

# NEW POSTPONES STEEL STRIKE

## In The Day's News

By FRANK JENKINS  
Washington  
"That well-kept counter of surplus farm products Uncle Sam set up two years ago is lying on the appearance of a bargain basement after a shoppers' rampage. In short, it is nearly empty—reflecting a heavy volume of sales and government withdrawal of some stocks for possible future emergencies."

"I'd say that if we're going to tinker with the free enterprise system by buying and storing perishable crops in periods of surplus production against a time of future scarcity is about as good a scheme as can be devised."  
Joseph had his dream of the seven fat cows and the seven lean cows a long time ago, but what it meant then was about the same as what it means now. That is to say, human experience over the centuries has almost invariably shown that lean production is apt to follow periods of fat production.

That calls attention to this little dispatch from Portland this morning:

"Idaho potatoes climbed 50 cents on the Portland market yesterday to a new high of \$7 a hundred-weight. Oregon Russets also went up 50 cents, and were quoted at \$6.00 to \$6.75."

"I sound wonderful for the potato grower—and so far as this year is concerned it is wonderful. But it portends a probable headache for next year. Fabulously high prices for potatoes (or any other perishable crop) almost invariably bring two things to pass:

1. INCREASED production.
2. LOWERED consumption.

Hence the next year headache.

While we're on this subject of prices, here are some figures from Washington:  
According to a department of agriculture report, food cost now represents 26 per cent of the average family's disposable income ("disposable income" is an economist's term meaning the money you have left over after paying your taxes.)

In 1950, the D of A says, food cost also represented 26 per cent of your disposable income. It represented 27 per cent in 1948 and 1949 and 28 per cent in 1947. But it went back to 1944 food cost represented the average, only 26 per cent of average disposable income—or EXACTLY the same as now.

Let me tell you a secret about this stuff that is handed out by our federal government bureaus.

It is all politically slanted. If it doesn't sound good for the administration in power, it just isn't handed out. All good Washington reporters are fully aware of this situation.

The purpose of this particular handout, for example, is to say to you AS A VOTER that in spite of all the nasty cracks about inflation, or that are peddled by the wicked Republicans who are trying to get back into power, the cost of eating, in proportion to your total income, is exactly the same as back in 1946, before the BIG inflation got under way.

In other words, Mr. Truman and his Fair Dealers have seen to it that your wages have been raised just as much as the cost of your food has been added.

If you are a worker, whose wages have been raised over and over, or a business man whose prices have gone up year after year, these figures about the cost of your food in proportion to your total income are probably not far off the facts.

Or if you are a widow or an orphan, or a retired worker living on a pension, or the holder of one of these policies under which you retire at 50 and live the life of Riley on your insurance check that is delivered every month by the postman for the rest of your life, you belong to another breed of cats.

In that event, the cost of your food (along with the cost of all your other necessities) has gone up fantastically while your income has STOOD STILL. It's the widows and the orphans and the pensioners and the insurance policy and annuity holders and such that are being rooked by the spenders who are responsible for the steadily spiraling inflation.

If you have followed the figures, you are aware that people living on fixed incomes of the sort here described are, very large in number. They are the VICTIMS of our politically-inspired inflation.

**"QUAKE"**  
TAIPEH, Formosa (AP)—A new series of earthquakes struck Hualien, 75 miles south of Taipei, Thursday. No damage was reported.

## Mate Of Tugboat Joins Captain Aboard Crippled Freighter As Storm Builds

LONDON (AP)—The first mate of the British rescue tug Turmoil Friday succeeded in boarding the Flying Enterprise to join Capt. Kurt Langset on the crippled American freighter.

The U.S. destroyer John W. Weeks (destroyer) the tugboat man "managed to get aboard over the taffrail of the Enterprise and is now standing by with Capt. Carlisen."

Tugboat Capt. Dan Parker was quoted as saying he is "confident I can get low figured if we get a break in the weather."

