

# Herald and News

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Editor  
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## BILLBOARD

**By BILL JENKINS** — we all think we're correct.

You just can't keep Klamath Falls people out of the news. Nor ex-Klamathites that matter.

Now we get word that A. B. Hood, long associated with the lumber business here, has been named vice-chairman of the natural resources committee for the Sacramento Valley Council, California State Chamber of Commerce.

Congratulations to you A.B. and all the best of luck. The news release had a few errors in it, but not when they referred to you as a "prominent Northern California lumber executive." The biggest error came in the lines that sent the release to Shasta and Butte counties. Oh well, we all make mistakes.

**Little differences from all over department:** Joy Utick, our long-time stereotyper and pressman, recently returned from a vacation down in the deep South where he and his wife visited with their son, currently stationed at an army camp.

Joy was telling me about stopping at a small cafe for a snack where the waitress, in a curious and friendly mood asked the question, "Where you - all from?"

You're brogue ain't us."

Just recalls to mind the trouble we've had distinguishing what was being said in times, even though the person was speaking in English. Or American, at least, Guess

## CAUGHT IN THE ROUNDS

**By DEB ADDISON**

IN ONE EAR and out the typewriter, listening to Hank Semon, the Klamath County Democrat who again served as chairman of the House Ways and Means committee at the last session of the state legislature, as he reported legislative doings to the Rotary Club.

If trying to save the State of Oregon money is matter for any criticism (Hank said) I'll save it to take. At any rate I guess I should be proud of being grown up enough to have the city papers take cracks at me.

In the financial picture—unlike the way they do it in Washington—much revenue will be first, and then keep appropriations within that amount.

For the next two years it's estimated that the state will receive \$20 million in personal income taxes, \$30 million in other taxes, and \$43 million from miscellaneous (including liquor) taxes. There is an additional \$39 million surplus from previous income tax collections.

(Our notes say that's a total of \$199 million, which isn't quite either our pencil slippage or missed something, or Hank got his tang tangled in his talk.)

The legislature appropriated \$196 million out of the \$199 million, leaving a little in the toe of the sock for expenditures outside the budget.

Two third of state moneys come from personal income and corporate excise taxes. That's okay if the income tax holds up, but it's gambling too much on good times.

The state tax setup has been very complicated. The average person can't be expected to understand it, what with income taxes offsetting property taxes and all. It's been simplified a little and needs to be simplified a lot more.

The voters last year passed a 6 mill limitation on taxation of property, but this can be changed at any time by legislative action. Next time there'll be the proposition of making this limitation a constitutional amendment, which couldn't be changed by the legislature.

There also will be the proposition of putting all tax money in the general fund, which will be a good move toward simplification, but which will make all the more necessary a constitutional limitation on taxation of property.

I think (said Hank) that local governments should have the field of property taxation and that the state should get its money in other ways.

## SAM DAWSON

**NEW YORK (AP)** — A truce in Korea — so devoutly desired by everyone in America — seems closer today, despite all the false starts in the past.

What will it do to business? To the cost of living? To taxes? To employment? To the stock market?

Many industrial leaders have been pointing out that — for the long pull — the American economy would gain by real peace. War and the defense effort have put a heavy burden of debt, high taxes and dollar-cheaper inflation upon the American people and their economy.

For the short haul, however, the truce is likely to have a psychological impact on consumers, on business executives and on investors.

The peace talk comes when the

## They'll Do It Every Time



## JAMES MARLOW

**WASHINGTON (AP)**—The excess profits tax poses one of the strangest dilemmas in American tax history. No solution—keeping it, softening it, or dropping it—will please everyone.

It's heartily disliked in Congress, probably by most members. Government tax experts frankly point out unfairness in it. And businessmen despise it.

The best argument in its favor is that it does bring the government revenue: about 3 1/2 billion dollars a year. There are two main arguments against it and they are like this: It is unfair; it discourages business by draining profits.

Not because he liked it but because he said the revenue is needed, President Eisenhower asked Congress to extend the excess profits tax (EPT) until Dec. 31. Otherwise, it will end automatically June 30.

Congress, now considering his request, after the start of the Korean War raised individual income taxes and slapped EPT on corporations. Both kinds of taxes were meant to be anti-inflationary and to get money.

(There is a good, but rarely mentioned, political reason for keeping EPT until Dec. 31. On that date the income tax on individuals automatically drops about 10 percent. Voters might think that if corporations get a tax cut in June, six months ahead of them.)

Some point from the beginning: What is an excess profit? Congress answered: a firm's earnings in pre-Korean 1946-1949 must be taken as a base. Earnings in excess of that percentage of present earnings, above that average, is excessive.

