

In The NEWS

By FRANK JENKINS

The U.S. and Britain propose this morning a three-point settlement of the Anglo-Iranian oil dispute. It would include:

1. Iran paying Britain at least SOMETHING for the Anglo-Iranian oil properties that were seized a year and a half ago.
2. Britain would then give Iran some help in marketing the oil.
3. The United States would make an immediate grant (gift) of ten million dollars to help the Iranian government pay its bills.

It's a step in the right direction, of course. If we don't get some sort of settlement of the Iran ruckus, Russia will come barging in some fine morning and take over the whole works. That would be unbelievably bad — for then we would have another Korea on our hands.

But I wish we could base our foreign policy on some better method than buying everybody off every time there is a trouble anywhere in the world.

Two Texas men have just been captured after a wild chase through the streets of Reno. Officers say that about a QUARTER OF A MILLION DOLLARS worth of loot from a California post office burglary was found in their car.

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By the way, how's this for a definition of inflation? In the old days, when a dollar was a dollar, a little bought a lot. In these inflationary days a lot of money buys a little.

Figures released by the National Safety Council yesterday show that nearly seven times more Americans were killed in automobile accidents than in the Korean fighting during the first seven months of this year.

In these seven months the nation's traffic death toll was 29,000.

In the same period, about 3,000 Americans were killed in the Korean war.

Here's the difference: On the home front, if we wanted to, we could drive more carefully and cut down the odds against us. In Korea, there's nothing the boys can do about it. They have to take it as it comes.

City slicker note: A country boy learned the other day in Richmond, Indiana, the sad truth about city boys. The 12-year-old country lad had come to town to buy some school books. Some city boys told him that if he pulled the lever on the red box a pretty little bird would pop out and forecast the weather.

When the firemen answered the false alarm, they were real angry and read the country boy quite a lecture.

Come to think about it, that's exactly the way the politicians have been handling us for 10 these many years. They've been telling us to keep on voting for them and everything we want will pop out of the pretty red box into our hands — without costing a cent.

After 20 years of it, we're about to try the fix of the Indiana country boy who followed the advice of the city kids.

Court Hears Texas Case

WASHINGTON (AP)—The Supreme Court has been asked to see that the victims of the 1947 Texas City, Tex., disaster get paid for the losses they suffered.

The high court yesterday was asked to reinstate damage awards totaling 240 million dollars, growing out of 272 legal actions by 8,485 claimants.

Houston, Tex., U. S. District Court first ruled that the government was liable to the claims because a nitrate-laden vessel that exploded, touching off a series of other blasts, was in government service. Later, the U. S. Circuit Court in New Orleans overruled the decision.

More than 500 persons were killed, some 3,000 injured, and an estimated 50 million dollar property damage was caused by the explosions and fires.



HAPPY DAY—A big well was brought in yesterday on dry land acres owned by Lloyd Low, ex-sheriff of Klamath County, in the north end of Butte Valley, immeasurably increasing the future value of that particular land and also the prospective future of the arid valley. Low was a happy man as he sat astride the discharge pipe and watched the 10-inch stream of water gush out.

2,800 Gallon Well In At Butte Valley Ranch

A well pumping 2,800 gallons of water a minute was brought in yesterday afternoon on property in the north end of Butte Valley, owned by Lloyd L. Low of Klamath Falls, former Klamath County sheriff.

The water should be sufficient to irrigate about 150 acres of land which at present is planted to grain and for past crops has had no water at all except what rainfall occurred during the season.

The well is down 201 feet, and the pumping is from 112. Twice previously test pumps on the same hole didn't produce enough water to make pumping economically sound.

The water has a slightly sulphuric odor and, unlike the flow of other wells drilled for irrigation, is warm — just under 70 degrees. Under pumping a 10-inch stream of water shoots out about eight feet.

The drilling was done by Johnny Van Meter of Malin, and West-Hilcock employees Russell Avery, John Paul Foster and John Kunze ran yesterday's test pumping.

With an estimated 40 million cars on the roads during the summer's last holiday lull, the National Safety Council predicted that 480 persons would be killed in traffic between 6 p.m. Friday and midnight Monday.

The Labor Day death toll from traffic accidents last year was 461. The number of fatalities during the same 1951 holiday period from all accidents was 658. Both figures were records.

Statistics of the National Safety Council for the first seven months of 1952 show that there were 94 traffic deaths every 24 hours. This figure, however, includes deaths occurring from injuries during weeks or months after the accidents.

Practically all of Klamath Falls and its surrounding area closes up businesses Monday in observation of Labor Day, with but a few scattered neighborhood stores to serve over the holiday.

All city, county, state and federal offices and services won't be open, nor will the downtown Klamath Merchants.

However, Oregon Food Stores and the Big-Y Market will remain open over the holiday, managers reported.

