

DEVALUATION TREND SNOWBALLS

In The Day's News

By FRANK JENKINS

DEVALUATION of foreign currencies cut off yesterday by Britain's (in the dollar value of the pound) is still the biggest news in the world. It dwarfs an accomplished coal strike and an impending steel strike.

To many of us, unskilled in the intricacies of foreign exchange, it seems all wrong that an artificial thing like juggling currency values should so completely upset business relations all over the globe.

LET'S put it this way: Suppose at a meeting of your neighborhood poker club somebody should suddenly announce that from then on he WOULD PAY LESS FOR CHIPS than the other players. That would create a lot of excitement in the poker club, wouldn't it?

It works the same way when some nation changes the value of its money.

WHY does it work the way it works? Well, Canada, falling into line with the procession, has just cut the dollar value of its currency by ten per cent. Yesterday 100 U. S. dollars would buy 100 Canadian dollars. TODAY 100 U. S. dollars will buy 110 Canadian dollars.

No—

Today, because our 100 U. S. paper dollars will buy 110 Canadian paper dollars, YOU CAN BUY THINGS CHEAPER IN CANADA.

WHAT does that mean? It COULD mean that if you had been going to take a vacation at Sun Valley, Idaho, you might suddenly change your mind and take your vacation at Vancouver, B. C. in order to buy some nice British woolsens or some beautiful British china CHEAP.

That would mean that you would spend your vacation money in Canada instead of spending it here at home.

BACK in 1945 (prices are considerably lower now) passage from Baltimore to London by British Overseas Airways cost 150 pounds. You then paid \$4.03 for a pound, which made your passage cost you a little over \$600.

Today, with the pound worth only \$2.80, you can buy 150 pounds with which to pay your passage for only \$420. That's quite a saving.

Back in those days, a room at one of London's better hotels (such as the Savoy, the Dorchester, the Ritz or the Claridge) cost you around 17 pounds per week. At \$4.03 per pound, that made your hotel room cost you a little better than \$68 per week.

Now, at \$2.80 per pound, the cost would be only \$47.60.

LET'S cite one more illustration. Before the devaluation, you could buy a suit of men's clothes, made by a good London tailor out of top quality British tweed, for around 15 pounds. At \$4.03 per pound, that was a little better than \$60.

Now, at \$2.80 per pound, the cost in dollars would be \$42.

SO what? Well, ALL these savings, made possible by juggling the dollar value of the pound, might lead you to the conclusion that now is the time to take a trip to England—in which event you would spend a lot of good hard dollars with the British (Continued on Page 2)

Community College In Spotlight

Oregon educators are watching with interest the development of the state's first "community college" which opened simultaneously in Klamath Falls and Bend last night with what was described as a satisfactory student enrollment.

Some 55 men and women were on hand at KUHS to sign up for four classes and more than that number is expected to register for other classes scheduled for Wednesday and Thursday nights.

Registration will remain open for two weeks and the exact student count will not be available until class rolls are closed.

Monday and Tuesday night classes here will include History of Western Civilization, Sociology, typing and accounting. Wednesday and Thursday night classes include English composition and literature, freshman math, and biological science survey.

19 Witnesses Accuse Rajk

BUDAPEST, Sept. 20 (AP)—Nineteen prosecution witnesses trooped to the stand today to condemn László Rajk, Hungary's former communist police boss, and seven others being tried on charges of treason and espionage.

Fourteen of the witnesses are themselves in custody, apparently waiting trial on similar charges.

The witnesses all denounced Rajk, former No. 2 communist of Hungary, as a prewar anti-Red police informer Trotskyite agent in Spain and France and a postwar spy for the Americans and Yugo-

Klamath Falls News

PRICE FIVE CENTS

KLAMATH

U.S. OREGON, TUESDAY, SEPTEMBER 20, 1949

Telephone 8111

No. 2083

WEATHER

Klamath Falls and vicinity: Fair today and Wednesday. High today 63. Low tonight 37. High Wednesday 66.

Max. (Sept. 19) 60 Min. 35 Precipitation last 24 hours .00

Senate Committee Approves \$150,000 For County Schools

Atomic Meet Topic Bomb Partnership

WASHINGTON, Sept. 20 (AP)—The United States, Britain and Canada open negotiations today for a new agreement on (1) exchanging atomic secrets and (2) sharing the uranium from which the A-bomb is made. Their war-born A-bomb partnership is at stake.

The negotiations at this stage are wholly "exploratory" because President Truman has promised that he will not make any commitments until after consulting congress.

In an atmosphere that was only slightly less than completely secret, representatives of the three governments were called together at the state department (10:30 a.m. PST).