EPT is in addition to the regular maximum 52 percent tax on corporations earning \$25,000 or more a year. Congress aimed at a total maximum tax of 70 percent on corporations—the 52 percent regular tax combined with EPT. Firms under \$25,000 pay a flat 30 percent, no EPT.

Some of the arguments against the tax:

It's particularly unfair to small businesses which were just getting started in the 1946-1949 period, when their profits were understandably low, but which have now

hit their stride.

Their present earnings, although much higher than before Korea, may still be only normal for the industry. Yet, those present earnings, or part of them, are treated as an excess over their 1946-1949 earnings.

Or take another example: Two firms, perhaps in the same town, make the same product and are in competition. In 1946-1949 both were poorly managed, neither making the profits it could have made.

About the time of Korea the stockholders in one of these firms hired new managers. By drive and imagination, they expanded the firm, boosted its sales, increased its earnings. But it must pay a high EPT because its present earnings are so much above its pre-Korean average.

EPT hurts expansion by draining off profits—

All firms are aware of the example just given. Many of them therefore, know that the harder they work and the bigger their profits, the bigger the slice that will be taken by the government. This discourages some from trying to do better.

And many, since EPT will siphon off their earnings unless some of it is spent on company expenses, are spending more on advertising, on good business and are actually inflationary, such as big expense accounts, big parties, and so on.

There is another side to that coin of course. Other companies plan for the time when EPT is ended by pulling money into research and development.

In the pre-Korean days some companies suffered disaster, like fire, flood or strike, which kept their profits abnormally low or wiped them out. But their present earnings, although perhaps only normal, are extremely excessive when compared with the disaster period. They ask the government for relief.

They do so by estimating what their earnings would have been in the pre-Korean period if there had been no disaster. This is a costly undertaking, often born by the firms than small ones. And the estimates must be convincing to the tax collectors.

## HAL BOYLE

**LONDON (AP)** — What is an Englishman?

To American gagwriters, he is a fellow who wakes up in the morning and asks his wife:

"What century is it?"

In vaudeville he is two fellows with monacles and drooping mustaches. The first mumbles through his bristles, "I say... uh... er... uh... are you English?"

The second studies back, "Er... ah... uh... if I were any more English, old boy, you wouldn't be able to understand me."

In joke books the Englishman boards a train going from London to Edinburgh, and a stranger in the compartment says, "Nice weather we're having." As the Englishman leaves the train at Edinburgh, he turns to the stranger and snaps, "Chatterbox!"

These two are outworn stock caricatures, of course. But many Americans still think of the Englishman as a guy a bit behind in the times and proud of it, very reserved and reticent, but one who always faces life with a stiff upper lip—a dull companion in victory but a great comrade to have at your side when the bullets are coming your way.

This makes him out a nice fellow, but one not likely to become the life of a party.

Perhaps I have been meeting the wrong type of Englishman, but I don't find him that way at all.

The English have the same appetite for fun and self-indulgence as a five-year-old boy turned loose in a candy store, and have had it for centuries. Were there ever greater creatures than the English of the first Elizabethan era, 400 years ago? If there were, Shakespeare was a liar.

The Englishman of today is just

as gasty and vital as his ancestors. The trouble is he hasn't been turned loose in a candy store for a long time. The corporation showed he loves to kick up his heels when life gives him a chance.

He don't find the Englishman a great talker. This is a costly undertaking, often born by the firms than small ones. And the estimates must be convincing to the tax collectors.

They say Englishmen talk to each other only about the weather, and in a series of "hrrumphs" and "um-uns" that only they can decode. If this is true, the only possible reason I can advance is that most people like to talk about their troubles, and in a crowded land where everybody has more than his share of them, who wants to listen to the other guy complain? It is safer to criticize the climate.

Life is rugged for the average Englishman, compared to life in America, although he feels things are looking up now. Wars, depressions and an old caste system that is cracking up but still exists have made him something of an underdog. That probably explains his tremendous sentimental sympathy for all underprivileged things—dogs, cats, birds, flowers and children.

He will accept cruelty to himself more easily than he will cruelty to lesser creatures.

The Englishman, rich or poor, is introspective. He thinks a great deal, but generally wears his mouth inside his heart. If he has done anything worth bragging about, he prefers to let his deeds speak for him.

Dutiful and discipline are taken more seriously by the ordinary Englishman, it seems to me, than by the ordinary American.

He is less likely to say "To hell with it." But no man on earth guards his individual rights and personal freedoms more fiercely, because no other man has fought better so many centuries to get and keep them.

