

HOLIDAY SLOWS MARKET LOSSES

WEATHER
Max. (Feb. 11) 38 Min. & above
Precipitation last 24 hours .40
Storm year to date .83
Last year .48 Normal .718
Forecast: fair.

The Herald and News

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In The Day's News

By FRANK JESKINS
THIS is Lincoln's birthday. Lincoln was one of our greatest Presidents—perhaps our **GREATEST**, because he came into office at the moment of our gravest crisis and lived up fully to his responsibilities of leadership.
He was **SINCERE**—in his leadership counted.
LINCOLN was the founder of the Republican party. The Republican party, in 1860, was sincere. It believed fiercely that human slavery was wrong. It believed with equal conviction that the union must be preserved.
So it waded in—win, lose or draw.
YOU know—we **ALL** know—what followed. It was a time to try men's souls.
But human slavery was abolished. The union was preserved.
It was done the hard way—but it was done. That's what counts.
AGAIN, as in 1860, the Republican party is bidding for power to run the country as it thinks the country ought to be run. Again we face problems—differing from 1860's, but in their way as grave and as far-reaching.
If, this year, its leadership is sincere and genuine and patriotic, the Republican party can't lose.
If all it can do is to piddle around with peanut politics, it can't win.
THE Soviet (Russian) weekly, the New Times says today: "The drop in commodity prices in the United States is one of the symptoms of growing economic CRISIS." All Soviet newspapers are playing heavily the news of our market break.
Russia is staking her hope of a communist world on a crack-up in the free economy of the United States. Her leaders are smart enough to know they can't compete with an America that stays strong and healthy.
DO we face a crack-up?
Senator Taft (who, whether you like him or not, is one of our clearest thinkers) says in St. Paul last night:
"I do not believe faltering commodity prices point toward any general depression. . . . We may now look forward to a **STRAIGHTENING OUT** of the curve of inflation."
I see no reason to think this drop will bring a depression or interfere with full employment unless it becomes much more serious than it now appears.
HERE is what has happened—so far:
The upward march of prices has been checked. Prices marching steadily upward since inflation in letters a foot high. Unchecked, uncontrolled, unfettered inflation can end only in a sickening crash.
If we take the right road from here, we can **AVOID** calamity and go on to new heights of achievement.
WHAT is the right road?
The map is plain.
We can arrive at our hoped-for destination, sound, whole and happy. If we turn in and produce at our full capacity at prices that people can afford to pay.
Stabilized prices. Prices and costs that make it possible for us to look forward into the future and make plans.

Gov. Hallimum On Politics

Cattleman Tells The Governor



When this picture was taken at the Willard hotel dining room this morning, Seth Dixon, prominent Fort Klamath rancher (with the cigar), was engaging Gov. John Hall in conversation. The governor made his first official visit to Klamath Falls today, talking to Kiwanians at the hotel at noon. Tonight he is speaker at a republican Lincoln Day banquet.

New Housing Bill Looms

WASHINGTON, Feb. 12 (AP)—Senator McCarthy (R-Wis.) predicted today that congress will pass a long range housing bill this year.
The Wisconsin lawmaker, vice chairman of the house-senate housing committee, made this forecast after talking with GOP leaders in congress.
At the same time McCarthy recommended in a report to the joint committee that there be no provision in the program for government operated or owned public housing projects.
He said any public housing legislation should be handled separately in order to avoid the "emotional controversies" which surround this hot issue.
"Private enterprise must be our chief reliance," McCarthy declared.
He said the goal should be 1,500,000 new dwellings a year. But he added that about 700,000 of these probably "will continue to be priced out of the market" each year unless (A) "we are able to bring about a substantial reduction in prices" or (B) arrange for the government to stand part of the cost.
McCarthy's report is based on hearings he held last fall in a number of major cities. Except for public housing, it largely parallels many features of the Taft-Elliender-Wagner (T-E-W) bill approved by the senate banking committee last April.