Americans Restricted

American officials are closely restricted as to what they can do or say about atomic energy information—even within the conference. They are reported anxious to try to bring some three-way understanding as to the progress each nation has achieved in atomic energy and atomic bomb research and development in the past two years or so.

Yet their own hands are not free for such an exchange and presumably they would be unable to tell the British and French, for example, the size of the U. S. atomic bomb stockpile or the power and effectiveness of the latest model weapons.

In contrast with the situation which now exists, the United States, Britain and Canada jointly undertook in 1943 the tremendous effort which finally resulted in the manufacture of the atomic bombs used in Japan.

Working In Dark

As the situation now stands, according to the best available information, the British-Canadians and the Americans know comparatively little about the progress which the other has made. In other words, the wartime partnership has reached a relatively low level of cooperation as compared with the extensive cooperation generated in the war years.

How to maintain the partnership in a workable manner appears to be the main American concern.

The talks are being held under the three-power combined policy committee of which the American members are Secretary of State Acheson, Secretary of Defense Johnson and David E. Lilienthal, chairman of the atomic energy commission.

Rail Wreck Toll Now 3

NEWTON, N. C., Sept. 20 (AP)—A railroad fireman, injured when his passenger train jumped the rails here early yesterday, died today. He was the third trainman to die in the derailment that injured about 50 passengers.

The fireman, Herman Bishop, 51, was buried beneath the big diesel locomotive that jumped its track and plunged down an embankment.

Thirty injured passengers and crewmen are in the Catawba hospital, two other railroad workers are in critical condition.

Two Negro cooks on the train were killed. They were identified as Robert Freeman, 60, and Hersten Longmore, 50.

Ferdy Gets Neck Stretched, Faith In Humanity Shaken

CLEBURNE, Tex., Sept. 20 (AP)—Ferdie the bull is a little puzzled, and hurt by the ways of man.

The 1260 pound Holstein was ambled around late yesterday. He ambled right on when he saw some planks.

Feet first he went crashing through the planks. He thudded to a stop—at the bottom of a 40-foot abandoned well.

He stayed there all night.

When he looked up and saw Farmer Jim Cryer peering down he looked into a face as puzzled as his own.

Cryer didn't know—until this morning—what to do.

"Take the bull by the horns," Cryer said to himself. "Take the bull by the horns."

This morning his friend Gene Reed pulled up with his auto



COLLEGE STUDENTS signed up at Klamath Union high school last night at the opening of Oregon's new education venture, the "community college," which also opened at the same hour in Bend. Around the table, left to right, Mary Liedtke, Jack Myers, Bob Dirschl, Bob Bamerick (standing), and Ed Jolly. Back to the camera, Harold Palmer, one of the instructors. Classes will be held Monday through Friday with instructors shuttling between Klamath Falls and Bend.

7000-Car Potato Harvest Indicated

Potatoes are being dug this week on some scattered ranches in the Klamath basin but the spud harvest will begin in earnest in early October and the indications are for about a 7000-car yield this year.

Opening price for No. 1 spuds probably will be between \$2 and \$2.25 a hundred pounds.

Some 17,000 acres in the Klamath basin are planted to potatoes this year. Labor is reported plentiful and storage seems adequate in most areas so growers will be able to hold for higher prices later in the year.

The yield is expected to be generally good despite frosts which threatened to damage much of the crop.

Potato seed inspectors began yesterday taking samples of certified potatoes in the Tulake area to place in Oceanide test plots. Certified seed potatoes bring from 50 cents to \$1 more per hundred

pounds than spuds on the commercial market.

Barley harvest in the area is virtually completed with the general Hannecken grain price still hanging around \$3.25 locally bulk grain delivered and a loaded for shipment. The highest price reported paid this year for an exceptionally heavy grain was \$3.56 a hundred net. Several sales have been made at \$3.25 and \$3.40.

The \$3.56 top was paid for grain grown on the west side of Tulake.

Segregation In Cemetery Not Decided

Termining the Negro burial issue a "Delicate and complex problem" Mayor Robert A. Thompson and the city council held up its decision on allocation of lots last night and, at the same time, the National Association for the Advancement of Colored People threw a legal pitch at the city.

The councilmen were expected to hand down a verdict rejecting or approving a recent recommendation by the Klamath Memorial cemetery committee, calling for the allocation of 72 lots in the cemetery for the burial of non-Caucasians.

About 10 members of the NAACP, headed by Kenneth Lambie, and several interested non-members, were in attendance at Monday night's council session. They had with them Orville Edder, a Berkeley, Calif., attorney and member of the Oregon state bar association.

Edder, here to present the NAACP's side of the battle, stated that such allocation of lots for Negro

All-Out OTI Grid Ticket Sale Starts

An all-out drive to sell Oregon Tech seasonal football tickets was launched Monday by the Quarterback club and will be in full swing tomorrow when OTI students start a complete canvass of the city.

