

POUND VALUE CUT ROCKS WORLD

In The Day's News

By FRANK JENKINS
THERE is big news today.
Britain cuts the dollar value of the pound sterling from \$4.03 to \$2.80.

THESE events follow:

British banks are closed.
The London stock exchange and stock exchanges in France, Holland, Greece, South Africa and many other countries are shut down. The opening of the New York stock exchange this morning is followed by a short-lived burst of selling.
Foreign exchange trading is forbidden in much of Europe and the sterling area (meaning that part of the world which uses the pound sterling as its unit of money value).
In London, harried brokers trade stocks and bonds ON THE SIDEWALK.

The dispatches add:
"It was the biggest financial turmoil the world has seen since Britain went off the gold standard one Sunday night in September 1931 (going off the gold standard had the same effect as this arbitrary cut in the dollar value of the pound.)"

YOU will deduce from all this that the devaluation of the British pound will have a shattering impact on world business—including ours. Since you are probably not familiar with all the details of foreign commerce and foreign exchange, you will probably wonder why.
So let's see if we can explain it here.

TO begin with, if you buy or sell goods in foreign countries you don't get your pay if you sell and you don't do your paying if you buy IN AMERICAN MONEY. You use the money of the country in which you deal and later convert it into dollars.
That is First Reader stuff, but it is essential to an understanding of the situation.

HERE is an example:
Shoes of a pretty good grade sell in Britain for about a pound. Up to this morning, a pound was worth (approximately) four American dollars. That is to say, 12 American dollars would buy only three pairs of British shoes.

BUT NOW a pound sterling can be bought for only \$2.80. That means that for \$12 you can now buy approximately four and a third pairs of British shoes.

THE effect of the devaluation, you see, is to CUT THE PRICE OF BRITISH GOODS IN AMERICAN MARKETS.

IF only Britain were concerned, the effect would not be so far-reaching. But as these words are written similar cuts in the dollar value of their currency have been made by Australia, South Africa, India, New Zealand, Ireland, Israel, Norway, Denmark, Malaysia, Burma and Egypt. It is practically certain that France and other countries will follow along.

That means that the price of goods from all these countries will be CUT IN AMERICAN MARKETS.

ONE more point: ALL THESE CURRENCY DEVALUATIONS WILL RAISE THE PRICE OF AMERICAN GOODS IN THESE MARKETS.

So—
The net result of it all will be that we will:

1. Buy more from abroad.
2. SELL LESS ABROAD.

YOU don't have to be told what that will mean. Prices of American goods will have to come down if they are to compete with the goods of other countries. Either that or we will have to go back to the old isolationist system of prohibitively high tariffs.

HERE is the long and the short of it: World trade is OUT OF GEAR. We have been selling vastly more than we have been buying. That can't go on indefinitely. If we are to keep on selling goods abroad, we'll have to BUY GOODS ABROAD. Commerce is a TWO-WAY street.

What we are going to have to take won't be palatable. CASTOR OIL ISN'T PALATABLE. But there are times when castor oil is necessary.

Crosswalk Crackdown Gets Tougher

There will be no more suspended or remitted fines in municipal court for failure to yield the right of way to pedestrians, Police Judge Leigh Ackerman said today.
City police for the past week have been staging a drive against motorists who ignore the right of way of pedestrians at crosswalks and intersections, arresting more than two dozen. Three accidents with personal injuries brought about the campaign.
Judge Ackerman has been handing out nominal fines for the offense and then suspending many of the fines, but starting today he said there would be no more suspended fines. Motorists arrested and convicted of failing to yield the right of way to pedestrians can expect to pay.

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Coal Miners On Pension Strike

Pensions OK Only Strike Bar-Murray

BULLETIN
WASHINGTON, Sept. 19 (AP)—Philip Murray said today there will be a steel strike Saturday night unless the industry agrees to the pension-insurance plan recommended by the presidential fact-finding board.

WASHINGTON, Sept. 19 (AP)—Philip Murray declared today that "the only hope of averting a strike" of 1,000,000 CIO-steelworkers is through settlement of their pensions dispute at government-arranged conciliation sessions.

