

GENERAL PHONE STRIKE FAVORED

In The Day's News

By FRANK JENKINS
EX-OPA BOSS BOWLES, now boss of our newest industrial "stabilization" program, tells congress this morning that "the nation faces an inflationary explosion, with pressure up to the bursting point."

HE adds: "It would be difficult to exaggerate the gravity of the inflationary crisis we face. Everywhere, men are betting on inflation."

"A SPECULATIVE fever has taken hold of the country. The pressure in the boiler is up to the bursting point. . . . The lobbyists and the profiteers are licking their chops."

And so on, in the general tone of "the hobgoblins will get us if we don't w-a-l-t-e-r-u-i-t!"

IT is academically true enough that we are "facing an inflationary crisis." It is doubtless more or less true that inflationary pressures are nearing the "bursting point." What we need to know is WHY?

This is the BASIC answer: Because PRODUCTION is not sufficient to meet the demands of a goods-hungry public.

LET'S get it straight in our minds that inflation is LACK OF THINGS.

We've always thought of it hazily in this country as an overabundance of money. Because we have been taught to think of MONEY as EVERYTHING, we have come to think of inflation as something not TOO undesirable.

Most Americans are inclined to think to themselves, if not to say out loud: "Inflation is bad, of course—everybody says so. But let's have A LITTLE of it. I CAN USE SOME MORE MONEY."

THE truth is that more money alone WON'T CURE INFLATION. Providing more money without getting more production is a good deal like trying to put out a fire by pouring gasoline on it.

The sober economic fact is that the way to cure inflation is to get production started in a BIG way. Once we are able to get all the things we want, we'll stop running around trying to bid up prices of things that are SCARCE.

AMERICA'S capacity to produce is IMMENSE. It swamped our enemies during the war. It can SWAMP INFLATION quickly enough if it can be got going full-speed on wanted peace-time goods.

The trouble is that too many monkey wrenches have been thrown into the machinery. One of these monkey wrenches is the political attempt to FORCE TOO QUICKLY a trial of the theory that the way to create markets (with resulting prosperity) is to raise wages without raising prices. The theory itself is sound enough, but the political attempt to FORCE IT, RIGHT NOW, frightened industry and the deadlock of the past few weeks resulted.

ANOTHER monkey wrench in the wheels has been the theory (toward which Mr. Bowles has seemed to lean) that inflation can be controlled merely by holding down prices by law. As a result, prices have been held so low that INCENTIVE TO PRODUCE has been destroyed.

(As nearly as can be found out, the reason butter is so scarce is that it is UNPROFITABLE to make butter.)

When it is unprofitable to produce, people just won't produce.

BUSINESS has no friends in the present government, but the lessons of the existing STAGNATING deadlock in industry have been so plain as to force recognition even in Washington of the fundamental fact that employers and workers constitute a TEAM and that both horses must PULL TOGETHER if the wagon is to be got out of the mudhole.

Recognition of this fact brought forth the new wage-price formula that is to be administered by Mr. Bowles. The HOPE that lies back of it is that by providing INCENTIVE for both horses we can get them to pull together.

If they DO pull together, we can get out of the mud.

Man Spots Bomb; Explosion Fatal

YAKIMA, Wash., Feb. 18 (AP)—Elmer Lee Adams, 30, Zillah farm hand, was hunting rabbits with a friend, when he spotted some 50-pound bombs in the sagebrush. He fired his rifle at one of the bombs.

The resulting explosion was heard by G. W. Ludwig, a rancher, a mile away. Adams was killed by shrapnel which struck him in the head.

Joe Larson of the Hopkins mortuary, said the bombs, which Adams had fired at from fifty feet away, had fallen near a military range.

Herald and News

PRICE FIVE CENTS

Phone 8111

MATH FALLS, OREGON, MONDAY, FEBRUARY 18, 1948

Number 10748

WEATHER NEWS	
February 18, 1948	
Max. (Feb. 17)	42 Min. 25
Precipitation last 24 hours 0.1
Stream year to date 8.85
Normal 7.83 Last year 8.88
Forecast: Clearing Tuesday.	

250,000 Unionists May Quit

Recommendation To Back Demands For Raise

MEMPHIS, Feb. 18 (AP)—The executive board of the National Federation of Telephone Workers recommended today a general strike of its 250,000 members to support demands for a revision of wage-hour schedules.

