

# RUSSIAN RAILROAD CAR KILLS 1

## Here and News

WEATHER	
Temp. (F.)	44 Min. 30
Precipitation	last 24 hours .30
Normal year to date	3.38
Normal	5.01 Last year .1618
Forecast Partly cloudy.	

PRICE FIVE CENTS KLAMATH FALLS, OREGON, FRIDAY, FEBRUARY 28, 1947 (Telephone 9111) \* Number 10670

# Committee Eyes Cigarette Levy

## British May Ask US Aid In Greece

By FRANK JENKINS  
FROM the front pages of the newspapers, these headlines look us in the eye: "Dollar Pork Chops in Offing," "Hog and Grain Prices Soar," "Record Food Cost Rise Coming."

Then, on the financial pages, we read this story:

"For the first time in weeks, heavy selling hit the stock market in the last hour of trading today and sent the prices of leading issues DOWN from one to four points. As selling orders poured in on the New York stock exchange, tickers ran four minutes late (meaning that selling volume was so heavy that the price reporting machines couldn't keep up with the changes.)"

THE financial page stories add:

"Wall Street offered no plausible reason for the sudden break."

WELL, if Wall Street had no plausible reason to offer, the men who make their living there are just plain dumb. Anyone with an ounce of brains knows the reason.

More high prices mean more high wages. More high wages mean STILL MORE HIGH PRICES. Taken together, this means MORE INFLATION.

By this time, we all know what inflation, followed by still more inflation, means.

It means RUIN.

SO it is little wonder that when the headlines begin to tell of coming stiff boosts in prices, to be followed by still other and STIFFER boosts in other prices, which will inevitably be followed by demands for stiff wage increases (resulting, probably, in strikes and unavoidable stoppage of production), the owners of securities should RUSH TO SELL while the selling is still good, thus bringing on sharp breaks on the stock exchange.

It is just a plain sequence of cause and effect, which anybody ought to be able to figure out for himself.

YOU must have been reading the news from China, where the powers that be are struggling with one of the great modern inflations.

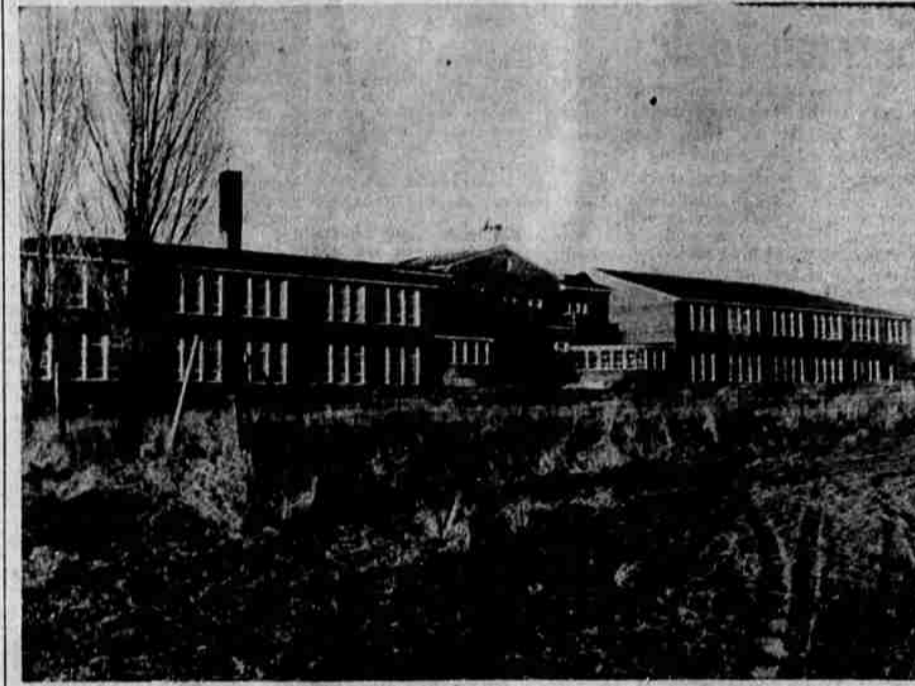
The Chinese have been fighting for about ten years. First they fought the Japs—displaying, at times, unexampled heroism, patriotism and devotion. But, during all the time when they were fighting the Japs, their production was running down. At the same time, their supply of printing press money was increasing, for it doesn't take much time or effort to produce printing press money.