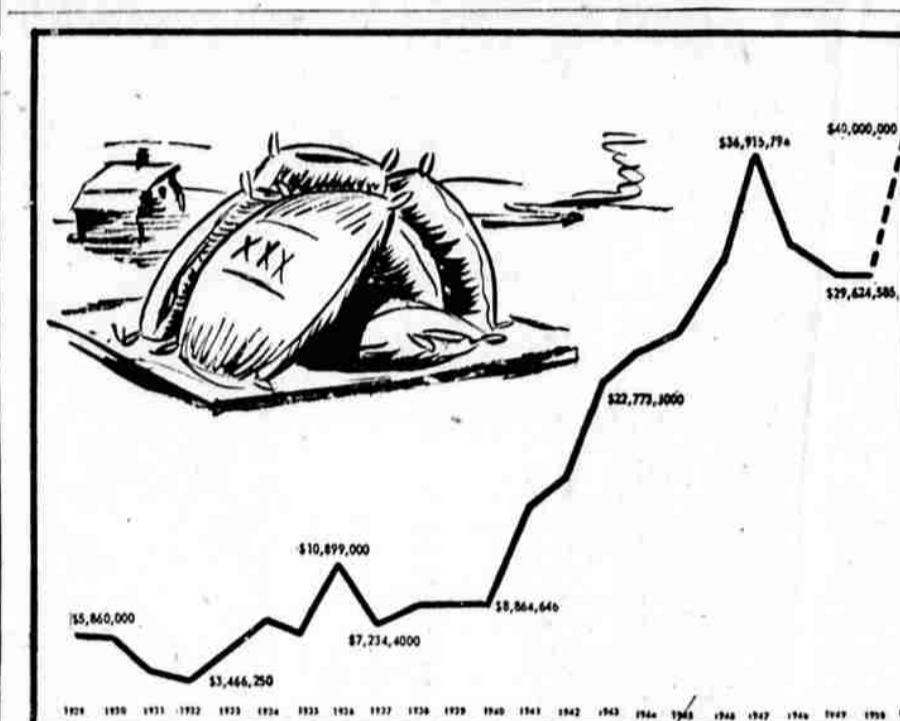
The message from the Weeks said fog was closing in and the wind had increased to 28-32 knots at times.

Carlisen has been alone on the Flying Enterprise since last Saturday.

# The Klamath Basin

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## More Planes Join Hunt



THE PHENOMENAL RISE in value of crops raised in the Klamath Basin is shown in this chart, dating back to 1919, prepared from figures compiled by the County Agent's office. The year 1947 was the peak, until 1951. Compilation of figures for 1951 have not been completed, but the guess is that 1947 will be surpassed.

## Shift to Ranch Economy Rapid in Basin Picture

(This is the third of a series of articles discussing the economic present and future of the Klamath area.)

By HALE SCARBROUGH

When we speak of the Klamath Basin in connection with agriculture, common usage has taken it to mean not only Klamath county but the northwestern corner of Modoc county, Calif., and the northeastern corner of Siskiyou county, Calif.

County and state lines are political and not economic boundaries. Farming and ranching—cattle, spuds, grain and the like—have been in the past few years the No. 1 economic property of what we call the Klamath Basin, supplanting and actually outgrowing the lumber industry. The growth of agriculture in its financial worth to all the people of this area has steadily increased since the first spud was planted here, but it actually replaced lumber as the No. 1 industry seven or eight years ago, in the latter years of the war.

The transition was so slow that persons who sang the blues while sawmill after sawmill was going out of business evidently didn't realize what was going on.

The year 1951 probably will be the greatest year of agriculture in the Klamath Basin made by County Agent C. A. Henderson is completed in a couple of months, the grand total figure probably will be around \$40,000,000.

That is a good cut above the previous high figure of \$36,915,000 for 1947—the year the barley went for \$5 or better and potatoes also got up to \$5.

Neither commodity reached those unit figures this year—but in the aggregate, the total farm and ranch income is going to be higher than in the 1947 banner year.

The answer probably can be laid to beef cattle. There were in 1951 more beef cattle pasturing in Klamath county than ever before—70,000 head—and the price was so high that beef was the only locally raised commodity over which a government ceiling was placed.

