Herald and News

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Weekend Roundup

HOW is your hay-pitching form?

If you are a city or suburban resident, and can spend a little time on the farm this year, you are going to be seriously needed to help harvest the crops of the Klamath basin.

For the basin this year faces a shortage in farm labor that promises to grow more serious as the season advances. Already farmers are reporting inability to hire needed help. After July 4, according to present indications, the shortage will begin to be painful, and in the potato harvest season it may develop into an actual threat to the economic welfare of the basin.

We must look this situation in the face and do something about it.

* * * *

County Agent C. A. Henderson Saturday issued a statement suggesting that non-farm people who can do so arrange to spend their vacations working on the farms of the basin. Here is a reservoir of labor that can aid in solving the problem. Every additional worker, and every additional day of work, will be that much to the good.

Later on, it may be necessary to call more generally upon non-farm people. City shops and offices may close up for a day or two so that everyone can go into the fields to help harvest the crops. City people, at least, will be able to do a lot of good by spending their weekends in the fields during the emergency period.

Cooperation of this kind will go far in meeting a serious situation.

Farm wages are good this year, and those who work will be well paid in cash as well as gratitude.

* * * *

One possible solution to the labor problem in the fall, when large crews will be needed for the potato harvest, is the employment of labor from the Japanese re-settlement project at Tulelake.

The war relocation authorities have not yet announced a policy with regard to evacuees working outside the project boundaries. It is possible that much depends upon the attitude of the people of the surrounding communities toward the residents of the project. A general spirit of cooperation with the WRA has already been manifest in the basin. If cooperation and good feeling continues and increases on a reciprocal basis, the project should contribute to the solution of the labor problem in the basin this year.

It is only logical that the presence of thousands of evacuees on the project should be a factor in meeting the need for men in adjacent districts.

* * * *

Volume of automobile travel on local streets and nearby highways indicates that people here are not yet seriously affected by the rubber shortage. But here is a warning: when present tires are gone, it is problematical whether others can be obtained.

Those who conserve their tires now will be riding in automobiles longer than those who spend their rubber recklessly now on the theory that somehow they will be able to get other tires later on.

* * * *

While on this favorite topic, we cannot refrain from further remarks about the stoppage legally required of Klamath Falls motorists. Stop signs are sprinkled so generously over the city that it is impossible to drive without constant stops and starts, which take rubber and gasoline.

More stoppage is required of Klamath motorists now than before the tire and gas shortage situations arose. Traffic planners ought to get busy on this matter.

* * * *

Behaviour of service men and recruits on the trains receives considerable public interest, and some of the stories told by first hand observers have not been exactly flattering to the young men involved.

It is especially interesting and gratifying, therefore, to learn what was said this week about 21 young men from Klamath Falls who went to Portland in a group as navy recruits.

The conductor and other train officials told Chief Gunners Mate F. R. Duncan, who had charge of the group, that the Klamath men were the best behaved group of young men that had ridden their trains in connection with service and recruit travel.

This speaks well for the type of young men joining the service from Klamath Falls.—M.E.

After all, this is your war, and you are not helping others more than you are helping yourself. —Mrs. Sidney Borg, social worker.

The American man is unequaled as an intelligent and fearless fighter.—Admiral Ernest J. King, commander in chief, U. S. Fleet.

News Behind the News

By Paul Mallon

WASHINGTON, June 27—The war cost is already $208,000,000,000, appropriated by congress so far. The common estimate here is that it will run to $300,000,000,000, although this is based on pure supposition that the conflict will end in 1943.

It is difficult to explain the size of $208,000,000,000 because such an amount has never before been used by men in one lump sum. Perhaps the best way to express its vastness is that it represents about two years of labor for every wage earner in this country.

We had 43,047,000 earning units last year, made up of 32,097,000 families and 10,950,000 single employed persons. Their average earnings were $2303. The share of each one in the war appropriations made by congress so far would be more than twice as much, roughly $4800.

What this will mean to the lives of citizens is beginning to be apparent as the size of the problem becomes clearer. Some few congressmen, debating the historic, unprecedented $42,000,000,000 army appropriation bill the other day suggested it might mean bankruptcy if expenditures kept piling up, but they apparently had not stopped to figure the real probabilities.

Obviously we are going to have a federal debt of at least $200,000,000,000 at the end of this war, five times the size of the feared debt limit reached in nine years of new deal spending before we entered upon war preparations.

That will be a permanent obligation upon which the treasury will have to pay annual interest. The average interest rate now is 2.35 per cent and before the war the average was 2.4 per cent. (During the first World war it was 4.2 per cent.)

The treasury, while financing these new vast sums, is at the same time hammering the interest rate down. Some expect to get it down to around 2 per cent before the war is over.

If they do, and the entire war debt is no more than $200,000,000,000, the treasury will have to tax the people $4,000,000,000 a year after this war merely to pay interest charges — fixed charges, not including any actual cost of government operation.

If government costs run around $9,000,000,000 as they have been running, the treasury will have to raise $13,000,000,000 a year from the people to keep going.

* * *

TWO SOLUTIONS—

There are two ways to handle that. One is by inflation, which is a government's way of going into bankruptcy.

Cheapening the value of dollars reduces the cost of its debts and accomplishes a washout of all values. That need not be done this time if the nation can be kept on a sufficiently high level of prosperity to enable the treasury to drain around $13,000,000,000 a year in taxes.

It is collecting this coming year about $24,000,000,000. If it continued these confiscatory rates after the war (which of course is impossible because you cannot run a profits system without good profits) it could use about $10,000,000,000 a year for debt retirement and pay off the debt in 20 years.

Certainly these figures show:

1. A national prosperity income of at least $100,000,000,000 a year will have to be maintained after the war to support the kind of debt and government we are in.