The drive will be capped by a parade and pep rally Friday. The Teachers will stage the rally at the college campus early Friday afternoon and the parade will march on Main street at 3 p. m.

Tickets are \$7 for five home games, the first of which takes place Friday night on Modoc field against Placer junior college at Auburn, Calif.

The Oregon Tech student council will appoint 20 teams of two students each to make a thorough store-to-store canvass of the city, starting tomorrow, Wednesday.

Owl grid tickets are now on sale at Matt Finnigan's sporting goods store and will also be available at the Valley Shell service station in Merrill, from Bob and Warren Walker, at Malin high school from Principal Andy Street and from Ross Ragland in Tulake by calling 4481 days and 2342 nights.

Seasonal reserve and general admission tickets will be on sale at the main gate of Modoc field Friday night. Game time is 8 p. m.

Train, Truck Hit; 1 Killed

POTTSVILLE, Pa., Sept. 20 (AP)—A Reading railroad passenger train crashed into a truck carrying 4500 gallons of gasoline at a grade crossing near here today. The gasoline exploded, killing one man and critically injuring four others.

Flames swept through the front cars of the 16-car train en route from Philadelphia to Shunk, Pa. Killed was Clarence Goetz, 22, of Gap, Pa., the truck driver of the gasoline truck. The injured were crewmen.

Half Million Coal, Rail Workers Idle

PITTSBURGH, Sept. 20 (AP)—The nationwide coal strike marked by sporadic violence today idled more than a half million workers in mine and railroad industries.

Nearly all of John L. Lewis' 480,000 bituminous and anthracite diggers stayed home for the second day in their "no pension no work" revolt.

Coal carrying railroads ordered 26,000 employees furloughed. Thousands of others faced layoffs in allied industries due to choking off of coal production in 20 states.

Violence Flares

Violence developed in Kentucky and West Virginia. Governor Tuck of Virginia took a verbal swipe at Lewis.

Lewis took it all in. He didn't say a word. And there was no indication from his United Mine Workers headquarters in Washington whether he will show up for scheduled resumption of contract talks with (Continued on Page 12)

Monument To Mark County Scene Of Jap Bomb Deaths

The wooded spot where six persons lost their lives in the explosion of a Jap bomb on May 5, 1945, 14 miles from Bly on the Dairy Creek road, will be appropriately marked with a monument.

Announcement of the establishment of the monument was made today by Weyerhaeuser Timber company.

Weyerhaeuser has completed plans to build the shaft as well as a recreation area on the spot with a fence surrounding the monument. The surrounding area will be maintained as a park and recreation area.

The monument will be a truncated pyramid of native stone with a bronze plaque dedicating the spot where six members of a seven-party picnic group were killed outright by the bomb, only deaths



ALLERGIC—Testifying at an annulment hearing in Los Angeles, Mrs. Joyce Holdridge (above), 27, said she is allergic to her husband, Nolan H. Holdridge, 26. She said her husband had treated her well and she liked him, but his presence caused her to break out in a rash and she couldn't stand the itch, which doctors advised was beyond treatment. She won an annulment.

No Agreement Yet On Steel Strife Front

PITTSBURGH, Sept. 20 (AP)—The CIO United Steelworkers today notified Jones and Laughlin steel corporation to have its second avenue and Hazelwood works have "disruptive and non-productive" by 12:01 a. m. Sunday, expiration of the presidential strike truce.

WASHINGTON, Sept. 20 (AP)—The CIO steelworkers went ahead today with plans for a strategy meeting as the second day of government-sponsored peace talks brought no sign of an agreement in the steel dispute.

Philip Murray, leader of the steelworkers, said nothing has developed at the government mediation conferences to warrant postponing the union policy committee tomorrow in Pittsburgh.

The CIO chief said the 170 members of the policy group already are assembling in Pittsburgh for the session. Presumably, the committee will lay the plans for a walkout Saturday midnight when the current truce ends.

Murray's Warning

Murray has warned that the 1,000,000 unionists will quit unless a settlement is reached in the labor-management talks here with Federal Conciliation Director Cyrus Ching.

Ching met separately this morning with the union and industry negotiators. There was no direct word from him on what, if any, progress was made.

John A. Stephens, vice president in charge of industrial relations for U. S. Steel corporation told reporters at mid-day that his company had taken no steps to bank its furnaces in preparation for a possible strike.

Blast Rocks Refinery; Two Killed

PORT WORTH, Tex., Sept. 20 (AP)—A terrific explosion rocked Magnolia refinery No. 1 today, setting off a refining fire, killing at least two men and injuring at least eight others.

One of the dead men was identified as George Aston, 42, refinery "still man," who lived in a cottage near the plant.