For the last couple of days these articles have dealt primarily with

lumber and also primarily with Klamath county. Some timber produced in Klamath county is taken outside for sawmilling, and by the same token logs from outside the county (even as far away as the Philippines, in the instance of Palmer Lumber Co.) are brought here for sawing. With much of the far northern timber area of the county theoretically included in the working circle of Bend rather than of Klamath Falls, the timber going out roughly stands off that being brought in.

But in dealing with farming county or state boundaries count for very little.

In 1950, the last year for which a definite figure is available for the value of crops produced, the Klamath Basin total was \$29,624,583. Of that amount, according to the county agent's office, 32.4 per cent or about \$9,598,000 stemmed from the California portion of the Klamath Basin.

The ratio has been running approximately that way for the past several years—two-thirds of the total produced in Klamath county, one-third produced in the corners of the two California counties.

And Klamath Falls by reason of its size and location is the business hub of the Klamath Basin agricultural district regardless of political boundaries. The lion's share of the Klamath Basin farm income is spent right here. A bad year on the ranch means a bad year on Main street, Klamath Falls.

While agriculture was replacing lumber as the No. 1 industry of this area, the city of Klamath Falls was losing population. The peak year for population here is considered 1947, and the 1950 census showed an overall decline from 1940.

But a fact that ties in tightly is this: farming doesn't provide as much direct permanent employment as lumbering. A very large ranch can be operated with a very few people.

Farming, of course, provides considerable secondary employment in kindred enterprises (packing, shipping, storage, equipment, feeds, seeds, etc.) but not so much directly on the ground.

The Klamath Basin has now about 2,000 ranches. And that number is getting smaller rather than larger. A few years back a count showed 2,300 farms and ranches.

The dangers are obvious. A defeat would tarnish Warren's record before the national convention in July. By keeping away from other states, he would still command California's 70 votes as a healthy starter.

## Force Now Biggest In Coast Area

One of the largest Air Force search teams in Northwest history was based at Municipal Airport here today as search for a lost Air Force transport was intensified.

The missing plane, a C-47 carrying eight service men, has not been heard from since it disappeared while flying high over Klamath Falls Dec. 25.

Since the day following the plane's disappearance, three big Air Force transports from McChord Field, Tacoma, have been based here for the search. Yesterday, four more ships, all C-45s, were added to the base.

The Air Force team now consists of 44 men under the command of Capt. Ray Costello. With yesterday's additional men and ships came Capt. Russell Uhman, veteran search and rescue flier, who is now serving as Captain Costello's top assistant.

In addition to the Air Force men and planes, members of the Klamath Air Search and Rescue Unit have been aiding in the search.

The lost plane, carrying three crewmen and five "aerial hitchhikers" disappeared while on a flight from Spokane to Travis Field in the San Francisco Bay area.

At 4:17 p.m., Dec. 26, the plane radiated the report here that it was flying southward on course at 10,000 feet. There was no hint of trouble but that was the last time the plane was heard from.

Bad weather has hampered the aerial search and snow squalls this morning kept KASRU's light planes grounded.

Any hope that there may still be survivors has almost entirely disappeared. Survivors would almost certainly have been able to attract attention by this time.

An Associated Press dispatch from Red Bluff this morning said another Air Force-civilian search base operating there was also being hampered by bad weather.

## Dimes March Starts Here

The 1952 March of Dimes drive was in full swing in Klamath County with the volunteer workers blanketing the county.

The National Foundation for Infantile Paralysis is aiming for a "pay-as-you-go" level this year after four years of going in the red aiding polio victims and financing research to combat the dread disease.

Mrs. Alice Vitus is directing the Klamath campaign again this year. Her volunteer crew consists of: Klamath Falls, the Quota Club; Malheur, Mrs. Merrill; Mrs. Iva Kilpatrick; Dairy, Don Rice; Chemult, Mrs. Hope Brader.

Contributions may be made in two ways, either by putting coins in the "iron lung" canisters in business and public buildings or by buying tickets to the annual March of Dimes ball which mark the late former President Franklin D. Roosevelt's birthday. The Klamath Falls ball is to be held at the Armory, Jan. 25, with music by Baldy's Band.