Murray, president of the CIO, made his statement to Cyrus F. Ching, conciliation director, and 50 steel industry representatives summoned to peace talks by Ching.

Murray said the only chance of sidestepping a strike scheduled for next Sunday "is to conclude a settlement here and now on the basis of the board's recommendations."

Fact-Finding Board
He referred to the recommendations of a presidential fact-finding board. The board recommended no fourth round wage increase but proposed a "package" of company-financed pensions and social insurance to cost up to 10 cents per hour per worker.

Murray said:

"We are ready and we will proceed now to negotiate with any and all companies and to conclude a prompt settlement on the basis of the board's recommendations."

"It is in the national interest that all parties do so if the strike in the steel industry is to be averted."

Six Injured In Wreck At Lake O' Woods

A head-on collision between two cars at Lake O' Woods at mid-afternoon Sunday sent five persons to Sacred Heart hospital in Medford and painfully injured a sixth.

All suffered serious cuts and bruises. They were reported improved in Medford today.

Injured were Mrs. Tom (Irene) Neely, about 35, and her three children, Darlene, 14; LeRoy, 13, and Ronnie, 5, occupants of one car, and James F. Addington, 18, and Henry Cornelius Tjokker, 23, both of Rogue River, riding in the other machine.

Mrs. Neely was en route to Medford to attend a birthday party in honor of LeRoy who was 13 on Sunday. The Rogue River men were on their way to the Lake O' Woods resort. The crash, which badly damaged both machines, occurred at the south end of the lake and on a curve.

Hit Head On
Young Addington, owner of the car which Tjokker was driving, said both machines met squarely in the middle of the road.

The injured were moved to Medford. (Continued on Page 2)

KF, 5 Other State Cities, Get Gas Cut

Klamath Falls was one of six Oregon cities to get a nine per cent cut in their gas rates today.

The cities are served by the California-Pacific Utilities company which reduced its rates because prices of liquefied petroleum gas dropped. This gas is the base for the gas used by the six cities.

Public Utilities Commissioner George H. Flagg, who ordered the reduction, said it amounts to \$113,800 a year.



FROM GERMANY TO KLAMATH FALLS comes Emmy Douth to become the bride of Veteran John W. Stiles, 4673 Austin. The bride-to-be brought her 8-year-old daughter, Caren, by a former marriage, with her to America. Stiles met his German fiancée while serving overseas in World War II. The German arrivals were greeted at the airport Saturday afternoon.

Stockman Lists Top GOP Presidential Possibilities; Labels 'Ike' Sure Winner

By MALE SCARBROUGH
The republicans have their pick of five good candidates to toss at the democrats in 1952, or at least the five look good to GOP Congressman Lowell Stockman.

The genial Oregon 2nd district representative told local republicans Saturday night during a meeting at the Willard that the calibre of the party's presidential aspirants was improving all the time, and listed these five men as outstanding potential candidates:

- 1-Senator Wherry of Nebraska, GOP senate wheelhorse.
- 2-Senator Taft of Ohio, characterized by Stockman as "the most capable man in public life today."
- 3-Senator Henry Cabot Lodge of Massachusetts, a younger man compared to the front.
- 4-Harold Stassen, now U. of Pennsylvania president and still a strong man in GOP affairs.
- 5-Dwight Eisenhower.

The last named, Stockman said, and most republicans agree, can be elected president of the United States if he wants the job. The democrats also agree "Ike" is almost a sure shot and a considerable effort was made to get him to run as a democrat in 1948.

Eisenhower was America's No. 1 wartime field general and since retiring from the army has become president of Columbia university. It is Stockman's opinion that Eisenhower leans toward the republican party and will accept the GOP nomination for president in 1950.

Notably Missing
From the list is New York's Governor Tom Dewey, a twice-beaten candidate, and California's Governor Earl Warren. Stockman made no bones about saying he believes Dewey is a used firecracker in national politics. Warren he did not mention.

Taft, although standing an excellent chance to be returned to the senate from Ohio, was discounted as presidential timber because of the almost hysterical opposition to him on the part of organized labor.

