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 Season to date . . . . .2.14  
 Normal precipitation . . . . .2.13  
 Last year to date . . . . .1.10



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# KING GEORGE PRAISES U. S. AID

Thanksgiving, 1940

## In The Day's News



By FRANK JENKINS  
 THERE is much talk these days of inflation. That suggests an interesting question: "What is inflation?"

MOST people have the idea that inflation is paying government's bills with printing press money—that is to say, with government I O U's. This definition promptly runs into a snag.

For years the government of the United States has been paying its bills with its own I O U's. But we have had no inflation, in spite of repeated gloomy predictions to that effect.

Why?

HERE is an answer: Inflation is reflected in constantly rising prices—which is another way of saying that inflation is a reflection of DECREASED public confidence in the value of money. But during these years when the government has been paying its bills with its own I O U's there has been a SURPLUS of labor and a corresponding surplus of plant capacity.

Every time prices have shown a tendency to rise the result has been putting idle men and idle machines to work, thus increasing the supply of manufactured commodities above the capacity of the public to buy and so sending prices down again.

That, in the opinion of many economists, is why we have had no inflation in the past.

(A LOT of liberal thinkers have been flirting with the idea of repealing the law of supply and demand, but nobody has been able to get away with it yet. In a world whose standards have been changing so rapidly as to make most of us dizzy, it remains as true as it ever was that when there are more sellers than buyers PRICES GO DOWN.)

THE inflation predictors are busy again, and this time they have a theory that sounds plausible. This theory was voiced in Portland the other day by Dr. William Trufant Foster, former president of Reed college, now director of the Pollak Foundation for Economic Research. Dr. Foster said:

"I estimate the income in wages in defense expenditures alone will mean an increase in consumer income of more than \$100,000,000 a day. This will be an average for the next 12 months.

"But the wages produced for the making of these goods (guns, tanks, planes, etc.) will be spent for consumption, and they can not increase the production of consumers' goods as rapidly as they increase the flow of money to consumers."

The result of this situation, he thinks, will be rising prices.

LET'S put it a little more simply than Dr. Foster does. The defense money that will produce this \$100,000,000 a day in added wages will be spent for guns, tanks, planes, etc.—which people CAN'T CONSUME. The production of these guns, tanks, planes, etc., will take up a considerable part of our factory capacity which would otherwise be used for production of what the economists call "consumers' goods"—automobiles, washing machines, radios, vacuum cleaners and the like. The result will be that these things will become SCARCER.

But all the time the added de-

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## GREEKS ATTACKING ITALIAN WAR BASE

Column Moves on Second Important Town in Albania

ATHENS, Nov. 21 (AP)—Greek forces were reported to have reached the outskirts of the besieged Italian base city of Koritza in Albania this morning.

At the same time, in the coastal sector of the fighting zone, Greek columns were said to be marching rapidly on another important Italian base, Argirocastro, also in Albania.

Italian resistance in that zone was reported to have collapsed almost totally.

**War Supplies**  
 Latest information from the front said the Greeks were within six miles of Argirocastro, which is said to rank equally with Koritza in strategic value.

It was on these two cities that the Italians had based their drive into Greece. Huge stores of war materials had been assembled in both cities.

A thrust through the center of the Italian lines, putting the fascist forces to hasty flight at a point six miles within Albania, was the previous high spot of Greek successes reported today.

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## British Stop German Raid In Midlands

LONDON, Nov. 21 (AP)—London's sirens sounded two daylight alerts in quick succession today, shortly after raiders were reported over scattered towns in England.

The first two daylight raids on London were of short duration.

**Fire Bombs**  
 A southeast England village turned out en masse to help firemen control fires caused last night by hundreds of incendiary bombs dropped by Nazi raiders.

In the London area a high explosive bomb killed a family of four, the parents and two daughters.

**Raid Scattered**  
 Terrible anti-aircraft fire was reported today to have taken the sting out of the Nazis' second successive night of "all out" raiding on Britain's vital midlands and the government described the attacks as "intermittent and on a minor scale."

Apparently trying to strike another blow similar to that at Coventry a week ago, swarms of raiders poured over an east midlands town during the night but were said to have been dispersed by ground guns after less than two hours of incendiary bomb-dropping—first step in the technique of total air war.

A British communique said "a

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## KIRK GIVES SELF UP IN JOHN CASE

Father Brings Suspect to County Jail After Charge Filed

Joe Kirk, wanted for the alleged murder of Leonard Monte John, appeared at the door of the county jail at 10:15 o'clock Thursday morning.

He was accompanied by his father, Clayton Kirk, prominent reservation Indian.

**Gives Self Up**  
 When the startled jailer, Rhenus Herner, opened the jail door, Clayton Kirk announced:

"Joe has come in to give himself up."

The 29-year-old Indian, against whom a murder complaint was signed Wednesday by Sheriff Lloyd L. Low, walked into the jail and was booked. He had little to say and would not talk of the shooting of John at Bonanza Tuesday morning, which led to the charge against Kirk.

