

JAP ECONOMY NOT READY TO SUSTAIN WAR

By PETER EDSON
 WASHINGTON, Dec. 20 — The wonder of it is how the Japanese statesmen figure they can afford to take on a war against both the United States and Great Britain, considering only Japan's unquestionably lousy economic position. Four years of war weariness are just a beginning. On top of that is a general business recession that points only to ultimate economic ruin.

Department of commerce information on Japan's internal economy and her foreign trade present the real picture. Here is a country, which is only half sufficient in normal and piping times of peace. More than 70 per cent of these imports have come from the countries on which Japan now wages war—the United States, Great Britain, Dutch East Indies and the Philippines. All this trade it now kisses goodbye. And it is only from these countries that Japan can obtain the metals, chemicals, petroleum and machinery which are vital to its heavy industries.

With the door now slammed on these natural sources of supply, Japan has been set back on her own heels and the resources of what are known as the yen bloc countries, Manchuria, Kwantung and occupied China. These countries, while they are valuable customers for the materials which Japan manufactured from raw materials imported from other countries, are no good as sources of raw materials. Japan itself therefore must become the source of whatever it can scrape together to keep going.

SALVAGE BIG BUSINESS
 The result has been a series of salvage campaigns that make our aluminum and wastepaper collections look like the picnic affairs they really were. Scrap iron has become almost as precious as Japanese pearls. Man-hole covers, sheet iron roofing and the ornamental iron fences around government buildings have disappeared. Salvaging of ships wrecked and sunk off Japan's rocky coasts has become a leading industry.

Transportation has been cut drastically. There is a shortage of coal, further cut by the necessity of using more coal to reduce such low grade iron ores as can be obtained from the yen bloc countries. Motor vehicles are at a premium and such as there are in bad repair. Gasoline and oil must go entirely to the military uses. Buses and taxis can no longer use gasoline and oil, and even the substitute fuels like charcoal gas are under government regulation.

Plant operation has been curtailed not only because of the shortage of raw materials, but also by a shortage of skilled labor. Night shifts have been eliminated. Glass manufacturers were reduced in number from nearly 1000 to 50. Japan's once-thriving cotton textiles trade has been cut 50 per cent. The United States, India and Brazil were formerly chief sources of Japanese raw cotton, but shipping shortages and embargoes have cut off these supplies and the raising of cotton in occupied China has been a disappointment.

SILK BECOMES SURPLUS
 Silk trade, long the backbone of Japan's world-wide export business, once accounted for a third of the country's sales abroad. Raw silk has been the one raw material of which Japan had a sufficiency, and now it is an unconsumable surplus because the United States and Great Britain have stopped buying.

Limitation of the silk industry has meant that much of the acreage in mulberry trees is being converted to food crops, and this tells the story of Japan's

Annual Theatre Christmas Party



This picture was taken at the annual Christmas party for Klamath Theatre employees given by Mrs. Rose Poole this week at the Pelican cafe.

NEWS OF THE THEATRES



Ricardo Cortes, John Barrymore and Frances Farmer, in a scene from the wacky wow, "World Premiere." Co-starred with them is Eugene Pallette. Plays Sunday and Monday at the Esquire.

food shortage. Originally, only rice and wheat were rationed, but early in 1941 fish, eggs, meat, rice wine, bread and edible oils were restricted. In October the government added to the list cow peas and buckwheat.

Price control measures have been applied with a vengeance in an effort to curb an increase in the cost of foodstuffs and commodities which, at the 1940 retail level, have been 66 per cent above the average of 1936 when the China campaign began. Compared with 1914, the living cost in 1940 was 266 per cent higher. The Japanese national debt has tripled from 10 billion yen to nearly 30 billion. The post of the China campaign alone has been 22 billion yen, but that's nothing compared to what this war against the United States and Great Britain will cost.

JAPANESE FACTS
 Japan has six cities of more than a million population — Tokyo, Osaka, Nagoya, Kyoto, Kobe and Yokohama. . . Tokyo, with 8,800,000, is third largest city in the world. . . Japan's total population is 105 million. . . In 1939, last full year for which Japanese statistics are available, Japan's imports were 2.9 billion yen, her exports 3.5 billion yen. . . The yen, once worth 50 cents, is now worth approximately 23 cents. . . Latin-American trade with Japan has amounted to only 4 per cent of the total. . . French Indo-China and Thailand supplied only 1 per cent, but this figure will rise under Japanese southward expansion. . . Of Japan's exports to the yen bloc countries, amounting to 49 per cent of the total, 21 per cent went to Kwantung, 15 per cent to Manchuria, 12 per cent to occupied China. . . The United States has normally supplied Japan with 34 per cent of her imports, taken 16 per cent to 20 per cent of her exports. . . Japan ranked as our third customer, behind Canada and Great Britain only. . . U. S. imports from Japan in 1940 totaled \$158 million, silk accounting for \$105 million, the rest principally tuna fish, crab meat and textiles. . . U. S. exports to Japan were \$227 million, principally raw cotton, wood pulp, petroleum, iron, steel, copper, machinery, autos, aircraft and parts. . . U. S. holdings of Japanese bonds, as of January 1, 1941, were \$105 million. . . Japanese trading investments in the U. S. in 1937 were \$48 million.