Joseph A. Beirne, 35-year-old president of the independent labor organization, said the board's recommendation was made at the meeting of representatives of the 49 autonomous unions affiliated with the federation.

"No action has been taken on the recommendation yet," Beirne said at the close of the morning session.

"The situation will be discussed thoroughly at further meetings this week."

Beirne added: "The representatives will decide what course of action we are to follow."

Wage Demand
The issues involved include a demand for a wage increase of \$10 per week, a minimum hourly wage of 65 cents and a return to a 40-hour week.

The NFTW represents local and long-distance operators, maintenance workers and manufacturing and research employees of the American Telephone and Telegraph system.

Also on the conference agenda is a report of a committee set up to investigate a proposal that the NFTW affiliate itself with either the CIO or AFL.

TAFT DENIES 3 TRUMAN CHOICES

Bowles Sees Inflationary Explosion

Stabilization Director Says Truman Plan Will Work

WASHINGTON, Feb. 18 (AP)—Chester Bowles told congress today the nation faces an inflationary explosion with pressure "up to the bursting point."

But he declared that President Truman's new wage-price policy is "a program that will work" with "little or no effect" on food, rent or clothing prices if the bulge in the stabilization line is not permitted to become a break-through.

"I think it is a good program, and I mean to put everything I've got into making it succeed," the newly-designated stabilization boss said in testimony prepared for the house banking committee.

Extension Urged
Bowles appeared to urge extension "at the earliest possible moment" of the price control act to expire June 30. He called, too, for action by congress to "stop the inflation in the real estate market."

He said the food subsidy program is not being continued.

The price chief acknowledged that the new wage-price policy "is not a perfect program," adding that "under the circumstances which we face there can be no perfect program."

It would be difficult, he told the committee, "to exaggerate the gravity of the inflationary crisis we face. . . . Everywhere men are betting on inflation."

"A speculative fever has taken hold of the country. The pressure in the boiler is up to the bursting point. The lobbyists and the profiteers are licking their chops. It is going to take firm and decisive action . . . if we are to hold this country on an even keel."

Plane Mishap Injures Pilot

An airplane which took off at 10 a. m. Sunday from the Salem airport, made a forced landing near Chemult in northern Klamath county Sunday and the pilot, J. D. McClintock, was in a Bend hospital today with a fractured jaw.

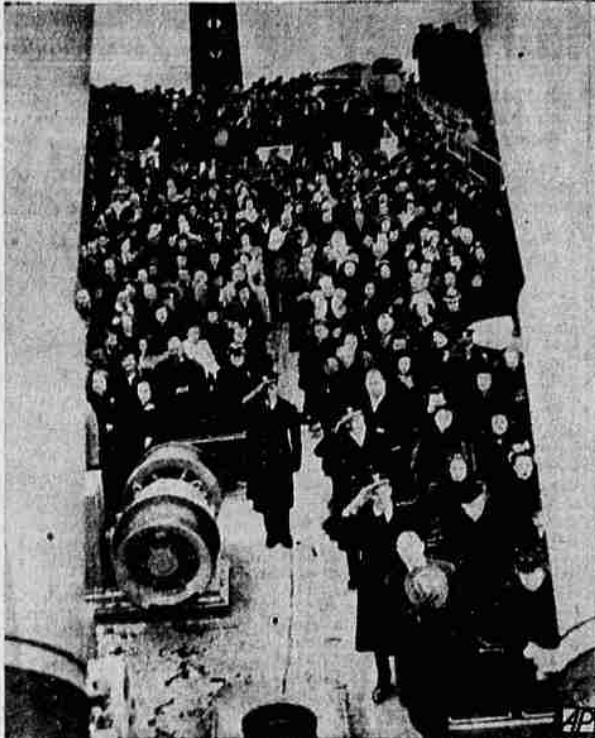
Other passengers were Mr. and Mrs. Ralph E. Williams of Portland, and Victor Williams, Dallas, a cousin. Mrs. Williams was bruised, but the others were unhurt reports from Bend advised.

The plane was purchased just two weeks ago by Williams and Harry L. Hart, partners in the hop business at Salem. State police said that McClintock, the pilot, was unable to talk and only meager details were learned. The plane, it is understood, had tried to land at Medford but was unable to do so because of fog. It then crossed the mountains and overlanded in deep snow when a landing was attempted on the Beaver Marsh landing strip near Chemult.