Stockman's talk dealt with many issues which probably will be bandied about between now and the next year's congressional election, and put himself on the record as against CVA as presently proposed, against

Buck Cost Deer Hunter Lots Of Bucks

TULELAKE, Sept. 19—A deer hunter from Oakland who didn't know his way around killed a spike in forbidden territory, the Lava Beds, Sunday, and then took the illegal animal to Game Warden William Royen for validation.

Claud Dawson Franklin and three companions up here to hunt, allegedly inquired of a resident living near the Lava Beds monument for information on where to hunt. Told "anywhere along here," Dawson hunted and got his buck just inside the monument.

He appeared before Justice of the Peace George Long, who fined him \$50 and suspended \$25.

Lucas Buys Slough Bldg. For \$30,000

A Main street landmark changed hands today with the filing of a deed showing the purchase of the Slough building, 520 Main, by Marvin K. Lucas, Klamath furniture dealer and businessman.

Consideration of the 30-foot Main street frontage was given as \$30,000.

Lucas said he would establish a retail furniture store on the street floor and details would be announced later.

The Slough building was built in 1912 by the late W. S. Slough, teacher and real estate man. The second floor was added in 1924. For many years it was occupied by the late Arthur Whitman, druggist, but closed on his death this spring.

Early Days
In early days, the little wooden structure on the alley in the rear of the Exley hotel, Fifth and Main, stood on the present site of (Continued on Page 2)

Russ Ready For Austria Treaty Talk

WASHINGTON, Sept. 19 (AP)—The state department announced today Soviet Russia has agreed to resume four-power negotiations on a treaty with Austria.

The negotiations, interrupted at London on September 1, will be renewed Thursday in New York.

The state department said that Andrei Gromyko, acting Soviet foreign minister, consented to the new talks at a conference yesterday in Moscow with the American, French and British ambassadors.

They called on him in a group to discuss the plea made in Washington on September 15 by Secretary of State Acheson, British Foreign Secretary Bevin and Foreign Minister Schuman of France that Russia go along with the proposal to try to work out terms of a treaty.

6 Drown; Truck Goes In River
NEWAYGO, Mich., Sept. 19 (AP)—Six persons were drowned today when a truck loaded with Negro farm workers ripped through a bridge railing and plunged into the Muskegon river.

Twenty-one persons, men and women, were riding in the truck, en route from Baldwin, Mich., to the onion fields at Grant, Mich.

Mines Close Over Nation; Lewis Quiet

PITTSBURGH, Sept. 19 (AP)—Coal mines shut down across the nation today as John L. Lewis' diggers struck again on their own—this time crying "no pension, no work."

Production of anthracite (hard coal) and bituminous (soft coal) is being choked off by anger of the United Mine Workers over President Lewis' suspension of pension and welfare fund payments.

Actually, miners' pent-up feelings are aimed at southern coal operators who refused any more 20 cent per ton royalty payments into the welfare fund until a new contract is signed. The refusal prompted Lewis' suspension of welfare benefits.

Most of the UMW's 480,000 members in 20 states are expected to be idle by tonight.

Lewis said the welfare pay stop is due to the fund running low on cash. But it's all part of the UMW fight for a new contract. He's deadlocked with operators after prolonged talks.

Walkouts started last midnight and gained headway over the coal fields today as come-to-work whistles blew in vain. UMW leaders insisted the union's rank and file is acting on its own initiative. That Lewis has issued no strike call. He never does.

Strike Grows
West Virginia, biggest soft coal producing state, reported its 120,000 miners joining the stoppage.

Pennsylvania, No. 2 on the producing parade, saw miners refusing to show up at pits across the state.

The Western Pennsylvania Coal Operators association said no miners were working in the rich bituminous belt employing 56,000. All big mines in central Pennsylvania, employing 45,000 also were down.

Only a few of Eastern Pennsylvania's 80,000 hard coal miners showed up for work. They sat around and talked for a while and then went home. The great majority never reached the mines. Many industry leaders had expected the hard coal miners to continue working since the operators have continued royalty payments. The anthracite pension fund is administered separately from the bituminous fund.