Pointing up the need for polio aid funds, Mrs. Vitus said that during the first 10 months of last year nearly \$7,000,000 was advanced to the National Foundation for Infantile Paralysis from the epidemic fund.

## Spud Ceiling To Be Set On Jan. 18

WASHINGTON (AP)—The government plans to put a price ceiling on potatoes Jan. 18, Sen. Welker (R-Idaho) said Friday.

The Office of Price Stabilization announced last week a ceiling order was being considered to stop the steady rise in potato prices.

Welker and other western senators met with Price Stabilizer Michael Disalle Thursday, protesting any regulation of potato prices.

Disalle said a suggested freeze is "a possibility." He said it was prepared on a stand-by basis when potato prices were continuing their sharp climb late in 1951.

The delegation proposed that the industry advisory committee would be called in to work out details of a final price order while the freeze is in effect.

Disalle said the problem, in working out an order, is whether ceiling would be set at present prices or at slightly lower levels.

Agriculture records show that year ago the average spud price was about 89 cents a bushel, compared with \$1.93 two weeks ago. The average national price was listed Dec. 15 at 105 per cent of parity, which is the price level designed to give the farmer a fair return for what he sells in relation to what he buys.

## U.N. Claims Planes Sent To N. Korea

MUNSAN, Korea (AP)—The Communists made seven objections Friday to the six-point Allied plan for exchanging prisoners of war and rejecting a new U.N. appeal for an immediate trade of sick and wounded prisoners.

In a nearby tent at Panmunjom Allied trade negotiators asked for an explanation of reports that the Communists are shipping crates of warplanes into North Korea. They also accused Red China of releasing soldiers of Korean origin from its armies in 1949 and 1950 to form the Cadre of the North Korean red army.

Chinese Maj. Gen. Hsieh Fang said there was nothing wrong in this. He labeled the charged plane report as "ridiculous rumor."

Hsieh, in turn, accused the Allies of hiding behind their line through intimidation with the atom bomb some 500,000 North Koreans.

Both subcommittees reported no progress toward an armistice. Both agreed to try again Saturday at 11 a.m. (6 p.m. EST Friday) in Panmunjom.

## Penny Postal No Good Now

Penny postcards just aren't, but Postmaster Chet Langset says not many Klamath Falls people realize it.

The penny postcard went out of official existence as postal media Jan. 1 by act of Congress. However, Langset says the post-office has been swamped with the old cards which are being returned postage due to the senders—if there is return address.

Government postcards now cost two cents, according to the new law, and to any volume over 50 purchased an additional charge of 10 percent is levied.

The Post Office Dept. has pointed out to the public it did not initiate or advocate the new postal regulation.



ORVAL ETTER (above), secretary of the Fellowship of Reconciliation, Berkeley, is to be a speaker tonight at a Universal Military Training forum at the Congregational Church here. Other speakers scheduled are: Charles Hahn, Modoc Toastmasters president; the Rev. Edward Landers, Church of the Brethren; and Frank Jenkins, Herald and News editor and publisher. There is to be an open discussion with the audience participating. The meeting is open to the public.

## U.S. Spooky Over Red's Suggestion

PARIS (AP)—The United States expressed grave concern Friday that a new Russian move to bring up Korean armistice negotiations to the United Nations Security Council might break up the talks now going on at the front.

U. S. Delegate Benjamin Cohen told a news conference that the U. S. could not understand why the Soviet Union had made such a proposal at a time when truce talks in Korea appeared to be making slow but sure progress.

Cohen said the U. S. was decidedly and unqualifiedly opposed to a Russian resolution calling for a special high-level Security Council meeting to discuss how to aid the armistice talks.

The proposal, he declared, could not fail to have a bad effect on the talks at Panmunjom. He said he wondered whether the Russians wanted to settle the Korean war or reopen it.

The effect of the resolution introduced by Soviet Foreign Minister Andrei Y. Vishinsky, he declared, might well be to delay or disrupt the talks now going on.