Labor's Fight Against T-H Law Runs Into Hot Water

WASHINGTON, Feb. 12 (AP)—Organized labor's drive to swing the 1948 elections ran into double trouble today.
The two big complications seemed to be:
1. The possible chilling effect of a grand jury indictment on union political spending.
2. Divided political loyalty within the ranks of both AFL and CIO.
The indictment was returned by a federal grand jury here yesterday. It cited the CIO and its president, Philip Murray, under the section of the Taft-Hartley act which bans use of union money for political purposes.
A CIO strategist said privately the indictment is bound to discourage unions from campaign spending.
Even if the unions doubt the government can make the indictment stick, he said, "as a practical matter it will deter them."
The CIO contends the section of the law involved is unconstitutional. Its lawyers hope to get a supreme court ruling before the high tribunal takes its summer recess in June.
Both the AFL and CIO have as their aim the defeat of congressmen who voted for the Taft-Hartley act. But both are finding it hard to make their members stay latched to a single line of political action.

Rockefeller Kin To Wed

OKEECHOBEE, Fla., Feb. 12 (AP)—Winthrop Rockefeller, 36-year-old bachelor grandson of the late John D. Rockefeller, and Mrs. Barbara Sears, 31, both of New York, have applied here for a license to marry.
The application was filed Tuesday. Rockefeller declined to disclose plans for the wedding, but Florida law requires a three-day waiting period.
Known as one of the country's "most eligible" bachelors, Rockefeller is one of five sons of Mr. and Mrs. John D. Rockefeller Jr. He is an official of the Socony-Vacuum Oil company. Entering the army as a private in 1941, he was discharged as a lieutenant colonel in 1946.
Mrs. Sears, daughter of Mrs. Peter Nevekas of Chicago, made her debut in 1933. Her marriage to Richard Sears of New York ended in divorce.

Diamond Lake 26 Below

Temperatures which plummeted as low as 26 below zero at the Diamond lake siding on the Southern Pacific route north, were reported in Klamath Falls today as its citizens agreed the minimum reading of 5 above this morning was enough for awhile.
The SP readings were called into the trainmaster's office this morning and included such sharp drops as 20 below at Crescent, 18 below at Chemul, 15 below at Lenz and 12 below at Kirk. It was a minus 10 at Grass Lake in Northern California.
Official records showed a minus 15 at Sand Creek station on The Dalles-California highway, 2 above at Keno, 9 above at Odell lake on the Willamette highway. Roads were clear of packed snow and ice today and highways were well sandbed. There was no new snow to the district.
The basin is in for another 34 hours of "clear and cold," according to the weatherman.

Snowslide Wrecks Mountain Train

ALAMOSA, Colo., Feb. 12 (AP)—A thundering snowslide swept three tiny cars on a mountain railway into a precipitous gorge last night but all 14 occupants miraculously escaped death.
Two of the persons escaped without any injury. Two men and three women were hospitalized. The others were treated for minor injuries and released.
The narrow gauge Denver and Rio Grande Western train makes a daily round trip from Alamosa to Durango and return. It is 30 miles from here at Toltec gorge in the Cumbres mountains when the slide struck without warning.
The two engines needed to pull it up the winding roadbed, a baggage car and an express car were safely past the danger point when the avalanche—100 feet wide and 10 feet deep, struck.
The impact cut loose the last three cars—two chair cars and a combination parlor-dinette car. Snow engulfed them, then went under and ahead of them, providing a cushion that somehow held the cars upright.
Some 400 feet down the 40-degree slope, the first chair car smashed against a tree, came to a halt only a few yards before the lip of the gorge breaks into a cliff dropping another 300 feet. The second coach stopped after 300 feet and the parlor car came to a halt 30 feet from the track.
Most seriously injured was Brakeman George Atloway of Alamosa, who was taken to the Rio Grande hospital at Salida, Colo., with chest injuries.
Also taken to Salida was Railway Express Messenger Victor Engle of Alamosa. Both were reported in good condition.
Hospitalized in Alamosa was Mary Martinez, 19 of Park View, N. Mex., who suffered frostbitten feet; Mrs. Pat Kelly of Durango, Colo., shock; and Mrs. A. C. McLane of Durango, sprained back. Mrs. McLane was to be released today.
The youngest passenger—15-month-old Phillip Schenckel, grandson of A. H. Stock, Chama, N. Mex., and his grandfather, escaped injury. The shaken passengers were brought to Alamosa, fifty miles northeast of the scene of the snowslide early today by a rescue train that took four hours to negotiate the 100 mile round trip.
Temperatures in the mountain area around Alamosa dropped to 30 below during rescue operations.

