

BRITISH COAL CRISIS MOUNTS

In The Day's News

By FRANK JENKINS
(Travel Correspondence)

AS these words are written, the house of representatives in Washington has just favored by a vote of a little better than two to one a constitutional amendment to limit future Presidents to two four-year terms, thus exceeding by 15 the two-thirds vote necessary for house approval.

The proposed amendment will go next to the senate. If the senators approve it, by at least a two-thirds majority, it will go to the legislatures of the 48 states. If three-fourths (36) of the state legislatures approve it, it will become a part of the constitution of the United States.

The third term issue will then be definitely disposed of.

It can be argued, of course, that we will be locking the stable after the horse has been stolen. But we might, at some time in the future, have ANOTHER horse.

One of history's clearest lessons is that too much power, left too long in one set of hands, is dangerous.

THAT isn't true ONLY of politics and government. It goes for business as well.

These words are written in an attractive little town in Southern California where for years one restaurant dominated the eating picture. If you wanted to eat satisfyingly, there is where you went. The surroundings were beautiful. The service was pleasant, unobtrusive and courteous. The food was excellent. The prices were high enough to yield a comfortable profit and allow for constant improvement of the premises and the equipment, but not so high as to keep customers from coming back again and again.

Then came the war, with its accompanying upset of existing standards. Among other things, the war boomed demand well up above supply. That is another way of saying that the war limited competition. For years, there were more buyers than sellers. When there are more buyers than sellers and conditions of WHATEVER nature, tend to prevent the starting of new enterprises, existing business tends to slip into the numbing grooves of monopoly.

Under ANY kind of monopoly, quality nearly always suffers. When you no longer need to fear competition, the incentive to improve your product continually is dulled.

IT seems to be flatly true that we can't stand still. When we stand still, we STAGNATE—like water in a puddle. Running water purifies itself. Stagnant water becomes foul.

It works the same way with business.

IT worked that way in the case of this restaurant business. There was no competition (in its class). Food was hard to come by. Cooks and waiters were no longer abundant—so there was no longer the danger that existing ones might lose their jobs. Building materials of all sorts were frozen in time, so that nobody could start up a new place.

Worst of all, the management lost its aggressiveness. There was nowhere else for people (wanting that kind of place) to go, so they had to keep on coming. You know what happened. The place lost its reputation. It lost its reputation because its quality slipped.

THE monopoly days are about over. Food is no longer unobtainable. Likewise with equipment and quarters. Even help is getting more plentiful. New places are springing up. Their management is ON THE MAKE, seeing to it that customers go away pleased.

The old place, which once had the world by the tail, is running almost empty.

THAT is what competition—either actual or POTENTIAL—does. But in the case of government THERE IS NO COMPETITION. THE INS see to that. Government, in its very nature, is monopolistic. We can't have two governments at the same time. And the longer ONE government stays in power, the more tightly it fastens its fingers upon the controls.

The only way to retain good government is to hold constantly before the eyes of the INS the threat that if they fail to give us good service we'll throw them out.

That is the thinking (conscious or unconscious) that lies back of the demand for limitation of the period in which one man can be President.

Edison Daughter Gets First Stamps

MILAN, O., Feb. 11 (AP)—Mrs. Madeleine Edison Sloan of Llewellyn Park, W. Orange, N. J., daughter of Thomas Alva Edison, today received the first sheet of memorial stamps issued in honor of the 100th anniversary of the birth of the great inventor.

Herald and News

PRICE FIVE CENTS

KLAMATH FALLS, OREGON, TUESDAY, FEBRUARY 11, 1947

(Telephone 8111) ★★ Number 10855

GOP's Rush To Slash Spending

New Spud Grade Asked By Growers

A large majority vote by growers last night favored adoption of the U. S. commercial potato grade "when needed" by the Klamath potato industry.