If the Soviet Union thinks it can help push them to a successful conclusion, he declared, they are no doubt in touch with the Chinese Communists and North Koreans can work through them.

## Allies Retake Christmas Hill

SEOUL (AP)—Allied infantrymen struck through heavy mortar and small arms fire Friday and recaptured prized Christmas Hill on the East-Central Korean battle front.

Communist troops had attacked and won the hill after dark. The assault touched off a see-saw fight that lasted throughout most of the night.

The peak had changed hands repeatedly since Chinese troops seized it on Christmas Day. The hill is west of Munsung Valley.

Along the rest of the 145 mile battle front, patrols of both sides probed and fought minor skirmishes.

The weather was milder after a week of bitter cold.

## February Date Hinted For Walkout

ATLANTIC CITY, N. J. (AP)—The CIO United Steelworkers Friday postponed their threatened nationwide strike for 45 days but warned they will walk out in late February if the government can't settle the steel contract dispute.

Cheering delegates to a special USW convention approved a recommendation of the union's top strategists that the work stoppage be held off to give the Wage Stabilization Board time to suggest a settlement.

The convention's action delays the strike deadline until Feb. 23 or 24. The board has scheduled a procedural meeting in Washington Monday. The first full dress hearing session will be either Tuesday or Wednesday.

The WSB will attempt to draw up a recommended settlement acceptable to both sides in the union's fight for an 18 1/2 cent hourly wage increase and other contract concessions.

The final vote on the USW strike postponement was preceded by an attack on the Defense Production Act. The assault was made before the convention by President Philip Murray of both the USW and the CIO. Murray said:

"We have no effective price control in the United States of America. That fact is not subject to successful denial. (Michael) Disalle (chief administrator) admitted that."

"The facts have demonstrated the ineffectiveness of the present price control system. It is hypocritical of the U.S. government to suggest to the consumers of the U.S. that there is an effective system of price control."

## Atom Bomb Agreement Still Okay

WASHINGTON (AP)—Winston Churchill can get assurances when he reaches Washington if he so desires, that the United States will consult Britain before ordering any atomic bombing from air bases in England.

The Prime Minister voiced concern soon after the Conservative election victory that Britain might not be held in advance. He said in his Guildhall speech that an American atomic attack from the East Anglia air bases would put vulnerable Britain in the very forefront of World War III.

American authorities said Friday it has been well understood from the start that the bases would be used on a partnership basis.

Atomic issues are expected to come under earnest discussion between President Truman and Mr. Churchill in their four day series of meetings starting when the Prime Minister arrives Saturday. Officials think it is possible that Churchill and Foreign Secretary Anthony Eden will press for revival of the more generous exchange of atomic information which was in effect in wartime.

The U. S., Britain and Canada were carrying on negotiations to this end until the Klaus Emil Fuchs spy disclosures virtually shelved the whole idea two years ago.

## Minister May Be Cleanup Choice

PHILADELPHIA (AP)—The Evening Bulletin said Friday President Truman asked Dr. Daniel A. Poling to serve on a three-man board for rooting out corruption in the federal government.

The Evening Bulletin story said the proposal was made to Poling about a week before Christmas, when the President summoned the Baptist minister to Washington.

In Washington, the White House declined comment on the report.



TODAY'S SPECIAL was snapped at the J. W. Kerns Company, 734 S. 8th St. Joe Overton (left), 2915 Homedale Rd., is shop foreman. Robert (George) McGhehey, 1902 S. Riverside St., is foreman of the tire shop.

### Weather

FORECAST—Klamath Falls and vicinity and Northern California: Considerable cloudiness and occasional snow flurries Friday, Fair Friday night. Increasing cloudiness Saturday. High Friday 27, Friday night 5.

|                        |      |
|------------------------|------|
| High temp yesterday    | 21   |
| Low last night         | 17   |
| Temp last 24 hrs       | 7    |
| Precip last 24 hrs     | 8.85 |
| Normal for period      | 4.88 |
| Last year, same period | 8.47 |

(Additional Weather on Page 4)