Eventually, we came along and licked the Japs. But when we licked the Japs, the Chinese leaders didn't have sense enough to stop fighting and go to producing. Having no longer a foreign enemy to fight, they started fighting among themselves. They are still at it.

AS a result, Chinese production is still non-existent, but Chinese inflation has become a fearful and wonderful thing to gaze upon. The Chinese dollar—which in the days when China was a fairly stable PRODUCING country was quoted on the international exchange markets at two dollars Chinese for one dollar American—was selling on the Shanghai black market, the last time this writer saw a quotation, at the fantastic rate of 20,000 dollars Chinese for one dollar American.

The American dollar has been doing some fancy inflationary spilling on its own account, as our production has fallen behind demand, but in comparison

## New Bonanza School Almost Completed



This picture of the Bonanza consolidated school building which next year will entirely replace the old Bonanza school dating back to 1897. The left wing is used as a high school, replacing the high school which burned down four years ago, and the right wing, when completed, will house the elementary grades. A gymnasium is also attached to the building. Lekberg and Duncan are contractors for the \$125,000 project.

## Additional Tax On Gas Gets Favor

The house assessment and taxation committee voted today to introduce a bill to tax cigarettes two cents a packet to raise \$2,000,000 for each of the next two years, while a majority of the committee spoke in favor of an additional one-cent a gallon gasoline tax to give more money to counties and cities.

The cigarette tax is the same as was passed by the 1945 legislature. It was referred to the people and defeated 67,542 to 60,321. The proposed tax would be in effect for only two years.

The committee's subcommittee on new revenue proposed that the extra one-cent gasoline tax would enable increasing the cities' share of highway revenues from 5 to 12.5 per cent, and the counties' share from 15.7 to 20 per cent.

Rep. Burt K. Snyder, Lakeview, chairman of the house roads and highways committee, was the only member who talked against the proposal.

While the proposal would not take additional revenue from the highway fund compared with what the highway commission has been getting, Snyder said the commission needs more revenue to complete its road program. Sponsors of the proposal said the highway commission should not build until costs come down, and that the programs for county roads and city streets are just as important.

Snyder declared that the proposal would set the state road program back 10 years.

## New Envoy



Lewis W. Douglas (above), one-time budget director, was appointed by President Truman to be ambassador to Great Britain and his nomination sent to the senate. —AP wirephoto.

## Car Races Downhill Into Curve

GALLITZIN Pa., Feb. 28 (P) Careening wildly down a mountain-side track while the remainder of the train continued on its journey, the last car of the Pennsylvania railroad's New York-to-Texas "Sunshine Special" carried a pullman porter to his death and injured 10 passengers and one crewman today.

The car, tearing loose from the train at the crest of the Allegheny mountains while one of its two engines was being cut off, took off in a three and one-half mile solo run backwards.

Gathering speed as it went, it zipped past Bennington curve where 11 days ago the wreck of the "Red Arrow" claimed 24 lives and injured nearly 150 others.

The dead porter was identified by the railroad as L. Keys, working out of Houston, Tex. Passengers on the car said he was standing on the rear platform in a vain effort to stop the flight and was crushed as the car hit the hillside.

Investigation Starts  
Railroad officials immediately started an investigation.

Flagman Edward J. McBellevue, who was also injured taking to Abbeville railroad's Jefferson train, was on credit for reducing the speed of the train by 10 miles an hour as it rounded Bennington curve in its wild flight.

Harry G. Willis, Jersey City, N. J., who suffered a fracture of the right leg, said he was the first passenger to awake.

"I noticed the car racing down the mountain side but couldn't tell which way it was going," he said. "The brakeman told all the passengers to get out of their berths and lie in the aisle. Most of the passengers did this but some were too afraid to get out. We raced along for about five or seven minutes."

"There wasn't too much screaming. Considering the terror, the people did marvelously well. The brakeman tried to apply the emergency brake but it wouldn't work."

## Army Plane Sets Record

NEW YORK, Feb. 28 (P) — The Betty Jo, army P-28 fighter, completed a 4978-mile non-stop flight from Honolulu at 11:06 a. m. (EST) today in approximately 14 hours and 30 minutes.