Storm Expected To Move Inland

SEATTLE, Feb. 18 (AP)—Winds of hurricane force—75 miles an hour—accompanied a storm off the Oregon and Washington coast today and the weather bureau forecast it would strike inland, reaching Seattle this evening or tonight with whole gales of 60 miles an hour velocity.

USS Oregon City Commissioned



Crow, speakers and guests salute the colors as they are raised over the heavy cruiser Oregon City, in commissioning ceremonies in Boston. First and largest of its class, the 13,000-ton cruiser was named for Oregon City, Ore., which, with a population of 9200, becomes the smallest city in the country to have a heavy cruiser bear its name. —AP wirephoto.

15 Male Inmates Of Mental Hospital Burned To Death

KINGSTON, Jamaica, Feb. 18 (AP)—Fifteen male inmates of the Kingston mental hospital, where attendants struck Friday, were burned to death last night in a fire which destroyed the infirmary ward of the institution.

The fire was one of several in the hospital last night, all believed set by the mental patients. Three other persons were

killed over the weekend in riots which followed walkouts by insane asylum employees and prison, fire department and railway workers. Two persons were killed Saturday during a gun battle involving the trade union council, the British Indies trade union and the police. Earlier, another person was killed in a fight touched off by the strike at the asylum.

Virtually all of the more than 100 patients who escaped Friday from the asylum, shortly after attendants went on strike, had been rounded up by last night.

Belgian Head Resigns Post

BRUSSELS, Feb. 18 (AP)—Socialist Premier Achille van Acker and his government resigned today after the right wing Catholic party, pledged to return King Leopold III to his throne, led the national elections but did not win an absolute majority.

With only one of the 202 seats in the chamber of deputies still to be decided, Catholics had won 90 seats and perhaps 91, while the socialists running a strong second with 69.

The communists captured 24, the liberals 17 and the Belgian democratic union one or two, depending on a contested seat claimed by the Catholics. The Catholics in the last election in 1939 won 73 seats.

Storm Expected To Move Inland

SEATTLE, Feb. 18 (AP)—Winds of hurricane force—75 miles an hour—accompanied a storm off the Oregon and Washington coast today and the weather bureau forecast it would strike inland, reaching Seattle this evening or tonight with whole gales of 60 miles an hour velocity.

AFL Calls Walkout In Lancaster

General Union Tie-up In Support Of Big Transit Strike

LANCASTER, Pa., Feb. 18 (AP)—Union employes and other residents of Lancaster were tossed into complete confusion by the calling of a general strike of AFL unions today.

Many of the townfolk took the strike calmly, but owners placed irate calls to the offices of Acting Mayor Daniel W. Coulter demanding an immediate end to the strike.

Three industrial plants and six trucking firms were idled along with the Conestoga Transportation company, scene of a 13-day walkout of AFL workers. Most of the other industrial plants were operating normally.

Benjamin W. Weigand, president of the Central Labor union (AFL), which called the strike yesterday in support of the transit walkout, said the confusion was caused because not all the 12,000 AFL members in the area were notified officially of the strike. He said "the strike hasn't reached its peak yet."

Wants Police
Following an emergency city council meeting, Coulter dispatched a letter to Sheriff John Pfenniger asking him to furnish "police protection to maintain law, order and discipline." Coulter said police were unable to cope with the strike.

Pfenniger replied that "the local police can handle the situation quite adequately."

Picket lines were thrown up by 7:30 a. m. (EST) around virtually all industrial plants, but were withdrawn later in most cases. Weigand would give no reason.

Earlier Coulter had ordered all policemen away from the carpenter's Conestoga Transportation company because, he said, "the situation is wholly beyond the control of the police department."

Pickets halted buses and trucks operated by union employes, and no Greyhound buses were permitted to enter the city.

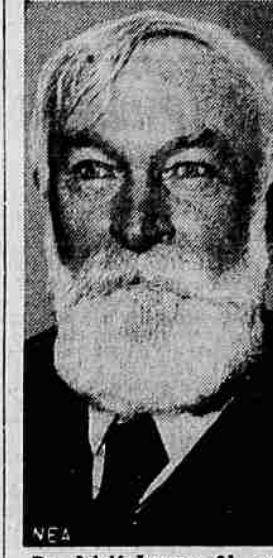
Barracks Plan To Be Talked

Discussion of the proposal to use the Klamath Falls Marine Barracks as a veterans' educational center is on the agenda of a state board of higher education meeting for tomorrow afternoon. The board is in session at Portland, but did not get around to the Barracks project today.