The Herald and News will not publish Monday, one of the few holidays through the year not worked.

NO PAPER
The Herald and News will not be published Labor Day.
Publication will be resumed Tuesday.

Big Fish Eats Bear

TOKYO (AP)—This is a bearish sort of fish story.

Kyodo news service says fishermen opened a 185-pound shark off the Southern Japanese coast—and found a wild bear inside.

The agency added that groups of hungry wild bears have been swimming off shore hunting for food.



SOME 200 VISITORS were expected here today for the annual state convention of the Lutheran-Walther League. Zion Lutheran Church is host. Above (l to r) are: Mrs. Richard Graef, wife of the Zion Lutheran pastor; Mrs. Edwin G. Smith, chairman of the Registration Committee; and Pastor Harold H. Englebrecht, Walther League international secretary, Sherman Oaks, Calif. The picture was snapped at Oregon Tech where the delegates are being housed.

Sabre Jets Score Win In Korean Air Battles

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US-Britain May Give In To Iranians

-BULLETIN-

REJECTION
TEHRAN, Iran (AP)—Prime Minister Mohammed Mossadegh rejected tonight a new British-American proposal for solving the Anglo-Iranian oil dispute. He announced he was calling both houses of Parliament into session to discuss a formal reply.

By JOHN M. HIGHTOWER

TEHRAN, Iran (AP)—The United States and Britain made a joint proposal to solve the Anglo-Iranian oil dispute Saturday but there were immediate hints that Prime Minister Mossadegh would turn it down cold.

There were unconfirmed reports of a special communique from the Prime Minister would be read over the radio Saturday night telling the nation he could not accept the proposal.

In brief, the U.S.-Britain approach was this:

1. A U.S. grant of 10 million dollars to tide over Iran's nearly bankrupt treasury.
2. A British proposal to relax the blockade and sanctions and help Iran sell oil on the world market.
3. An Iranian agreement, in return, to submit to the World Court at the Hague the question of payment for the British-owned oil industry, now nationalized.

PESSIMISM
The feeling of pessimism stemmed from the 3½-hour meeting between American Ambassador Loy W. Henderson and Iranian Prime Minister Mossadegh Wednesday.

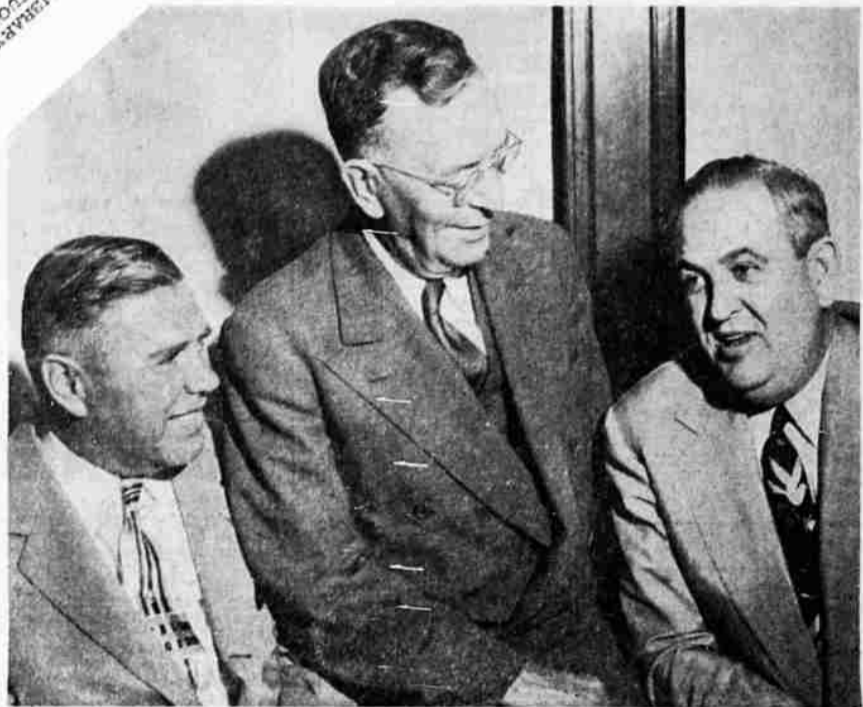
They appeared glum as they emerged from the conference, which was to explore various approaches to the Anglo-Iranian settlement, and to test the Premier's reaction to the proposals which Washington and London expect to make.

With oil revenues cut off for more than a year the Iranian government has found itself hard-pressed to meet basic expenses like government, army and police salaries.

The key point of the negotiations is what compensation Mossadegh will be willing to offer the Anglo-Iranian oil companies for compensation for nationalized a year and a half ago.

LONDON NOTE
In a note to London two weeks ago the Iranian leader made what American officials considered "preposterous" claims for compensation. The apparent purpose was to offset British demands for payment for nationalized properties. But indications are there would be no concession on the point of reasonable compensation for these claims.

