

3-POWER CONFERENCE FAILURE

In The Day's News

By FRANK JENKINS

MOLOTOV this morning turns down the British-French proposal for European recovery under the Marshall program (under which the United States was prepared to pay to Western Europe: "Get back to work and we'll finance you.")

Russia's No. 2 man says the British-French proposals "would lead to no good result" and warns both nations that their action in calling the conference would lead to a division of Europe.

PERHAPS the British-French action should be explained here. We outlined the "get to work and we'll finance you" program. But we had a canny hunch that if we proposed it to Russia she'd thumb it down because it came from us. So we got the British and the French to a ring it on the Russians. Hence the Paris "conference."

ANYWAY, we forced a showdown. We know now exactly where Russia stands. She stands behind the Stalin-Adriatic line, which apparently was agreed upon at Yalta in payment to Russia for staying in the war.

From behind this line she will attempt to keep Western Europe hungry and in turmoil, knowing that out of long-continued hunger, turmoil and hopeless COM-MUNISM EMERGES.

With the situation thus made perfectly clear, our job, as the champions of free enterprise in a world that apparently must choose between the individual as a victim of "THE STATE," is to keep ourselves inviolably strong. The individual may VANISH—as it has vanished before in the long career of mankind on this planet.

Fortunately there are signs in the sky that we are beginning to realize this fact and that the necessary tolerance of each other's rights may be forthcoming.

Up in three counties of northern Washington timber, Whatcom and San Juan, AFL carpenters have WAIVED a 13-cent-per-hour pay raise to which they were entitled under their contracts.

E. M. Weston, president of the Washington state Federation of Labor, says this morning: "The workers evidently believe it is better to have a job at which they can work every day at a rate people CAN AFFORD TO PAY."

W. Carr, president of the Seattle Building Trades Council, says: "It took a lot of nerve to do a thing like that in times like these. It might turn out to be the right thing."

IT DOES take nerve. It also takes patriotism. In times like these, we are all scared. We don't know where prices are going, and we get feel instinctively that we've got to get out while the getting is good. But getting ours while the getting is good is what leads to inflation like the Chinese have.

THERE is another straw in the wind. A Washington dispatch this morning says that "powerful soft coal operators are predicting today that an agreement will be reached which will avert an all-out strike next Tuesday in the coal industry."

These operators (who ask to remain anonymous) assert that there already has been a check by influential industrialists that his soft coal diggers in northern and western pits will get their full 35 cents an hour wage hike demands.

HIKING coal wages 35 cents an hour may hike the price of coal. Coal is the making of raw material in the industry of steel. If coal prices are upped, steel prices may be upped. Steel is the primary raw material of most of the things we need. If steel prices are upped, inflation will bite harder still. The coal operators know that.

But they know also that we have a new labor law that gives more power to employers than they have had in the recent past. It has been dubbed (erroneously, this writer thinks) a SLAVE labor law.

It seems probable that the coal mine owners may be saying that they want to do their part to make the new law WORK FAIRLY, and are therefore going the whole road and meeting Lewis' wage demands. If they DON'T RAISE PRICES, it will be reasonably certain that this is what they are trying to do.

WEATHER
Max. July 1: 86 Min. 47
Precipitation last 24 hours: 0.00
Pressure (at 10 a.m.): 10.3
Last year: 18.91 Normal: 11.56
Forecast: Fair, light clouds.

Herald and News

WEDNESDAY, JULY 2, 1947 (Telephone 8111) ** No. 10973

GOP's Rap Truman Realty Probe

Hogback Lookout Light New Night Feature Here



This picture from the Lincoln street hill looks across the town at Hogback mountain, showing the light which gleams from that summit since Klamath Forest Protective association established a lookout there. The picture was taken with a 30-minute time exposure, the aperture stopped at f16, by Herald and News Photographer, Wes Guderian. The Hogback lookout is Jack Dale, 18, son of Mabel Dale, 524 Paul, and nightly at 9 o'clock. Dale winks the light as signal to his mother that all is well with himself, his wife, Rita, 16, and their 3-month-old daughter, who live with him in the lookout tower. Dale has a gas type light, there being no power line to the lookout. This view may be impressive, but the view Dale has of the Klamath basin at night has it "beat all hollow," according to KPFA officials. Incidentally, the streak in right center in the above picture was made by the lights of cars going up Motorcycle hill, a favorite spooning spot.