The action was taken at a hearing conducted in the circuit court room by state department of agriculture. Factors which were presented in support of the proposed addition of the grade were:

1. Increasing occurrence of leaf roll causing net necrosis.
2. Competition from other areas utilizing similar grade.
3. Much lower costs involved in packing a U. S. commercial grade in mediocre potato lots.
4. Reflection on quality of U. S. No. 1's when a No. 1 pack is made from two such so-called fringe quality lots.

It is not anticipated the grade will have any wide usage, according to Walt Jendzjewski, assistant county agent who specializes in potatoes.

It was explained by Ross Aubrey, in charge of shipping point inspection for Klamath basin, that since 1940 when Modoc and Siskiyou counties adopted a combination grade not more than 7 per cent of the total Klamath basin crop has ever been shipped under such combination grade.

William Close of the state department of agriculture explained that practically every state in the Union uses the U. S. commercial grade or grades similar to it.

Grower meetings are scheduled for three other potato areas in Oregon. Meetings are scheduled for Redmond, Ontario and Portland. The Klamath Falls meeting established sentiment here but reaction at remaining meetings will also influence the decision in regard to adoption of the U. S. Commercial grade.

Frank McKennon, in charge of federal-state inspection for Oregon, conducted the Klamath Falls hearing. He explained it is his department's policy to follow grower recommendations in regard to policy.

Klamath county produces two-thirds of total Oregon potato shipments.

Divers Hunt Lost Marines

OCEANSIDE, Calif., Feb. 11 (AP)—Marine corps officials, aided by navy divers, continued a search today for the bodies of seven Camp Pendleton leathernecks believed trapped inside three amphibious tractors which capsized and sank in the surf during a practice landing operation near here yesterday.

The three tractors, operating in a formation of nine, sank within a 40-yard area, about 150 yards off shore near the mouth of the Santa Marguerita river, and none of the crews in the cockpits were able to extricate themselves.

One of the missing marines was Pvt. Theodore A. Gosselin, mother, Mrs. Marjorie Gosselin, route 2, Port Angeles, Wash.

HOOPER IN STUTTGART

STUTTGART, Germany, Feb. 11 (AP)—Herbert Hoover arrived here today on his tour of occupied Germany to study food conditions and immediately began a round of conferences with German and American officials.

Planes Explore Unknown Coasts In Antarctic

ABOARD THE MT. OLYMPUS, Feb. 10 (Delayed) (AP)—Two transport planes from Little America and two Mariners from the expedition's western wing fanned out over glacial ice and frozen coasts today exploring the south polar regions with photographic eyes.

A pair of ski-equipped R4D's reached out 220 miles southwest from Little America over the huge ice shelf covering the Ross sea, then turned homeward, completing the flights in five hours.

Potato Growers Favor Additional Grade At Hearing



Klamath Potato Growers are shown at the courthouse hearing conducted last night by the state department of agriculture on the question of an additional potato grade. The growers voted in favor of asking for the grade, U. S. commercial, after hearing a discussion of the situation.

Panic Hits Shanghai As Inflation Soars

By FRED HAMPSON

SHANGHAI, Feb. 11 (AP)—Generalissimo Chiang Kai-shek was reported today to have summoned China's top economic experts for an urgent review of the nation's financial crisis as the widely-inflated Chinese dollar plummeted to a new low.

Shanghai was a city of confusion as the value of the Chinese dollar fell for the third straight day. Prices soared in other cities when news of the currency crisis reached them.

In Nanking, a spokesman for the executive Yuan declined to confirm the reported meeting of Chiang and his experts. He would not comment on economic measures "because of the possibility of producing provocative effects in an already confusing situation."

When exchange markets closed today, one American dollar, worth 13,500 Chinese dollars at the opening, would buy 18,500. Ten-ounce gold bars sold for 9,100,000 Chinese dollars, up nearly 2,500,000 from the opening price.

Storekeepers jacked prices 50 to 100 per cent daily. Shanghai's residents could not decide whether to stock up at today's fantastic prices or gamble on tomorrow's exchange.

Endless streams of cars and trucks blocked traffic around filling stations as owners bought up gasoline. As always in time of crisis, Shanghai's Chinese population made frantic efforts

to buy and hoard the one commodity it cannot do without—rice.