The United States and British governments were reported in general agreement that because of the threat of communism in Iran, Mossadegh should have Western support even though Western diplomats and officials have found him often difficult to work with.



THREE TOP S.P. Railway officials here on an inspection trip last evening conferred in the private railway car of S.P. Pres. D. J. Russell (right). The other two men are (left) Vice Pres. J. W. Corbett and (center) Chief Engineer E. E. Mayo.

Alsike Price Up To 35 Cents

A 35-cent per pound alsike price was on the books today but there weren't any reported takers. And there was a 35-cent price in the report stage—or better.

Alsike harvesting has gotten underway in some areas, while others have yet to feel the bite of a combine.

Meanwhile a solid \$4 per hundredweight was being offered on the barley market for No. 1 stuff, but there were several offers for more than that in some corners.

One report of offers of \$4.25 per hundredweight came from usually reliable sources, with strong rumors of \$4.10 in the offing. However, there were no offers of such prices for publication. Earlier there had been talk of even a \$4.50 bid.

Still there was one farmer well-known throughout this area, who was willing to bet a pint of whiskey on a \$5 barley market before the season breaks this year.

Police Nail Texas Badmen

RENO, Nev. (AP)—Two Texas men were captured after a wild chase through Reno streets Friday night and, officers said, some \$250,000 in loot from a Tehachap, Calif., postoffice robbery was found in their car.

The men gave their names as Jim Darwood Kennedy, 27, who was released from Texas State Penitentiary last June, and Johnny Edward Watson, 26, Big Elm, Tex., who escaped from the prison Aug. 5.

Officers said it was the first time the burglary at Tehachapi had been disclosed publicly.

The town was badly damaged by an earthquake July 21.

Officers said the burglary occurred last Tuesday night.

They reported the recovered loot included \$100,000 in postal money orders made out in amounts of \$100 each, plus government bonds, postal notes and stamps.

Billy Rose Faces Facts

NEW YORK (AP)—Former swimming star Eleanor Holm has been granted her motion that her estranged husband, showman Billy Rose, back up his charges of misconduct with dates, times and places.

Rose is suing his wife for divorce, for which the only ground in New York State is adultery.

Supreme Court Justice Samuel J. Paley granted the motion yesterday. He ruled however, that Rose need not divulge the names of his witnesses. Rose was given 10 days to supply the information.

The showman's suit and his estranged wife's action for separation are scheduled for trial Sept. 10.

SP President Predicts Bright Future For Road

By WALLACE MYERS

D. J. Russell, Southern Pacific Railway president, sees a bright future for the Klamath Country as he points out that the S.P. long ago decided to recognize its Klamath route as the main line rather than the Rogue River Valley route.

Russell headed a party of high S.P. officials here last night on an inspection trip. Besides Russell the party included: Director Kenneth L. Isaacs, Vice Pres. J. W. Corbett, Chief Engineer E. E. Mayo and Supt. L. P. Hopkins.

In a brief chat on his private car parked on a spur at the railway station here, Russell was informed of the Klamath Chamber of Commerce drive to draw new industry here. He agreed wholeheartedly with the chamber's stand that the Klamath Country holds great promise for industry because of its centralized location.

Russell said his party made the Klamath stopover to inspect the S.P.'s "increasingly important facilities here."

Work is to begin immediately on installation of approximately \$2,300,000 worth of centralized traffic control, a form of electronic train dispatching, between Klamath Falls and Crescent Lake, Russell said. The project should require about six months to complete. He estimated it would increase the capacity of the line by 50 per cent or more.

The project of installing radio equipment on all diesel locomotives and cabooses operating between here and Dunsuir is progressing and should be completed by winter, Russell said.

Of the car supply situation, the railway president said the S.P. had just authorized purchase of another 2,000 freight cars to increase the line's already large car ownership of about 70,000. About 4,000 other new cars ordered previously are still to be delivered.

Since V-J Day, Russell said, the S.P. has placed in service a total of 30,886 new freight cars. The line's investment program in new locomotives and other rolling stock since the war has reached a total of \$388,000,000.

Oregon's railroad car problem is unusual, Russell said, in that the volume of outbound loads is far greater than the volume of inbound shipments. This means the road must deadhead empty cars back into Oregon for reloading.

A recent count showed the S.P. was employing 5,330 men and women in Oregon with an annual payroll of more than \$25 million. The company operates over 1,800 miles of track in the state, including about 600 miles of main line. The rail service is supplemented by trucks operating over 1,441 miles of highway.

The Southern Pacific is one of Oregon's largest taxpayers, pouring approximately \$2,500,000 into public treasuries this past year.

UN Casualties Show Increase

UNITED NATIONS, N. Y. (AP)—Casualty figures of United Nations forces in Korea are climbing steadily, reflecting bitter fighting truce talks, an Associated Press survey showed today.