"I think you've done the right thing, Joe," said Herner, as he booked the Indian. "You're saving yourself a lot of trouble."

Clayton Kirk said that when he started from his home for Chillicothe Thursday morning, he went over to another place and found Joe there. Knowing of the charge that had been filed in Klamath Falls, he advised his son to come along with him.

The elder Kirk did not state where Joe had been since Tuesday morning. He stated he was going to obtain legal counsel for his son.

**Search Called Off**  
 Herner immediately made a long distance call to Bonanza, where Sheriff Lloyd Low was making further investigation of the shooting scrape that was followed.

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## British Report Egypt Victory

LONDON, Nov. 21 (AP)—The British middle east command reported today that 108 "enemy" troops were killed in an engagement in the western desert of Egypt Tuesday at "small cost" to the British forces.

Five Italian tanks were destroyed and six were severely damaged, the communique from Cairo said.

## Dies Findings Hit Nazis

### PENETRATION IN AMERICAN AFFAIRS TOLD

German Diplomats, News Service Charged With Activities in U. S.

WASHINGTON, Nov. 21 (AP)—The Dies committee published today its long-heralded "white paper," reporting on its investigation of German activities in the United States. It set forth testimony and documentary evidence designed to show:

1. That German diplomats "took a lively interest in spreading the work of the Transocean News Service" (not affiliated with any American news service) which the committee described as a "propaganda" agency capable of engaging "in espionage activities."

**Post War Plans**  
 That the German government has undertaken a "far-sighted policy" of economic penetration in both North and South America.

3. That a document seized in New York contained a plan for "the organization of German industry in America after the war." Complete even to names of proposed officers.

4. That Mandred Zapp, named as Transocean representative in the United States, "took a deep interest in the manner in which the United States handled its diplomatic relations with Japan and, in fact, at times not only gave advice to representatives of the Japanese government but also indicated to his own country, Nazi Germany, certain steps that might be taken to aid his country in the handling of diplomatic affairs."

The 500-page report, which Chairman Dies (D-Tex.) described in advance as a "white paper," was heavily documented with the testimony of scores of witnesses and with letters, telegrams and other exhibits seized by committee agents in raids, mostly in New York City.

The committee said: "As a result of these investigations, it became apparent that the activities of the German government in this country were not devoted solely toward propaganda and so-called military espionage, but also reflect the fact that the German government over a period of years has been

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## British Warships Sunk By German Speedboats, Claim

BERLIN, Nov. 21 (AP)—German speedboats have sunk British warships, including six destroyers and two submarines, with a total tonnage of 11,300 since the beginning of the war, the high command claimed today.

In addition, a communique said, the speedboats have destroyed 212,000 tons of merchant shipping.

"Now for the first time," the high command said, "one German speedboat was lost in a fight with several English destroyers during an operation against the English east coast."

The British reported that such a torpedo craft was sunk Tuesday night by light naval forces in the North sea.

Attributing the loss of "a great number of enemy warships" to the German speedboats, the communique reported that the boats had had "numerous fights with superior British forces."

Informal sources added, meanwhile, that German fliers had dropped more than 100,000 kilograms (221,000 pounds) of bombs in raids last night, and also attacked Bristol, Liverpool, Southampton and southeastern coastal harbors.

## Youth Killed on Icy Road As Car Hits Logging Truck Below Sun Mountain Grade

Klamath's staggering highway toll mounted still another notch Wednesday when Max Blohm, 26, was instantly killed in a truck-car smashup blamed on icy pavement near Fort Klamath junction.

Three persons riding with Blohm were injured. Mr. and Mrs. Daniel Callahan were confined in Klamath Agency hospital and Jack Rossen was treated for minor injuries. All

**26**  
 Klamath Auto were from Toll in 1940 Ocean Park, Calif.

The accident occurred on the straight stretch at the bottom of Sun mountain grade on The Dalles - California highway, two miles north of Fort Klamath junction. According to investigating officers, Blohm's car, northbound, first veered off the highway to the right and then went out of control on the icy pavement as the driver swerved to regain the road.

Continuing toward the left, the car smashed into the loaded log truck. The impact spun the car to the left and threw Blohm onto the pavement under the wheels of the heavy log trailer which passed over his head, investigators said.

The skidding car smashed against a large tree at the side of the road, scattering parts of the motor for 50 feet. The truck went off the road where trailer and logs upset. The truck is owned by Updegrave brothers of Fort Klamath who haul logs for Algoma Lumber company from the Yawkey tract on Sun mountain.

## British Air Officer Held By Italians

ROME, Nov. 21 (AP)—The capture of the new vice commander of the British air forces in the middle east, Air Marshal Owen Tudor Boyd, was announced today by the Italian high command.

Tudor, former commander of the British balloon barrage forces, and six other men, including four officers, were captured in Sicily when a British Wellington plane made a forced landing, its communique said.