Construction bids on an Oregon State college dormitory took up the time of the board this afternoon. Three bids for the dormitory revenue bonds totaling \$900,000 and bearing a low interest rate of less than 2 per cent average, were submitted to the board this morning.

It is believed the state emergency board may hold a meeting in Klamath Falls after the board of higher education considers the Barracks plan. Possibly, members of the education board may also come here to look over the plant on the hill.

Noted Doctor Dies



Dr. Adolf Lorenz, 91, orthopedic surgeon famed for his practice of "bloodless surgery," died in Vienna February 12, it was learned Sunday. Dr. Lorenz, whose method of treating orthopedic cases without resorting to surgery stirred wide controversy in the medical profession, had visited the United States many times in a professional capacity.

Vandenberg To Seek Office

The tempo of local politics quickened measurably today with Judge David R. Vandenberg's announcement that he has decided to become a candidate for re-election for the circuit judgeship of the 13th judicial district, comprising Klamath county.

Vandenberg has not formally filed his intention to run with the secretary of state but says that he will do so before the March 8 deadline.

The circuit judgeship is the top elective office in the county, paying \$6000 a year for six years. The voting is non-partisan. Judge Vandenberg is now completing his first term of office.

Other than Vandenberg's announcement today, there have been no definite moves toward the circuit judgeship although L. Orth Sisemore and Dayton E. Van Vactor, local attorneys, and District Attorney Clarence A. Humble have been mentioned as possibilities in courthouse speculation.

Newton B. Nelson, present county assessor, filed notice of his intention to seek re-nomination as the democratic candidate for that office this morning. Nelson has until January 1, 1947, on his first term in office.

Mae K. Short, former county (Continued on Page 5)

Klamath USO To Close March 14

The Klamath Falls USO will close formally on March 14, according to word received by Director Hal Yetman today from the San Francisco USO offices. Closing of military installations here led to the decision to bring the USO operation to an end.

A meeting of representatives of a number of local organizations will be held Tuesday night to consider possible use of the USO building and facilities for general community purposes.

Solon Raps Selection Of Allen

Pauley's Appointment For No. 2 Navy Boss Hit

WASHINGTON, Feb. 18 (AP)—The senate confirmed today President Truman's nomination of George E. Allen for a two-year term as a reconstruction finance corporation director.

WASHINGTON, Feb. 18 (AP)—Senator Taft (R-Ohio) declared in the senate today that three appointments made by President Truman have "excited the indignation of the people of this country."

The chairman of the senate republican steering committee took the floor to oppose in particular the president's choice of George E. Allen, former democratic national committee secretary, for a two-year term as a director of the reconstruction finance corporation.

But Taft said he regarded with no more approval the president's choice of Edwin W. Pauley, former democratic national committee treasurer, for undersecretary of the navy and the selection of Commodore James K. Vardaman Jr., the president's naval aide, for a 14-year term on the federal reserve board.

Unqualified
"None of these men knows anything about the job to which he is appointed," Taft said. "Apparently they were appointed only because they are personal or political friends of the president."

3 Drown When Boat Capsizes

TAFT, Ore., Feb. 18 (AP)—Bodies of the two of three drowned Portland residents were still missing today after an outboard motorboat capsized in the Lower Siletz river channel, tossing six occupants overboard.

Fire Chief Bob Ballard reported Mr. and Mrs. Paul A. Wilkins and 10-year-old Frank Bannerman drowned in the choppy channel waters late yesterday afternoon. He said James C. Bentley had saved the lives of Mrs. Helen Bannerman and 8-year-old Hope Hanson, but was too exhausted to pull the body of Mrs. Wilkins from under the boat when he swam to the overturned craft a third time.

Horses Go At \$75.88 Average

Sixty army remount horses were sold at an average of \$75.88 each at an auction held at the Marine Barracks stables Sunday.

Most of the horses were apparently sold for personal saddle use. Col. Charles Brooks, Barracks commanding officer, said today. One buyer took eight horses.

Some of the horses were ridden away from the stables, and others were taken out by truck this morning.

Tie-Up Ends As Buses Roll

PORTLAND, Ore., Feb. 18 (AP)—After a four and a-half month tie-up, Overland Greyhound buses were operating on schedule today. The first bus left the terminal for Salt Lake City at 11:59 p. m. last night.