Dead and wounded for the 17-nation force fighting under the U. N. flag now total 292,421, an increase of 29,288 since an AP survey in April. Overall casualty figures, including dead, wounded and missing, total 384,609.

The April survey — based on figures supplied by delegates of countries fighting in Korea — gave total casualties as 419,456, however, dropping 3,000 from the April roll.

The South Korean figures do not include the hundreds of thousands of civilians who have fallen victim to the tide of war.

In comparison to the U. N. totals, the last U. S. Army estimate of Communist Chinese and North Korean military casualties — issued in June — gave an overall figure of 1,624,404. There was no attempt to break this down into dead, wounded and missing, however.

The Republic of Korea has had the most dead and wounded of any of the nations ranged under the U. N. flag — 37,167 dead, 112,427 wounded.

The United States is next with 18,301 dead and 85,298 wounded, based on this week's pentagon report. The U. S. also lists 1,611 known prisoners and 11,042 missing, bringing its current casualty total to 116,252.

This is an increase of 1,403 U. S. killed and 7,062 wounded since the April tabulation.

Allied Air Losses Said Very Light

By MILO FARNETT

SEOUL, Korea (AP)—U. N. Sabre jet pilots Saturday shot down five Communist-built jets, probably destroyed a sixth and crippled 11 of a force of 100 in furious air battles near Suho Dam and Simuju in extreme Northwest Korea, the U. S. Fifth Air Force said.

It was the biggest armada of Red fighters sent against the Allies in months.

Seventy-nine American Sabres—some piloted by British and Canadian airmen under an exchange program — engaged the 100 Red MIG's swarming out of Manchuria. It was a fiery aftermath to Friday's record allied air smash at Pyongyang, the North Korean capital.

JET ACE
Capt. Clifford Jolly of Salt Lake City, one of two remaining U. S. jet aces in Korea, damaged one MIG the Air Force said, and a Briton and a Canadian each damaged two of the swept-back wing Red fighters.

The blazing dogfights upped the U. N. toll for August to a record of 32 MIG's destroyed, three probably shot down and 42 damaged — probably the best monthly tally of the war.

The Navy said none of its carrier-based fighter-bombers which flew 250 of the record 1,443 individual flights over Pyongyang was shot down. In its summary for the week ended Friday, the Air Force said three U. N. planes were lost to ground fire and one to unexplained causes the past seven days. Whether they were on the Pyongyang raid was not disclosed.

SEVENTEEN B 29'S
Seventeen Japan-based B29 Superforts last night followed up the three-wave Pyongyang assault with a raid on newly repaired Red power installations at the Changjin Reservoir in Northeast Korea.

A U. S. Marine flier on the Pyongyang smash said his squadron poured 104 tons of bombs on an underground meeting place for high Red officials, the supply area for Pyongyang radio, Red Army headquarters, the Communist Department of Justice and other targets on the capital's main street.

U. N. planes bombed and strafed Pyongyang Friday to boost the day's total of flights to a record 1,775.

U. S. Air Force, Marine and Navy carrier planes converged over Pyongyang after civilians had been warned by radio and leaflet to flee. Australian, South African and South Korean planes joined in the assault.

JET PILOTS
U. S. Sabre jet pilots shot down one Russian-built MIG Friday and damaged two other Red jets, the Air Force reported. No Red fighters reached Pyongyang.

Pilots reported they flew through heavy anti-aircraft fire, black with smoke and rocking with explosions.

Korean-based planes dropped 618 tons of bombs and 4,000 gallons of fiery gasoline and fired 52,000 rounds on 40 targets in the ruined city.

The U. S. Fifth Air Force said they knocked out 24 gun positions, 125 military, troop and supply buildings, one warehouse and two factories and got 55 hits on airfield runways.



GEORGIA DYHRBERG and Wendy Mansfield (l to r), pretty visitors from Eureka, Calif., for the three-day Herald and News-YMCA invitational tennis tournament, get top seeding in the picture department. Wendy, a 15-year-old Eureka high school girl, is figured good enough to give Redding's veteran, Kay O'Bryon, a race for the women's singles crown. She pairs with Ellis Williamson in the mixed doubles, Georgia draws Mark Gingrich in mixed play. Both girls had morning opening matches.

Weather

FORECAST—Klamath Falls and vicinity and Northern California: Fair through tomorrow. High yesterday 86, low last night 45.

High tonight..... 88
High tomorrow..... 84
High low tomorrow..... 48

X-RAY BOX SCORE

Yesterday	245
To Date	13,450
Goal	24,000
No X-rays Monday or Tuesday.	
Wednesday: SP Freight Depot	
and Hillsdale Hospital, 10 a.m. to 6 p.m.	

(Additional weather on page 3)