2. Vast post-war peace expenditures such as financing the industrialization of farming nations with our public funds or a quart of milk a day for the citizens of the world, cannot be undertaken with any reasonable expectation of maintaining government financing.

In other words, we would work ourselves out by careful and successful planning, but we cannot afford to throw money around the world.

Some authorities even ask if the treasury can raise so much money to run the war. That will be the easiest part of it. Little ingenuity is ever required to run up debt. Paying is generally the troublesome part.

Obviously, such vast sums are required that most of the war debt will have to be taken by banks and insurance companies. Commercial banks and federal reserve banks will get the bulk of it, and the government can practically force them to take any interest rate it considers likely to be enough to keep their doors open.

For instance, this coming fiscal year, $77,000,000,000 is being spent and only $24,000,000,000 is being raised by taxes. Another $10,000,000,000 will come from sale of bonds to savings banks, insurance companies, government trust funds, etc. That leaves $43,000,000,000 to be raised by war bonds.

At present the treasury is selling bonds at a rate of about $5,000,000,000 a year. Mr. Morgenthau expects to bring this up to $12,000,000,000 by his new super drive. If he does the commercial banks will have to take the rest, about $31,000,000,000.

Even a compulsory bond buying program would not change this situation materially. The most that could be expected from it is $20,000,000,000 which would leave the commercial banks to absorb $23,000,000,000.

Clearly the banks must take between one-third and two-fifths of the whole expenditure, and that percentage will rise. They have no money themselves, except the people's money deposited with them.

Figures may be boring to the average individual but these kinds of figures need his attention, because they involve the sweat of his brow, as well as the economic and political future of this country.

SIDE GLANCES

"Remember how he used to blush at the girls, Auntie? Since he joined the Army he really has found himself!"

Telling The Editor

Letters printed here must not be more than 300 words in length, must be written legibly on ONE SIDE of the paper only, and must be signed. Contributions following these rules, are warmly welcome.

KLAMATH FALLS, Ore. (To the Editor)—I wonder if you can tell me the approximate length of the Burma Road.

S. W. Hamaker.

The exact figure is not immediately obtainable, but the approximate length from Rangoon to Chungking, measured on a standard map, is 1600 miles.

SO NEAR AND YET

NEW YORK, —The American Museum of Natural History has sent several expeditions over a period of many years into the jungles of Java and Malaya seeking the skull of a rhinoceros sondaicus, a rare species.

With the fall of the Dutch East Indies and the Malay states, the museum feared it would be years, if ever, before such a skull could be added to its fossil collection.

They found it in the museum's own attic, where it had lain unrecognized for more than 70 years.

Promoted—Frederick W. Schmidt, United States army quartermaster corps, has recently been promoted from the rank of second lieutenant to first lieutenant, according to word received here from the Seattle general depot. Lieut. Schmidt was formerly associated with Mason Ehrman company in Klamath Falls.

Arrive in Isles—Word has been received by relatives that Keith Argraves has arrived in the British Isles with the armed forces. Argraves visited here, his former home, a short time before sailing. Also in the British Isles is Mark Hoefft, former resident of Klamath Falls and Medford, who is with the medical department of the army air corps.

Read Classified Ads for Results

ANSWERS TO WAR QUIZ

Questions on Page 2

1. He is a bombsight mechanic.
2. British Honduras.
3. They began the battle for Belleau Wood, thus helping stop the enemy rush to Paris.

Our reservoir of resources is now approaching flood stage.

PINE TREE
Last Times TONIGHT
Ginger Rogers in "ROXIE HART" AND Hop-A-Long Cassidy in "STICK TO YOUR GUNS"
OPENING TOMORROW
ERROL FLYNN OLIVIA de HAVILLAND
The heroic saga of Custer's Last Stand!
They Died With Their Boots On!
with Charley GRAPEWIN GENE LOCKHART ANTHONY QUINN STANLEY RIDGES

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Liberty Magazine's 4-Star Picture!
Film Daily SAYS THE MOST... IMPORTANT PICTURE OF THE YEAR !!
in the HITCHCOCK manner!
Saboteur is the story of a boy and girl who fell in love at the point of death—but heroically survived to gloriously fulfill their romance. Saboteur is an exceedingly exciting story enhanced by the touch of the master story teller, Alfred Hitchcock, who entertained you so magnificently with the hits "Rebecca," "Foreign Correspondent" and recently "Suspicion." Those who know pictures best always know that Hitchcock's name is the trade mark for excellent and generally different entertainment.
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Unforgettable Star of "King's Row" in His Newest Role
In
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(THE MAN BEHIND YOUR BACK)

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Brod Crawford
Andy Devine
in
"North to The Klondike"
and
"Right to The Heart"
ADULTS 20c plus 2c Tax
STARTS TOMORROW
Action and Romance!
Dennis O'Keefe
in
"Moonlight Masquerade"
and
Dead End Kids
in
"Mr. Wise Guy"
Children 10c plus 1c Tax

VOX
Always 25c - Inc. Tax
TODAY AND TOMORROW
DEATH DANCES TO THE BEAT OF JUNGLE DRUMS!
MAD DOCTOR OF MARKET STREET
LIONEL ATWILL UNA MERKEL Nat PENDLETON Claire DODD
—PLUS—
Ken Maynard
in
"WHIRLWIND HORSEMEN"

PELICAN
Last Times Tonight!
—First Hit—
CRIME'S CRACK CROOK turns nursemaid...when caught by a kid!
Butch MINDS THE Baby
with Virginia BRUCE Brod CRAWFORD
—2nd Hit—
More Action! More Thrills!
Stardust on the Sage
GENE AUTRY Smiley BURNETTE