Just two minutes and 44 seconds after the twin-engine fighter roared out of a blue sky over LaGuardia field, it made a perfect landing—at 11:08:44 a. m. It took off from Hickam field, Honolulu, at 8:35 p. m. (EST) last night.

Emergency equipment lined the runway of the big airport as the Betty Jo zoomed in, prepared for an emergency landing.

The pilot, Lt. Col. Robert E. Thacker of El Centro, Calif., and co-pilot, Lt. John M. Ard of Inglewood, Calif., won a daring bid against 95-mile headwinds from Pennsylvania and danger of low fuel tanks to reach their New York objective.

"We're going to take a shot at New York," they said by radio over western Pennsylvania.

An hour later they hit their mark.

## Mystery Surrounding Coat Case Partially Explained

Partial explanation of the mystery of Mrs. Eve Benson's coat which she donated to a clothing drive early in the war and which subsequently was purchased by Mrs. Bill Baker of Sevierville, Tenn., was given in a story which appeared in Friday's The Oregonian.

The Portland newspaper advised it had received a letter from the mail order house which sold the coat to a woman in Tennessee. The Guild Mail Order House told The Oregonian that it could not specifically know where individual items of its merchandise come from, because the firm buys its clothing in lots ranging from three to 500 garments at a time from dealers. These dealers, the mail order house wrote, go around the country buying up second-hand clothing and then re-sell it in large quantities to this and other firms.

"It evidently was sold to some dealer in your section of the country, and came to the jobbers here in New York who in turn sold it to us," the letter stated.

Mrs. Benson had asked Oregon's congressional delegates to investigate. She donated the coat to a drive for overseas needy in 1942 or 1943, she said, pinning a little note in it asking the recipient to write to her if possible. In January of this year she received a letter from Mrs. Baker at Sevierville, saying she had placed an order with a mail order house in New York and received her coat and found the note.

## OPA Gets Fund Till June 30

WASHINGTON, Feb. 28 (P) — The senate appropriations committee voted 8 to 5 today to allow the office of price administration \$17,991,815 to continue rent, rice and sugar controls until June 30.

Chairman Bridges (R-N.H.) said the committee wrote into the bill a provision for \$18,986,000 money bill provision requiring OPA and the office of temporary controls to end all activities June 30.

Bridges said the committee, in effect, allowed the OPA about \$5,000,000 to continue its operations for the next four months, with the remainder of the fund earmarked for payment of terminal leave of employees and for liquidation purposes.

"I want to emphasize that this action won't end controls over rent, sugar and rice," Bridges told reporters. "The committee was informed that a rent control bill is ready for early senate consideration and that there is a move afoot to transfer sugar and rice controls to the department of agriculture."

## Police Hunt Kidnapers

TACOMA, Feb. 28 (P) — State patrol officers were watching today for two men who robbed and kidnaped a Seattle man in his own car last night and, after dumping him out at Spanaway, disappeared with his car.

John Weaver, of 2103 11th street, Seattle, told Pierce county sheriff's officers that the robbers entered his car, parked near the Seattle bus depot at 8 p. m., and threatening him with a gun, robbed him of \$37, and after passing through Tacoma drove out to Spanaway where they left him near a service station from whence he called police.

Weaver said the car stopped several times at taverns, but one man kept him under guard in the car while the other went into the tavern. After leaving him the car sped along the mountain highway.

## Army Speeds To Flood Area

WEST PALM BEACH, Feb. 28 (P) — The army today sent a rescue squadron of four flying boats speeding toward the town of Trinidad, in northern Bolivia, where upward of 3000 persons were reported clinging to tree tops, roofs and debris in imminent danger of drowning in a flood.

On direct orders from Washington, the fifth emergency rescue squadron under command of Capt. Santa M. York took to the air on short notice and sped across the Caribbean sea.

Four Catalina flying boats capable of landing in floodwaters make up the squadron.

The word from Washington was that Trinidad, a town of 8000 at a confluence of two rivers, was completely under water, and that a majority of its inhabitants had been trapped.