Businessmen Guard Water

GRANTS PASS, July 2 (AP)—Businessmen acting as vigilantes last night were guarding the Rogue River city water supply and the city council also met to pass two emergency ordinances as a result of the city's reservoir being drained by unknown persons Monday night.

When residents reported no water, a check of the reservoir disclosed that a valve had been opened and the water allowed to run into an irrigation ditch, according to Fire Chief Max Miller. The tampering with the city's water supply followed the mysterious fire which destroyed the Sullivan lime plant there Saturday night.

Wife Held In Shooting Case

HOOD RIVER, July 2 (AP)—Herbert W. Johnson, 45, was in "fair" condition today in a Portland hospital where he was taken last night with a 38 caliber bullet wound in his forehead.

Weather Outlook Good For Fourth

Weather prospects for the 4th of July holidays looked encouraging today as Klamath people hoped the clear skies and sunshine hold through the week-end.

House Committee Drafts Report On Ship "Subsidy"

WASHINGTON, July 2 (AP)—A house foreign affairs subcommittee has drafted a report asserting that maritime unions are getting what amounts to a \$500,000,000 a year subsidy under the administration's foreign aid program.

Coal Operators See Hope Of Averting New Strike

WASHINGTON, July 2 (AP)—Powerful soft coal operators predicted today that an agreement will be reached with John L. Lewis in time to avert an all-out strike next Tuesday in the bituminous industry.

Medlin Trial Slated For GP

Mrs. Lucille Medlin and her common-law husband, Hugh Gilreath, defendants in the "Miss X" case now held in jail at Yreka, will be brought back to Grants Pass for trial.

Husband's Search Ends

YREKA, Calif., July 2—The husband of Bonnie Owsley Wallace, amnesia victim who was found wandering on the street at Dunsuir some time ago, has arrived in Yreka to claim his wife.

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Defense Heads Urge Women's Reserve

WASHINGTON, July 2 (AP)—Gen. Dwight D. Eisenhower and Fleet Admiral Chester W. Nimitz urged congress today to authorize permanently the services of women in the regular and reserve army and navy.

Fraud Trial Defense Heard

WASHINGTON, July 2 (AP)—The prosecution in the May-Garrison war fraud trial today challenged defense contentions that a guilty verdict would have international repercussions and argued, instead, that it would be a "healthy" thing for democracy.

Farm Labor Surplus Noted

HILLSBORO, July 2 (AP)—No "Hello, Hello!" signs have reappeared on some Washington county fields for the first time since previous days.

Plywood Panel To Be Shown

OLYMPIA, Wash., July 2 (AP)—A plywood panel Washington Veneer company officials believe to be the largest ever manufactured will be entered in a Fourth of July parade here, Frank Abbott, production superintendent for local operations, announced today.

Missing Flier Found In Wilds

LA GRANDE, Ore., July 2 (AP)—A three-week search for a missing Dallas, Texas, flier was over today, his body found beside a demolished airplane in the Blue mountains.

Biologists To Go To Bikini Soon

SEATTLE, July 2 (AP)—Clarence Pautzke and Robert Meigs, fisheries biologists with the state game department, have been granted 60-day leaves of absence to do research work for the Atomic energy commission at Bikini atoll.

Mississippi Flood Crest Peak Reached

ST. LOUIS, July 2 (AP)—The muddy Mississippi river appeared to have reached its crest here today after smashing four main levees yesterday and routing thousands of persons from their homes in nearby Illinois communities.

The river remained stationary at 40.3, a 103-year high, and Harry F. Wainwright, U. S. meteorologist, said it was expected to start falling before dark.

While the worst of the flood appeared past for the St. Louis area, the situation southward as far as Cairo, Ill., remained critical. A levee break in Jackson county, Ill., 100 miles south of here, flooded the town of Grand Tower and several unincorporated areas.

Walter Whitehead, county disaster chairman for the Red Cross, estimated 370 families fled their homes in Grand Tower and the surrounding area and said up to 40,000 acres of crops had been lost in the county.