OVS Graduates First Student



First graduate of Oregon Vocational school is Bob Carstensen, right, who received his certificate of accomplishment from Director Winston D. Purvine this week. Carstensen is a graduate in the school of drafting and is lined up for a position with an Oakland, Calif., contracting firm. He is a Klamath Falls resident, living on Lakeshore drive.

Umatilla Indian Held In Shooting

Joseph James Biddle, 20-year-old Umatilla Indian from Pendleton, was brought into the county jail late last night by state police on a hold order of the federal bureau of investigation in connection with the shooting of Eugene Lahr, 29, early Wednesday morning on the bank of Williamson river just outside Chiloquin.
Lahr, a Blackfoot Indian from Montana, remains unconscious and in an extremely critical condition at Klamath Valley hospital. The attending physician, who removed a bullet from the center of Lahr's brain yesterday afternoon, said there was some chance of recovery but that the brain was badly damaged.
FBI MUM
FBI and Indian service officers, making the investigation, have not made public much information about the affair but there are indications that the crime may be turned over to local authorities for prosecution.
Sheriff Lloyd Low said that since both Biddle and Lahr are outside Indians, not actual residents of the reservation, it might be handed to the county.
The shooting took place sometime Tuesday night after 11 p. m. or Wednesday. Lahr, husband of the former Barbara Barkley of Chiloquin, left his home about 11 o'clock and told his wife he would be gone only a short time. He was sober, officers said.
He was accompanied by Avery Charles, member of the Klamath tribe.
Found Near River
Early Wednesday Lahr was found on the bank of the river at the Ben Jones ranch, shot through the head and unconscious. He was brought to Chiloquin and then taken to the hospital by Professional Ambulance service.
Indian Service Officer John Arkel and other federal and state officers took up the investigation and yesterday at least eight persons were questioned about the affair. Only Joe Biddle was brought to the county jail.
At the scene of the shooting some empty .32 caliber cartridges were found which may have come from a .32 automatic pistol owned by Biddle. No cause for the shooting has been officially advised.
A borrowed automobile, owned by Harold Hatcher of Chiloquin, also figured in the shooting and lacerations on Lahr's chest indicated he might have been shot through the windshield of the car.
The bullet struck Lahr above the left eye and penetrated his skull, lodging in the brain. It was located by X-ray pictures and removed soon after the unconscious youth reached the hospital.
Lahr was employed by the Ortis Logging operation. He attended Chemwa Indian school and came to the Klamath reservation about seven months ago. Biddle has been on the reservation only a short time and listed his occupation as farmer.

Arrested



John Williamson (above), labor secretary of the U. S. communist party, was arrested by FBI agents at his home in Upper Manhattan, New York, on a deportation warrant.

Basic Food Items Show Price Drop

NEW YORK, Feb. 12 (AP)—Plunging market prices took an enforced "breather" today after a week-long rampage. United States commodity and securities markets were closed in observance of Lincoln's birthday.
The first decisive break in the rising price level came on February 4. Since then prices have nosedived on the commodity and security exchanges, and to a lesser extent in wholesale food and raw material markets. Grains and cotton led the slide. It still was on yesterday, but appeared to be losing some of its violence.
Felt Friday
Last Friday the consumer felt the first effects of the widening breaks. New retail food price cuts were on the fire last night.
Reaction spread yesterday to securities markets around the world. Stocks tumbled in Manila, Copenhagen, Sydney and Toronto. There was a slump on the London market, but prices there recovered before the British exchange closed for the day.
There were temporary rallies in the prices of grain during the week, but they were short-lived.
"The back of inflation has been broken," said A. W. Zelomke of New York, economic counselor and president of the international statistical bureau, a private organization. Many economists agreed.
Zelomke predicted that commodity prices would fall 20 to 25 per cent within nine months. Most economists were chary, however, with any predictions for the future.

No Depression Seen By Taft

ST. PAUL, Minn., Feb. 12 (AP)—Senator Taft (R-Ohio) said today that a recent dip in the commodity markets may have solved the problems of price-wage spiral.
Here for a major foreign policy speech tonight, Taft told a news conference he does not believe faltering commodities prices point toward any general depression.
But the Ohio senator said he hopes that "we may now look toward a straightening out of the curve of inflation."
"If that takes place," he said, "then we will have the problem of adjusting those things which are out of line."
"In this connection it may become necessary for the government to support the price of wheat and other commodities at the parity level return for farmers which, he said, congress has promised to maintain throughout 1946.
Asked if the drop in commodity prices would halt attempts to reduce federal taxes, Taft said he foresaw no such result. He said only a general depression would be likely to reduce revenues so sharply as to make it impossible to cut taxes.