He was reported en route from England to take over the post when his plane went down. (Air vice-marshal Boyd, a World War veteran, joined the royal air force in 1916 after serving in the Indian army. He was director of air ministry personal services from 1936 to 1938.)

Fascist troops smashed repeated Greek attacks along the Albanian front, particularly in the Koritza sector, the daily communique said.

LONDON, Nov. 21 (AP)—The air ministry announced today that Air Marshal Owen Tudor Boyd has been taken prisoner by the Italians.

The announcement said that the marshal had "been reported missing while crossing the Mediterranean by air," and added, "it is now learned that he is a prisoner in Italian hands."

Boyd, who was promoted to the post of air marshal November 8, was appointed deputy to the chief air officer in the middle east command in sweeping changes in the royal air force announced November 17.

## Gray Skies Cover Klamath's Observance of Thanksgiving

Thanksgiving was a gray and quiet day in Klamath Falls.

Light skiffs of snow fell from an overcast sky as the faithful gathered for special church services in which gratitude for blessings was the general theme.

A large union protestant service was held at the First Methodist church, with Rev. J. Clarence Orr as the speaker. "O Magnify the Lord!" from Psalms 34:3, was Rev. Orr's text, and he gave the historical background of the Thanksgiving observance. Several local ministers participated in the service.

**Turkey Featured**  
 Family gatherings around tables loaded with "turkey and trimmings" featured the day's observance throughout the Klamath area. Presence of tur-

## LEADERS TELL OF PLANS FOR WAR ADVANCE

Churchill Confident of Success; Halifax Says Offer Made Russia

By The Associated Press  
 LONDON, Nov. 21 (AP)—King George opened another wartime parliament today with grateful reference to "the ever-increasing volume of munitions of war" from the United States and with a sober pledge that his empire will fight "until freedom is made secure."

British-American relations, he said from the throne, "could not be more cordial," and he gave thanks that Britain's "ideals of ordered freedom, justice and security" are so "widely shared."

**Grains of Hope**  
 In the ensuing sessions of the house of commons and the house of lords, Prime Minister Winston Churchill and Foreign Secretary Lord Halifax gave Britain other grains of hope: Churchill, for a British victory before Suez; Halifax for some compromise with soviet Russia.

Not only is there some reason to believe Russia and Britain will make a trade agreement, Lord Halifax informed the press, but he disclosed that Britain has offered to Moscow "a compromise settlement arising out of soviet annexations of territory"—(presumably the Baltic states, credits of which have been frozen by Britain).

**No Pomp**  
 The ancient ceremony in the house of lords, where king and queen sat on twin thrones, conformed with the realities of war. There were no perches in flashing jewels in the gallery, no scarlet and ermine robes for the peers, no diplomats nor members of the public present, and there was no state drive to Westminster in the golden coach of royalty.

Afterward, both houses went quickly into the actual problems of the conflict.

**Confidence**  
 In a passage answering questions of Britain's war aims, Churchill proclaimed his government's intention to keep parliamentary institutions "vital and active" even "under enemy fire."

Churchill declared he looked forward "with confidence and hope" to the time "when we ourselves shall be as well armed as our antagonists" and beyond that to the time when "the arsenals and training grounds and science of the British empire" will "bring victory and deliverance to all mankind."

King George paid a tribute to United States aid to Britain both in his opening speech today and in another pronouncing the old session yesterday. The latter was read by Lord Simon, the lord chancellor.

Today the king attended the ceremony in the house of lords clad in the uniform of an admiral of the fleet.

Queen Elizabeth accompanied him, wearing a gown and coat of deep purple. The ceremony was shorn of much of its customary pomp because of the war.

**Greeks Praised**  
 The king also revealed his "gratification" at the exchange of British defense bases for American destroyers. He said in the speech read by Lord Simon that he hoped the bases

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## CIO, AFL Start Action to Remove 'Ism,' Racketeering

ATLANTIC CITY, N. J., Nov. 21 (AP)—A declaration against the philosophy of communism, nazism and fascism was reported drafted and ready for a vote in the CIO convention today.

For a week there has been open agitation for CIO action on such a policy and for a showdown between so-called left and right wing groups.

Proposals calling for the adoption of this policy have been under consideration in the resolutions committee since CIO members gathered here in their third convention to determine policies they would follow after John L. Lewis retires from CIO's presidency.

**Thorny Issue**  
 Since Lewis and a group of labor leaders established CIO

here five years ago to engage in a militant campaign to unionize big industry there have been charges that adherents of communism had obtained a foothold in the new movement and were active in organizing work.

During the past week the drive to bring about a showdown on CIO's attitude toward the thorny issue became one of the convention's major activities.

The Amalgamated Clothing Workers' union headed by Sidney Hillman, labor member of the national defense commission, played a leading part in the drive, supporting a resolution to condemn communism, fascism and nazism, and also a proposal to put into CIO's constitution an amendment which would make

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**25 YEARS AGO TODAY**  
 By The Associated Press

Nov. 21, 1915—Allied warships cooperate with British troops in heavy fighting against Turks.