## Bomb Blast Kills Soldiers

JERUSALEM, Feb. 28 (P) — Reliable reports from Haifa said two soldiers and five civilians were injured in a bomb explosion there today a few hours after an intercepted refugee ship with 1350 unauthorized immigrants aboard was escorted into Palestine waters off Haifa.

An American consular officer, in Haifa to investigate reports that the ship was carrying an American captain and crew, said the second floor of Barclay's bank was blasted by the bomb.

Other reports said the explosion was caused by a mine placed in offices of the Haifa Shipping company, on the third floor of the Barclay building. These reports said the shipping company offices were damaged, but the bank itself was unscathed.

## No Coal Contract Overture Made

WASHINGTON, Feb. 28 (P) — John L. Lewis wrote Senator Capewant (R-Ind.) today that no overtures toward a new contract to operate the nation's soft coal mines have been made by the United Mine Workers of America.

WASHINGTON, Feb. 28 (P) — Only a day after he recommended that the United States spend \$475,000,000 for the relief of Germany alone over the 18-month period beginning last January 1, he was called to give his view before the house foreign affairs committee on a proposed bill to expend \$350,000,000 in five other European countries and China.

Just back from making a three weeks' survey of Europe's food needs, Hoover contends that relief for the other European countries should not be put at higher levels than those he recommended for Germany and Austria.

## Hoover Urges Foreign Loan

WASHINGTON, Feb. 28 (P) — Former President Herbert Hoover called on congress today to put United States relief abroad on a loan rather than a gift basis. He also urged establishment of the post of foreign relief administrator to coordinate this country's missions of mercy.

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## British-French Pact Reached

LONDON, Feb. 28 (P) — Foreign Secretary Ernest Bevin announced agreement on a British-French treaty of alliance in the house of commons today.

Bevin said he and French Foreign Minister Georges Bidault would sign the treaty next Tuesday at Dunkerque.

"It is evidence of the bonds of friendship" between the two countries, he said.

Dunkerque has special significance to the two countries as a scene of horror and defeat resulting from attempted wartime cooperation that fell short of its goal of stopping the Germans in 1940.

Anthony Eden, conservative former foreign minister, congratulated Bevin for concluding the new alliance.

## Teachers Win Pay Skirmish

SALEM, Feb. 28 (P) — Oregon school teachers, asking that the state teacher minimum salary be doubled over the present \$1200-a-year figure, were over their first big hurdle today after the house education committee recommended a \$2400 minimum for teachers with bachelor's degrees, and \$2100 for teachers without them.

The house education committee decided to introduce a bill permitting the state education department to establish aviation education programs in schools, and appropriating \$60,000 a year for the purpose. The committee also recommended passage of bills to let school boards buy houses for teachers and to provide rigid inspection of school buses.

The senate education committee will meet tonight to consider proposals for distribution to school districts of the \$18,000,000 annual basic school support fund, including house bill 9 which the house approved 55 to 4.

## British Forces Stay In Japan

TOKYO, Feb. 28 (P) — British commonwealth forces, now totalling about 30,000, are "here to stay" for the duration of the allied occupation of Japan, informed sources said tonight.

Departure for Malaya early in February of the United Kingdom's fifth infantry brigade of about 3000 men had led to rumors that the British contemplated a wholesale withdrawal.

Informants said the contrary was true and pointed to newly accelerated recruiting programs in New Zealand and Australia.

Publicity representatives of those countries are in Japan obtaining material for the recruiting campaigns.

## Debt Payment Fund Promised

WASHINGTON, Feb. 28 (P) — The senate voted today to write into a budget-cutting pledge a promise to apply \$2,600,000,000 of any savings toward reduction of the national debt.

The vote was unanimous, 83 to 0.

The action came after Senators Knowland (R-Calif.) and Taft (R-Ohio) had compromised two different proposals on debt payment. Knowland at first wanted to earmark three billions for debt payment and Taft only one billion.

## Russia Believed To Have Huge Airborne Army Now

WASHINGTON, Feb. 28 (P) — Russia is believed to have an airborne army in being or in training far surpassing that of any other power.

Information filtering out of Russia indicates, it was learned today, that the Soviet Union's strength in troops trained for lightning strikes from the air may number as high as 100,000 men.

This force compares with the single airborne division which the United States possesses. That division—the 82nd at Fort Bragg, N.C.—has an authorized strength of 13,000 men but presumably is below that figure.