The majority of importers and exporters said they had done no business for the past week.

An old China hand predicted a "showdown" was inevitable within the next two weeks.

From Canton to Peiping, the price of rice skyrocketed. Hoarders had cleaned out the stocks of many shops in Shanghai by nightfall. In many cities reluctant Chinese merchants withdrew their stocks rather than accept Chinese currency.

The sliding dollar forecast another big jump in payrolls. In January, Shanghai payrolls went up 23 per cent, forcing many businesses to suspend. Doubt was expressed that many were in a position to withstand another such increase.

What caused the drop was not clear. Some blamed it on an effort to stimulate exports with a 100 per cent subsidy—an effort which backfired quickly by causing a jump in the price of exportable merchandise and which ran afoul of American and British import regulations.

Others asserted the central bank of China had exhausted its gold supply and was thus unable to check the fall of currency. Still others attributed the situation to abandonment of American efforts to bring peace to China.

Nazis Helped To Escape

LONDON, Feb. 11 (AP)—Government sources disclosed today that British sympathizers had formed an underground pipeline through which some known nazi prisoners-of-war were escaping from camps in this country to Europe.

The disclosures came soon after a Moscow radio commentator declared that "nazi henchmen," still armed and still at liberty in various parts of Europe, were "a definite danger to peace and security."

According to a Scotland yard source, the pipeline organization rented a house in a south coast town for the fugitives.

"The identities of the pipeline organizers are known at Scotland Yard," the informant added. "Formerly they were prominent members of a British fascist group."

Winter Still Clings To South; Florida Freezes

By The Associated Press

Winter overstayed its welcome junket in parts of the sunny south today, threatening fruit and vegetable crops, but it relaxed its cold grip on the long-chilled midwest and eastern sections of the country.

As the mercury dropped to below freezing in parts of Florida for the third consecutive day, federal forecasters in Chicago said temperatures have moderated over much of the eastern half of the country. The mercury tumbled from a high of 48 in Jacksonville yesterday to a nippy 25 this morning. Tampa reported a light frost at midnight while Miami's palm trees afforded no

Mercury Varies Over County

Temperature variations between the bureau of reclamation station and CAA, resulted in a discrepancy in the month-end review of January weather. The bureau of reclamation figures give a minimum of 5 degrees above zero on January 15, at coldest for the month whereas CAA figures, carried by The Herald and News, gave the minimum at 1 degree below zero on January 15.

Location of the two stations accounts for the difference in temperature, it was observed.

Calling Cops Confusing

WASHINGTON, Feb. 11 (AP)—So you want to call a cop? Well sit down, chum, and listen. It's a little different here in Washington than most places. You may need a guide book, city map and a compass.

Washington has these police forces: metropolitan—that's the biggest—White House, capitol, park, United States special police for most federal buildings, National Gallery of Art, Smithsonian Institution, secret service uniformed, National zoo, Washington aqueduct, National airport, Washington terminal, Soldiers' Home, district jail police, military police and shore patrol.

Or maybe you want the FBI or the immigration service. Now call your cop, chum, but take your time—and your pick.

WEATHER	
Max. (Feb. 10)	50 Min. —34
Precipitation last 24 hours	— .09
Rise/fall year to date	4.75
Normal —7.11	Last year —9.65
Forecast: Showers tonight, rain Wednesday.	

Testifies



Mrs. Martha Evans (above), of Arlington, Va., arrives in military court at Washington to testify in the Hesse jewel theft trial of Col. Jack W. Durant. Mrs. Evans, former secretary to Durant, told the court she brought a box of jewels across the Atlantic for Durant.

—AP wirephoto.

Rogue River Area Named

A 2000-acre tract of virgin sugar pine in the Rogue River national forest has been set aside by the U. S. forest service as a natural area, to be retained in its natural state for purposes of science, research and education.

The tract is located on Abbot creek, near Union creek and not far from Crater Lake national park.