Grand Tower had been virtually isolated yesterday by an upstream levee break which sent floodwaters pouring down an inland valley and closed all but one road leading into the town of 1000 people.

Plane Helps Logging Camp

NORTH BEND, July 2 (AP)—Logging operations are now being kept going via parachute.

Late yesterday afternoon the Camas Valley Lumber and Logging company reported that its power unit in isolated Camas valley, 50 miles east of here, had stalled.

Within an hour and a half, Lloyd Ellison, manager of a parts supply house, dropped the needed set of valves by parachute. He flew the plane himself.

It was believed the first time in Oregon that stalled logging machinery received emergency repair parts that way.

Stop-Gap Fund Gets Okay

WASHINGTON, July 2 (AP)—A senate-house group reached agreement today on a compromise measure to supply emergency funds for government agencies until congress can act on regular appropriations.

The action lifted the threat of delayed paydays for thousands of government workers as well as the possibility that veterans benefits payments would be halted temporarily.

Senator Bridges (R-N.H.), chairman of the senate appropriations committee, announced the agreement and said the house and senate probably will approve it promptly.

The stop-gap measure became necessary because most of the major appropriations bills for the new fiscal year, which began Tuesday, have not been passed by congress.

Reds Refuse Agreement On Policy

PARIS, July 2 (AP)—The three-power foreign ministers' conference on the Marshall proposal ended in failure today when the Russians refused to agree to join in a co-operative international effort for European economic recovery.

The French government immediately announced that France and Britain would pursue a study of the Marshall aid-to-Europe program along with any countries which join to them.

Before the conference was terminated Soviet Foreign Minister V. M. Molotov declared that British-French proposals relating to U. S. Secretary of State Marshall's suggestions would lead to a division of Europe. He also predicted the proposals would "lead to no good results."

The British-French suggestions had dealt with organizing the continent for mutual self help with financial aid from the United States, as suggested by Secretary of State George C. Marshall in a speech at Harvard university June 5.

A high Soviet official said today's session ended the conference. "It is finished," French Foreign Minister Georges Bidault told French newspapermen as he walked out of the foreign ministry.

An official British source predicted earlier that Britain and France soon would invite other European countries to participate in a program of over-all economic planning to help restore the continent's war-shattered economy.

A French source said British Foreign Minister Ernest Bevin declared in a heated outburst that Molotov's statement was "a travesty of facts." The informant quoted Bevin as continuing: "I don't know if he (Molotov) is repeating intentionally a false interpretation of things in the hope that people will finish by believing this erroneous interpretation."

"I regret the threats which have been pronounced with regard to the eventual consequence of our envisaged decision, but my country already has had the occasion to face up to such a situation and will continue to do so."

French Foreign Minister Georges Bidault cautioned the Soviet Union upon a decision which would divide Europe into two groups of powers. "The world," he said, "has seen a witness that France has done all she could to prevent such a division."

"France solemnly declines all responsibility for the consequences of a decision which she has done her utmost to avoid," he said. "The French-British plan would have set up a steering committee for Europe. Molotov assailed the plan as invading the sovereignty of European states."

Molotov's statement, issued by a Soviet embassy official, said the plan called for a new organization standing over and above the countries of Europe and interfering in their internal affairs down to determining the line of development to be followed by the main branches of industry in those countries.

Cigaret Tax Stamp Ready

SALEM, July 2 (AP)—The state tax commission said today that all cigarette sold in Oregon after 12:01 a. m. Saturday must bear the stamp showing payment of a two-cent per package tax, but that if the referendum against the bill is successful, the commission is prepared to make refunds.

The referendum petitions, circulated by tobacco wholesalers, must be filed by 5 p. m. Friday in order to prevent the bill from becoming law. The tax is expected to raise about \$2,000,000 a year. If the referendum is successful, then the measure would go on the ballot at the special sales tax election next October 7.



Ray River holds while Harry Mathis solders for the Pacific Telephone company as they seal the ends of cable preparatory to storage. The 9 o'clock lineman just happened along to watch these men take down the overhead lines which are now replaced by an underground system.