Efforts to bring the 82nd nearer authorized strength have been complicated by the use of trained airborne soldiers as elements of occupation forces in Germany and Japan.

Some strategists note that the reported 100,000-man strength of the Russian airborne force may be misleading because of a possible Soviet deficiency in the important matter of air transportation.

Russia's primary aviation interest during the war was in

## Logger Killed In Accident

ASTORIA, Ore., Feb. 28 (P) — Carl A. Larson, about 45, partner in the Larson Logging company of Aberdeen, Wash., was killed yesterday while working at the company's operations near Jewell.

Larson walked behind a truck which was backing up to the loading platform, and was run over.

Larson and his partner, Fred Harstrom, had come to Jewell only recently to begin large scale logging operations. The only known survivor is an uncle, Elmer Larson, Nehalem, Ore.

## Armed Favored For Handicap

ARCADIA, Calif., Feb. 28 (P) — Headed by the favored Armed, 22 thoroughbreds were named today to start in the \$100,000 Santa Anita handicap tomorrow.

Others named were Gallia Damion, El Lobo, Texas Sandman, Nanby Pass, Burning Dream, See-See-See, Bric a Bac, Dere Time, Adroque, Hank H., Plover, Terry Barge, Autocrat, Witch Sir, Slitch Agala, Olhaverly, Monson, Triplicate, Menu, Be Courageous and Artillery.

The weather looked good today, but there was still a threat of rain tomorrow.

Armed, topweighted at 129 pounds, gives away 10 pounds to the next weight, Gallia Damion, 120.

The race, at a mile and one quarter, guarantees \$100,000 to the winner.

## Bull Sale Price Sets New High

LA GRANDE, Feb. 28 (P) — Highest prices in the history of the Tri-County Hereford Breeders association annual sale at La Grande were paid here yesterday. The 53 bulls consigned by Hereford breeders from Union, Wallawa, Baker and Umatilla counties sold for an average of \$401.50, compared with an average of \$238 last year.

Ten cows consigned this year brought an average of \$332, compared with an average of \$238 last year.

## Fire Sweeps Pearl Harbor Dock, 25 Injured In Blaze

PEARL HARBOR, Feb. 28 (P) — The navy sought to find the cause today of a flash fire which swept a huge Pearl Harbor dock, sent 25 firefighters to the hospital and laid a smoke pall over the giant base.

Damage was expected to run into hundreds of thousands of dollars, and it might have mounted far higher but for 500 navy and marine fire-fighters who confined yesterday's blaze to a quarter-mile-long wooden dock.

At the height of the roaring fire, civilian workers moved more than 5000 tons of supplies to a place of safety when the flames licked close to the adjacent warehouse area.

Fire broke out without warning in the oil-slick waters between the dock and the supply ship Oberon at 10:45 a. m. and within a few minutes had raged the length of the dock on the submarine side of the yard.

Crews of the Oberon and the nearby destroyer tender Sierra got their ships under way quickly and out into the safe channel as the flames spread along the oily waters, sending black smoke clouds billowing.

Four firefighter tugs and a dozen smaller craft equipped with hose moved in and shot water into the mass of flames, while shore-based firefighters poured on water and chemicals.

Twenty-five of the firefighters were overcome by smoke and were taken to Naval hospital, some protesting that they could stay and fight the flames. None was believed in serious condition.

Navy authorities estimated that 100 others were treated for minor burns and many others, overcome temporarily, were revived on the dock and returned to their stations.

It was approximately four hours after the flames broke out that the fire was brought under control.

## Divorced Bill Proposed Today

SALEM, Feb. 28 (P) — The senate judiciary committee introduced a bill today which would permit a divorced person to remarry 60 days after getting the divorce. Divorced persons must now wait six months.

Sen. Irving Rand, Portland, chairman of the committee, said that many Oregon persons go to Washington state to remarry before the six months are up. He said the bill might remedy the situation.

## Forest Travel Heavy In State

PORTLAND, Feb. 28 (P) — More than a million persons visited the 19 national forests of Oregon and Washington last year, 840,000 of them camping overnight, the regional forester's office reported today.

The total was nearly double that of 1945 and nearly up to the last pre-war year's peak of 1,228,000 in 1941.