No Depression Seen By Taft

CHICAGO, Feb. 12 (AP)—The national association of retail grocers reported today a survey of independent retail food stores showed prices of several important basic food items have dropped substantially.
These items are flour, bacon, ham, lard, vegetable shortening, eggs, butter, pork, and in some cases, beef.
The association said it surveyed stores in key states in every geographical area and that reductions reflect lowered prices in commodity markets.
The cuts, the association added, are not "leaders," a business term for goods sold at reduced prices to attract customers to stores.
The survey was made after last week-end's price flurry so that only genuine reductions were considered, the association reported.
Some of the reductions were:
Flour—down 5 to 16 cents on a ten-pound bag.
Lard—3 to 8 cents a pound.
Vegetable Shortening—2 to 4 cents a pound.
Butter—5 to 6 cents a pound.
Whole Hams—3 to 6 cents a pound.
Ready to Serve Hams—5 to 10 cents a pound.
Bacon—5 to 10 cents a pound.
Pork Loins—2 to 12 cents a pound.
Pork Chops—10 cents a pound.
Eggs—10 cents a dozen in some areas.
Beef Cuts—3 to 8 cents a pound.
Hamburger—4 cents a pound.

Latest Fashion Collection Is Little Changed

PARIS, Feb. 12 (AP)—Worth has based his spring fashion collection on a half-open tulip silhouette. He achieves this by minimizing the waist and padding the hips.
The silhouette, however, is not exaggerated, and clothes are simple and easy to wear.
Excellent color combinations and lavish use of flowers and fruit as trimmings, inject a real touch of spring into the whole collection.
Skirts, which are a moderate 12 or 13 inches from the ground, are very full, seldom pencil-lined. Suits, both strictly tailored and dressy, come with youthful blouses of Swiss dotted cotton, organdie linen and lace, often with gloves to match.
He brightens navy blue dresses with lace trimmings. Aprons are used extensively.
A white linen full-skirted number had a short rounded apron in front underlaid with realistic looking cherries, a huge bunch of them adorned the waist. An evening gown of the white organdie had three overlapping aprons.

Prunes Are Big Staple At School

BALTIMORE, Feb. 12 (AP)—Know any good recipes for prune dishes?
The Maryland department of education has to serve 21,000 pounds of the dried fruit to school kids in the next few weeks, whether the youngsters like it or not.
One of the department's officials, Charles W. Sylvester, explained the prunes were sent here under terms of the federal lunch-money program.
"Federal officials buy them to keep them off the market," he said, "—and we dish 'em out."

PUD Meeting Slated Here

A meeting of persons interested in forming a public utilities district here to bring in Bonneville electric power is called for Friday at 8 p. m. in the circuit courtrooms of the courthouse.
An attempt will be made to revive petitions for circulation to get sufficient names for presentation to the state hydro-electric commission.
If enough interest is shown in the move, the state commission may authorize a survey here to determine the need for additional electric power and then grant permission for the proposal of establishment of a public utilities district to be put up for public vote.
Backers of the plan to bring Bonneville power into this region would like to work quickly enough to have the proposal put on the November general election ballot.
Over a year ago some petitions were circulated regarding the formation of a public utilities district here.

Livestock Prices Mixed

CHICAGO, Feb. 12 (AP)—Livestock prices were mixed today. They ranged from 25 cents a hundred pounds higher on lambs and some heavier hogs to 50 cents lower on some lightweight hogs and some cattle.
Fresh supplies of livestock from the country came nearer meeting the expectations of traders than for any day this week.
Vealers were exceptionally weak, registering declines of \$1.00 to \$2.00 a hundred pounds. The top price for the day of \$27.00 a hundred-weight was the lowest on vealers since the first week of December and compared with the \$34.00 record made January 7.

Lincoln's Death Told In Paper



The death of Abraham Lincoln as told in an original newspaper account is read by R. A. St. John of 2303 Hope. The paper, The New York Herald, was given to St. John a number of years ago by his grandmother. It is believed to be one of the few original accounts in this section of the country. (See story on page 10).