Grain, Truck Lost In Fire At Tulelake
TULELAKE, Sept. 19—Some 700 sacks of grain and a cargo truck were destroyed by fire late Sunday afternoon on the Cox brothers ranch on the west side of Tulelake. Loss was estimated at \$5500.

Five fire trucks went to the scene of the blaze. The Winema Farms truck arrived first and was followed by trucks and firefighters from Tulelake, Merrill, the fish and wildlife service and the bureau of reclamation.

Harvesters were working in the field loading grain on trucks when the fire started, probably from straw collecting under a truck and igniting against the truck muffler. It spread through the straw and burned 14 grain dumps, totaling about 700 sacks of top quality Hamchen barley.

Sports Bulletins
YANKS WIN
NEW YORK, Sept. 19 (AP)—Lefty El Lopat shut out the Cleveland Indians on five hits today, 6-0, as the New York Yankees boosted their American league lead over the idle Boston Red Sox to three full games.

DODGERS WIN
CHICAGO, Sept. 19 (AP)—Rex Barney, Brooklyn speed merchant, plied a brilliant one-hitter against the Chicago Cubs today to give the Dodgers a 4-0 victory. The only hit was a single by Phil Cavarretta, first man up in the eighth inning.

Turmoil Sweeps Finance Circles Following Slash

LONDON, Sept. 19 (AP)—A 30.5 per cent cut in the dollar value of the pound sterling hit the British public today like a blow in the face. There was financial turmoil the world over.

The labor government, in a desperate gamble to save the nation from threatened bankruptcy, hunger and misery, slashed the worth of the pound last night from \$4.03 to \$2.80.

Banks were closed. The London stock exchange and those in France, Holland, Greece, South Africa and many other countries were shut down. Foreign exchange trading was forbidden in much of Europe and the sterling area. In London, harried brokers traded stocks and bonds on the sidewalk.

Business was at a virtual standstill in this great city which once was the financial and economic heart of the world.

Eleven nations of Europe and Asia quickly cheapened their money to match the British move. Cabinets in other world capitals held emergency sessions to decide what to do.

It was the biggest financial turmoil the world has seen since Britain went off the gold standard on another September Sunday night almost 18 years ago to the day.

Devaluation of the pound was intended to solve Britain's grave financial crisis by selling more and cheaper goods to America.

Controls Held
A treasury spokesman said devaluation of the pound would have no effect on Britain's strict currency controls.

The pound is not convertible into other currencies without a treasury permit and dollars may not be taken out of the country unless the treasury approves.

The new, cheaper pound means that Americans may buy Scotch whisky, English tweeds, Staffordshire china and many other British products at lower prices.

By mid-day 2000 stockholders and clerks jammed into the street in front of the stock exchange. They had an open air market going especially in booming gold shares.

Wild Trading
In the confusion prices quoted in one knot of brokers often were as much as three shillings higher or lower than those 20 yards away. South African gold shares shot up over last Friday's official closing quotations. Randfontein gold mines jumped from 18 to 25.

Brakpan rose from 15 shillings, sixpence to 20 shillings.

The British economic boss Sir Stafford Cripps said last night in a nation-wide radio address that England is banking on a big boost in dollar earnings—enough for Britain to become self-supporting by the time the European recovery program ends in 1952.

"That is the only permanent solution for our difficulties—earn more dollars," Cripps declared.

He warned that if Britain's gold reserves continue to drain away as fast as they have in recent months, Britons will suffer "lower standards of living" and widespread unemployment.

In Same Boat
The same problem faces most of the other countries of the world outside the Soviet orbit, where economic policies are dictated by the Kremlin.

Within a few hours after Britain's announcement, similar cuts in the value of their currency were announced by Australia, South Africa, India, New Zealand, Ireland, Norway, Denmark, Malaysia, Burma and Egypt.

France, Italy, Sweden, Holland, Greece and Finland suspended dealings in foreign exchange. In Canada, bankers with trade ties with Britain but whose money follows the U. S. dollar rate, Finance Minister Abbott promised a statement to parliament tonight.