Extension Units Meet at Olene

POE VALLEY—Olene units of the home extension met at Olene on December 12. Household aids which consisted of instructions, and recipes for the cleaning of rugs, upholstery, blinds, etc., was the subject. Project leaders, Mrs. Pete Holzhauser and Mrs. Bert Wilder, were introduced by the chairman, Mrs. Frances Freuer. The meeting was conducted in a very commendable manner.

At noon luncheon was served to 14 members. The table decorations consisted of pine cones and boughs with sprays of juniper berries interspersed with red candles. They were arranged by Mrs. Curtis Gebhardt. The units voted her their sincere thanks for making the occasion such an attractive one. There was also an exchange of gifts which afforded much enjoyment.

The next meeting will be at Tokoy, January 9. The subject, "Health Emergencies in the Home." It will be under the direction of the same leaders as the December meeting.

U. S. Casualty in Hong Kong Reported

CHUNGKING, Dec. 20, (AP) — Word was received here today of the first American casualty in the Japanese attack on Hong Kong—Mrs. Florence Webb of Shanghai, who was killed by shrapnel. The United States embassy here was advised of her death.

Where she came from in the United States was not learned. Presumably she had lived for some time at Shanghai before moving to the British crown colony. The embassy said it had received a radio message from the consul general in Hongkong stating that the consulate was intact but that his residence on Victoria peak was badly damaged by shell fire.

20-30 CLUB MILK DANCE DATE SET

The annual 20-30 club milk fund dance will be held on Christmas night at the army. Members of the young men's service club urged that the public support the dance in the interest of the milk project which the club carries on each year. Every ticket purchased for this dance buys seven quarts of milk for some needy child, the committee pointed out. In the last year the 20-30 club has donated more than 300 quarts of milk to needy families. "With the price of milk rising as it is, the 20-30 club needs everyone's help to successfully carry on this work," the announcement stated.

McCown Students To Dance at Big Santa Clan Event

Children entertained at the annual Santa Claus Clan dinner Sunday afternoon in the armory, will enjoy a program to be presented by the McCown dance studio. Those taking part will be Herbert Kirby, Eloise Woyak, Bonnie Jenkinson, Mary Alice Jenkinson, Beverly Peery, Shirley Francis and Darlene Price. Mrs. Chris Sterland will accompany the numbers.

Transient Held At Roseburg

ROSEBURG, Dec. 20 (AP) — Lee Belchler, 41, a transient apparently of German descent, was held in custody here Thursday under a sentence of 30 days after pleading guilty to a charge of vagrancy in the justice court at Glendale Wednesday. Sheriff Cliff Thornton reported Belchler, the sheriff said was reportedly seen by a Southern Pacific track foreman loitering in the vicinity of a railroad tunnel in the Cow creek district and fled at the foreman's approach. He was later arrested at Glendale and has been unable to give a satisfactory explanation of his presence in the vicinity of the tunnel, the sheriff stated. Federal authorities have been notified of the case.

HOW IT WAS NAMED
 "Ammonia also is known as 'hartshorn.' At one time it was made by beating the horns of stags, or harts, in closed vessels to draw out the gases.

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HI-Y CLOSSES CHRISTMAS FOOD DRIVE

Climaxing a two-weeks drive for food for the needy, the HI-Y club of KUHS closed its drive Friday noon. Food was contributed by high school students, local merchants and grade schools. As nearly as could be ascertained in a routine check by home rooms, nearly a thousand dollars worth of non-perishable foods had been collected. This food is already being distributed through the HI-Y, and local Salvation Army headquarters.

Closing the drive was an all school Christmas assembly including the awarding of letters to all three football squads. On the program were a radio play written by Miss Flora Miller and directed by Mrs. Blomquist. Santa Claus was there in the person of Chet Smith. Glen Kennedy, president of local chapter of HI-Y, made a short "thank you" address. After the program, all students of the high school enjoyed a dance with music by Emile Buzaid's orchestra. Carol singing was led by Charles Stanfield, accompanied by Miss Anita Gwyn.

SPREADING THE NEWS?
 PORTLAND, Ore. (AP) — The Portland air base can use a new shoe shine boy.

The lad, at work when news was flashed of the attack on Pearl harbor, set a shined shoe beside its unpolished mate and left. He hasn't been seen since.

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Assembly of God Church to Give Christmas Program

A Christmas program is scheduled for Sunday at 7:30 p. m. at the Assembly of God church, 746 Oak avenue. Recitations, songs by the children and a dramatic skit by the young people's class under the leadership of Mrs. Harold Persing is scheduled. Fitting decorations have been arranged for this special occasion.

Recitations include "Stay Right Here, Folks," by Joan Woods; "Merry Christmas," by Darlene Greeninger; "Three Things," by Helen Bunnell; "Welcome," by Ruth Eayres; "A Christmas Wish," by Allan Porter; "Santa Claus," by Jesse Potter; "Our Program's Done," by Patricia Woods; "When Jesus Was a Boy," by Delbert Eayrs; recitation by Wayne Anderson, recitation by Gene Quick; "Christmas Trees," by Donald

Lawman; exercise by Ruth Aline Blakely, song by Lois Anderson.

Exercises will also be presented by the junior and intermediate classes. A short Christmas message by the pastor, Rev. A. Harold Persing, will follow. The public is cordially invited to attend.

LARGE LAKE
 Balkash lake, in Russian Central Asia, is larger than the entire state of Massachusetts, being 8400 square miles in area. It is an inland lake of salt water.

Although the process of canning was brought to America about 1818, it did not become an industry here until 1860.

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