According to the forest service, natural areas are not recreation areas in the usual sense of the term. They preserve samples of the virgin vegetation especially for the study of natural environment.

Public use of the Abbot creek spot will not be encouraged by the forest service, although it will not be entirely prohibited except where necessary for the maintenance of natural conditions.

Local YMCA Gets Charter

Klamath county YMCA received its national and area charter at a luncheon meeting held Monday noon. The charter was presented to Paul A. Lee, Klamath county president, by Dwight O. Welch, associate secretary of Pacific Northwest area, national council, YMCA.

Willard Rouse, secretary of the Olympia, Wash., YMCA was also present and led a discussion on internal structure, operation, maintenance and promotion of YMCA work. Welch spoke on world service and the youth fund movement.

Klamath county officers present were Lee, Glenn Kent, vice president, John Sandmeyer, secretary-treasurer, and Cecil L. Kollenborn, executive secretary. Members of the board of directors present were Andrew Collier, W. W. Southwell, Ralph Waggoner and E. H. Thompson.

The group met with the Y's Men's club in the evening. Tuesday morning Welch and Rouse left for the north, planning to visit at Ashland, Medford and Eugene.

Y.M.C.A. Charter Produces Smiles



Dwight Welch, associate secretary of the Pacific Northwest area of YMCA, presents the national and area YMCA charter to Paul A. Lee, Klamath county YMCA president. Left to right: Cecil Kollenborn, Klamath county general secretary; Welch, Lee, and Willard F. Rouse, Olympia, Wash., general secretary.

Scotland May Take Power Cut

LONDON, Feb. 11 (AP)—The labor government cabinet, wrestling with the unprecedented coal shortage, issued orders tonight to the war office and admiralty to stand by to give whatever help was possible.

All kinds of expedients were considered. These included the use of military flame throwers and bulldozers to clear snow drifts from railways, the use of radar aboard warships to guide colliers and barges through fog and ice, and the use of submarines to generate electric power for coastal towns.

Scotland Included

Informed sources said the cabinet soon might extend the domestic electric cuts to the entire nation, including Scotland.

Factories were closed, unemployment queues lengthened. The dole was back. Homes and stores were darkened. Public indignation mounted.

The weather turned freezing again as the nation dipped further into inadequate stocks from the recently socialized mines and more snow was forecast. Stock prices sagged. Winston Churchill shouted in parliament last night about "incompetence in high places."

Greyhound racing stopped. Weekly periodicals suspended. Television broadcasts ceased. Transit service in London was cut and 60 electric suburban trains were suspended. Candles were short in the foggy islands where use of electricity was already prohibited in homes of 38 counties for five hours daily, affecting 22,000,000 persons. At least 4,000,000 were reported unemployed because of the crisis, popularly dubbed an "economic Dunkerque."

Gas Rate Hike Asked

An increase in gas rates for the Klamath Falls system has been asked by the California-Pacific Utilities company, according to J. A. Ward, president of the company, and E. Mullis, Klamath Falls manager.

The proposed revision is expected to cost residential consumers an average of \$1.21 a month for the amount of gas used last year. A hearing has been set by George Flagg, utilities commissioner, for 10 a.m. at the county courthouse.

Company officials asserted that the increase proposal results from an over-night increase of 41 per cent in the combined cost of fuel and freight, coupled with comparable increases in other costs, coming on top of a slower but steady increase in the cost of all operations since 1931. They said that these factors have narrowed, then squeezed and then wiped out the profit margin.

The increases were asked for the southern Oregon division of the company, which includes Klamath Falls, Roseburg, Medford, Ashland, Grants Pass and adjacent areas.

Skiing Excellent At Crater Lake

Skiing is reported excellent at Crater Lake national park as mid-week conditions included a one and one-half inch fall of new snow on top of a 100-inch depth. Roads into and through the park are open but some ice and snow exists. Chains are not required. Cloudy skies hung over the park today and new snow was in prospect. The minimum Monday was 27 degrees, the maximum, 33.