Resumption of service marked the end of a wage dispute which idled buses and 192 drivers on the company's routes north and west of Salt Lake City. The drivers returned to work under an agreement giving them 5.4 cents a mile. Their pre-war pay was 4.75 and the wartime rate under highway speed restrictions, 5.71 cents. The present rate is subject to renewed negotiation after a similar case, involving another company, is settled by arbitration now underway.

Rumor Rife On Spy Ring

OTTAWA, Feb. 18 (AP)—The arrival of several FBI men from Washington stirred speculation here today of possible developments affecting the United States in connection with the Canadian government's inquiry into an alleged leakage of "secret and confidential" atomic information.

It was learned, meanwhile, that the inquiry into the case—which an authoritative source said involved the transmission of atomic secrets to Russia—had spread to London, where a Canadian official was reported taken into custody for questioning. Twenty-two employees of former employes of the government previously had been rounded up in Canada in connection with the investigation.

Solution Sought To Power Strike

TACOMA, Feb. 18 (AP)—Tacoma's looker forward today to negotiations under the U. S. labor conciliation service, which, it hoped, would find a peaceful solution of this city's threatened power strike.

Representatives of local 483 AFL International Brotherhood of Electrical Workers and of the city council were to begin the first of their meetings at 2 p. m. today in the Hotel Winthrop.

The electrical workers, representing 243 city light department employes, agreed late Saturday night to postpone indefinitely the strike against the city for higher wages, which they originally had scheduled to begin today, pending outcome of negotiations.

Arriving In United States

John F. Anderson, Sgt., Klamath Falls, arrived on Marine Serpent due in San Francisco February 17.

Hirohito Says Jap Recovery Up To U.S.

By RUSSELL BRINES

TOKYO, Feb. 18 (AP)—Emperor Hirohito told three American newspaper executives in a rare interview today that the speed of his beaten nation's recovery depends on the cooperation of the United States.

In an atmosphere of unusual informality, the emperor received Robert McLean, president of the Philadelphia Evening Bulletin and of the Associated Press; Norman Chandler, president and publisher of the Los Angeles Times, and Benjamin McKelway, editor of the Washington Star.

Over tea cups, they discussed a wide range of subjects non-political, with the emperor observing at one point: "MacArthur is a very great man."

American troops are conducting themselves "cooperatively," he said.

The 30-minute interview—longest audience ever granted foreign newspapermen—was given at a rare invitation to tea extended during the executives' tour of the Pacific as guests of the war and navy departments.

Japan also "is very anxious to cooperate," said the emperor. He gravely requested his visitors to report fully their impres-

sions of Japan as "a contribution to international understanding."

By prior agreement, the Americans avoided discussion of political subjects and did not submit a questionnaire to be answered in Hirohito's name by court attaches, as has been done in the past.

Asked by McLean how long he thought it would take to restore Japan to its prewar commercial and industrial condition, Hirohito replied:

"It will take less time with the cooperation of America."

Attired in morning coat and striped trousers, the emperor chatted amiably, McLean reported. Hirohito became grave when expressing hope for a full reporting of the newspaper executives' impressions.

The Associated Press president said "the emperor received us most graciously. He took pleasure in finding out whether we were receiving good treatment in Japan, and the extent of the opportunities we have to obtain a full impression of the Japanese people's attitude and the manner wherein they are meeting the problems of the country."

The newspapermen entered the audience chamber with Itsumo Goto, chief of the protocol section of the imperial household

ministry and who served as interpreter. Hirohito and three major court officials entered from another doorway.

The emperor walked up to his interviewers and shook hands with each, saying through the interpreter: "I am so happy to have you here today."

The guests were seated at individual continental small tea tables. Their chairs were upholstered with maroon damask. English tea, with sugar and cream, and cakes were served by a formally-dressed attendant.

Chandler recalled that Hirohito used only sugar.

Hirohito wore rimless spectacles. The newspapermen said he smiled frequently during the conversation, which ranged from hobbies to tragedies of the war.

In response to a question, the emperor said Japan "should become a peaceful and a democratic nation."

McLean asked if he cared to discuss the conduct of American troops, and Hirohito commented that a prefectural governor had reported "American troops are conducting themselves cooperatively with the Japanese."

Hirohito told the executives that he was a subscriber to the army newspaper, Stars and Stripes, but that his "English is not good enough for me to read it."