The second fatality was believed to be E. R. Harris, refinery worker, who is missing.

The blast was heard over a great area of Port Worth.

Shirley Rosen, secretary at an office a mile away, said the explosion shattered office windows.

The fire was under control after about one hour.

from enemy action in the United States during World War II.

The plaque will carry the names of the dead:

Mrs. Elsie Mitchell, Dick and Joan Patske, Sherman Shoemaker, Jay Gifford and Edward Engen.

Mrs. Mitchell, 26, was the wife of the Rev. A. E. Mitchell, now in Indo-China and the sole survivor of the group. Others in the party had gone ahead of the minister and came upon the bomb which exploded and killed the six picnickers outright.

The Patske children, Dick 14 and Joan 13, were children of Mr. and Mrs. Frank Patske of Bly; Sherman, 11, son of Leo Shoemaker, now of Oroville, Calif.; Jay, 13, son of Mr. and Mrs. Nick Gifford of Klamath Falls, and Edward Engen, 13, son of Mr. and Mrs. Einar Engen, now of Canyonville, Ore.

U. S. Steady But Foreign Trading Wild

By The Associated Press

Devaluation of currencies across half the world sent traders in sterling areas scurrying for gold and commodity stocks today but brought little change in United States markets.

With France and Canada added overnight to the list of devaluing countries, making the total 19, others had still to fall in line. Western Germany is to reduce the value of its mark. The Hong Kong dollar fell into the devaluation lineup. Holland officially set its

NEW DIET

LONDON, Sept. 20 (AP)—New devaluation story going the rounds about Sir Stafford Cripps, who devalued the pound after denying nine times that he would. The vegetarian chancellor of the exchequer has added a new dish to his sparse diet: He's eating his own words.

devaluation rate for the homeland and Indonesia at about 30 per cent, approximately the same as Britain.

The labor government in Britain closed its ranks for the fight of its life. Parliament is due to meet next week, on the demand of Winston Churchill and other opposition leaders. Labor unions were restive at the prospect of increases in the cost of living, set off by rises in the price of bread.

London's stock market went wild. Some gold shares sold for nearly triple last Friday's prices. Everywhere, gold was the toast of the day. One reason: The U. S. government buys gold at \$35 an ounce, paying U. S. dollars. That means exporting countries, in getting U. S. dollars, can turn them into more units of their devalued local currencies than they could before. So gold producers stand to get more.

Exchanges in Rome, Milan and South Africa shared the excitement. In Italian money markets the lira fluctuated wildly and cheapened. At Johannesburg, brokers struggled to handle thousands of orders for gold pouring in from many parts of the world.

Government bonds gained in London, but they had suffered severe losses in the last few weeks in anticipation of devaluation.

Paris Exchange Closed

Trading in foreign stocks was barred in Paris, where the franc opened about 6 per cent under last week's free market prices. That was at the level sought by the French government.

In Moscow, economic observers believed the Soviet ruble will retain its present relation to the dollar. That will be Moscow's way of saying that its ruble is as good as U. S. coin. But Russia is expected to adjust the rate of its ruble in relation to the money of devaluing countries.

Canada Cuts

Canada, a great gold producer like South Africa, made a compromise devaluation—10 per cent. That means it will cost 110 cents to buy an American dollar in Canada.

The pound's worth was set at \$2.80 in Canadian funds. Thus the effect was to benefit Britain, since the pound would have been worth only \$2.80 if Canadian dollars had remained at par with U. S. dollars.

Over almost all the world, gold was king—and the U. S. dollar grew mightier.

Sports Bulletins

YANKS WIN

NEW YORK, Sept. 20 (AP)—The league-leading New York Yankees maintained their three-game margin over the Boston Red Sox today by squeezing out a 3-1 victory over the Chicago White Sox.

PANCHO TURNS PRO

NEW YORK, Sept. 20 (AP)—National amateur tennis champion Richard (Pancho) Gonzalez today signed a one-year contract to tour as a professional under the direction of Bobby Riggs.

RED SOX WIN

BOSTON, Sept. 20 (AP)—Left-hander Mel Parnell pitched his 24th victory of the season today and his line single into right field ignited a five-run attack by which the Boston Red Sox downed Cleveland 5-2, mathematically eliminating the Indians from the American league pennant race.

BUMS WIN

CHICAGO, Sept. 20 (AP)—The Brooklyn Dodgers, keeping right after the St. Louis Cardinals, beat Lefty Johnny Schmitz, an old lefty, and the Chicago Cubs, 5-4, today. A three-run spree in the sixth against Schmitz won the game for the Dodgers who cut the league-leading Cards' margin—temporarily at least—to one game. The Cards met the Philadelphia Phils today.