Famed Actor Frank Morgan Dies In Sleep
HOLLYWOOD, Sept. 19 (AP)—Actor Frank Morgan—he of the harried manner and embarrassed laugh—has died.

The veteran stage, movie and radio actor, who had a life of 50 years, died yesterday during his sleep. He was 59.

His wife of 34 years, Alma, noticed he had stopped breathing and called an inhalator squad. An hour's effort was futile.

Morgan had just finished a picture, "Keys to the City," with Clark Gable and Loretta Young, on Thursday, but he did not seem unduly tired. It was his 68th film.

Top Films
His latest-released movie was "The Stratton Story," in which he portrayed a baseball scout. Among his top films were "The Great Ziegfeld," "Naughty Marietta," and "Green Dolphin Street." He also had his own radio show for a time.

Morgan was a son of the late George Wupperman, manufacturer of Angostura Bitters.

One of his greatest interests was yachting. Despite this, Morgan had to be awakened when his Dolphin II won the California to Honolulu yacht race in 1929.

A son, George Morgan, 32, his brother, Ralph, also an actor, and two sisters survive.

Move Means Britons Must Tighten Belts

LONDON, Sept. 19 (AP)—Sears, the janitor at the apartment house where the writer lives, is a little cockney who earns five pounds a week. He has just learned that the pounds has been devalued.

The pound was worth \$4 when he went to the local pub last night. Today, as he goes to work, it will be worth only \$2.80.

But Sears can't tell a bit of difference in the "quid" (pound) in his pocket. His quid will buy just as much tomorrow as it did Saturday.

That state of affairs won't last long, however. In a couple of weeks his bread and flour will cost 20 per cent more. Like all Britons, Sears and his family eat a lot of bread.

All Prices Up
Other items will have to go up too. That's because about one-sixth of the things Britain buys abroad—both food and raw materials—come from countries like the United States or South America, which either won't devalue at all or will do it on a smaller scale.

So Sears will have to strap his belt a little tighter, make his old macintosh last through another rainy winter and forget about that new set of kitchen chairs he was going to buy, simply because prices will go up and he can't afford them.

Cops Puzzled Over Pinson; Dead, Alive?

SPOKANE, Sept. 19 (AP)—An answer was sought today to the case of a convicted murderer, said buried in two places but believed by police to be alive and sought for an armed robbery in Idaho.

The puzzle is John O. Pinson, who escaped from the Oregon state prison at Salem May 30. A Spokane detective, D. E. Lamplier, said Saturday his office has "positive proof" that Pinson and Joseph Anthony Dorian, the Idaho fugitive, are one and the same.

Pinson's death was reported by William Benson, who accompanied Pinson on his escape. He told police when captured at Columbus, Ohio, that Pinson was shot in the escape and later died. Benson said he buried his companion, but his stories varied. One time he said he buried Pinson in North Idaho; later he said it was near Salem.

Proof Chance
Benson arrived here last night with a police escort. He probably will be asked to prove his story by showing the grave.

Lamplier said a picture of Dorian has been identified "positively" as that of Pinson.

Dorian is sought for an armed robbery committed at Gooding, Idaho. He was cornered last Wednesday at Coeur d'Alene but escaped into the woods.

Pinson was sentenced to life imprisonment in 1947 for slaying a state patrol officer who sought to question him at Hood River, Ore.

Fear 2 Dead In Southern Rail Wreck

NEWTON, N. C., Sept. 19 (AP)—Six cars and the locomotive of a southern railway passenger train jumped the track and spilled down an embankment here today injuring about 30 persons, some seriously.

Railroad sources said two negro coaches were trapped in their ditches and probably were dead. An emergency call for steel cutting equipment was sent out by police in efforts to rescue them and any others possibly trapped in the mass of wreckage.

Newton is a town of 6000 about 40 miles northwest of Charlotte. Screaming ambulances raced the injured to the Catawba General hospital, where Dr. Frank Jones said "about 60" patients had been admitted.

The accident occurred about 5:10 a.m. as the westbound train approached the Newton station.

The two-unit diesel locomotive flipped off the rails and rolled down the embankment. Following it off were the diner, a passenger coach, a combination passenger-baggage car and three mail and express cars.