out a plan for steadily diminishing the entire state deficit.

When Mr. Scott came into the chairmanship of the highway commission, the days of easy money were passing. If the highway financial structure was to remain sound, a firm control was needed. It was necessary for the commission to have the courage to say "no" to some of the demands for road expenditures. Mr. Scott said "no," and he said it with a tactful offering of sound reasoning that made even disappointed road boosters applaud.

In Oregon, vast powers are given to the state board of control, which is composed of the governor, the state treasurer and the secretary of state. The treasurer's place on this and other governing boards gives him key functions in shaping the policies and executing the business of the state government. For that reason the treasurership calls for a man with the experience, the temperament, and the tested ability of Leslie M. Scott.

Courthouse Records

(THURSDAY)
 Justice Court
 Willard Decker. Disorderly conduct. Fined \$10.
 Divorce Suits Filed
 Cecil H. Humphrey versus Lola G. Humphrey. Charge, desertion. Couple married November 27, 1931, at Medford. Edwin E. Driscoll, attorney for plaintiff.
 Divorce Decrees
 Dollie Curtis versus Elfra

Curtis. Decree by default. Plaintiff asks restoration of her maiden name, Dollie Smith.
 Hubert Averett versus Loraine Averett. Decree by default.
 A new U. S. army attack bomber is the North American NA-50. The plane is powered with two 1500 h.p. engines, has a top speed of 295 miles an hour, range of 1462 miles, and a ceiling of 32,000 feet.

ALLEY OOP

BY V. T. HAMLIN

HALT, YOU CROOKS! STAND RIGHT WHERE YOU ARE!

GRAB 'EM, OOP! THEY'VE GOTTA QUEEN'S MAGIC BELT!

WELL, HUH! THAT DADGUM CAVE MAN PEST AGAIN! AND MY BAG... HE'S GOT MY LITTLE BLACK BAG!

QUICK... WE CAN'T AFFORD TO TANGLE WITH THAT BIG APE RIGHT NOW! OKAY!

OH, HO! SPLITTING UP ON ME, EH! YOU BIRDS CAN'T OUT-SMART OL' GENERAL OOP WITH THAT STUNT!

I'LL GET YOU FOR THIS, YOU MEDDLESOME DOPE!

I'LL KNOCK OL' BOOM OVER WITH HIS OWN BAG... THEN, TAKE CARE OF HERCULES MUG LATER.