All men are morsels of yearning in a crust of courage, thick or thin. On the Englishman the crust has grown a little deeper than on most, and whatever put it there—time or the weather or himself—it is this that chiefly makes him an Englishman.

## BRUCE BLOSSAT

Nearly three years ago the Communists moved into South Korea and thereupon touched off the greatest peacetime defense effort in the history of free nations.

All the evidence which could be vied Union, the sponsor of the aggression, was greatly surprised and shocked by the West's violent response to the move.

The defense of Korea was just one phase. NATO, therefore, largely a paper organization, gained muscle and steel. The foreign-military-aid program was born. America's own defense community came into being, important efforts were made to draw the Bonn government closer to the West, and ambitious, European-minded statesmen started drafting a constitution for a United States of Europe.

None of this could have made the Russians happy. They have been trying, one way or another, to reverse these strong currents toward western unity ever since 1950.

The natural delays, complications and disagreements which go with so tremendous a defense effort by a varied group of nations were some assistance to Soviet aims. So were the popular attitudes against making new economic sacrifices so soon after World War II.

But the real reversal developed gradually with the loss of a sense of urgency in the defense program, Russia contributed to that mood by refraining from fresh aggressions on the Korean model. Despite constant warnings to the contrary from many alert western statesmen, the push toward real western unity and rearmament slowed perceptibly.

The Soviet Union's 1953 "peace offensive" is calculated to accentuate this new trend by putting a powerful brake on common western moves in many directions and providing excuse for turning away from painful decisions.

Yet recent declarations from Moscow have begun to chill the spirit of the hopefuls. The suspicion is growing that Russia does not want a settlement except on its own impossible terms. The Soviet Union's strength does not seem to have lessened since its goals have changed since the big western effort began.

In this reawakening of the nature of the enemy, many men are casting doubt on the wisdom of allowing severe arms reductions, and of permitting brave projects like the European army plan to drag on for a whole year without final approval.

Clearly there is no safety against Russia in doing too little. If we are not to rely upon these measures so brilliantly planned since 1950, then in what alternatives shall we find our security?

## THE DOCTOR SAYS

**By EDWIN P. JORDAN, M. D.**

About one in every hundred school children is believed to have congenital heart disease, rheumatic fever, or rheumatic heart disease. This sounds pretty bad, and it is in a way, but there are many encouraging developments.

Congenital heart disease, that disease present at birth, is far less common than rheumatic heart disease. I shall say nothing about it in this column except that developments in heart surgery have meant that many youngsters with some kinds of congenital heart disease can be operated on successfully and returned practically to normal.

The greatest amount of heart disease in children is the result of streptococcal infections, which are common in the ages of five and 15, but it is not confined to these ages by any means. Although it is known that some progress is being made in treatment, the really giant strides have been made in prevention.

The greatest danger from rheumatic heart disease, which is the most serious complication of rheumatic fever, is the result of repeated attacks. It is known, however, that most attacks of rheumatic fever are preceded two or three weeks earlier by infections with certain kinds of streptococci (which are germs), such as tonsillitis, sore throat, scarlet fever, or infections of the middle ear.

Since this is the case, it is readily apparent that if these

streptococcal infections could be attacked when they occur the chances of bouts of rheumatic fever would be lessened.

A short intensive course of treatment with penicillin, if it can be given at the first sign of streptococcal infection, helps to prevent the first attack of rheumatic fever.

In an excellent pamphlet called "Rheumatic Fever in Children," recently published by the American Heart Association, some common sense health precautions are suggested for parents and teachers:

Keep the child away from other children and adults who have colds or sore throats; give the youngster a bed and a separate bedroom, if possible; dress him suitably for bad weather, and make sure that wet clothes are changed promptly; use proper diet, exercise and rest to keep the child in good general health; don't nag the youngster about his health or frighten him into being too cautious.

If the child gets a cold or sore throat, don't blame yourself or the child, but take him to the family doctor so that he can be treated with penicillin or a sulfadiazine if a dangerous streptococcal infection is present.

## Owner's Death Fails to Halt 15-Year Irish Saloon Strike

**DUN LAOGHAIRE, Ireland (AP)** — The famous strike at Jim Downey's saloon — now in its 15th year — began Friday after a false armistice caused by Downey's death.

Pickets of the Bartenders Union were ordered to resume trudging their old beat forthwith, for it seems that Mrs. Downey is just as stubborn as Jim himself. She won't give up those non-union barmaids.

The marathon strike began in March, 1939, when Jim fired a bartender.

The union demanded the man's reinstatement and Jim said no. The union pulled out the other bartenders and Jim hired barmaids.

The union sent pickets.

Downey would give an inch. Neither would the union.

Day after day, month after month, year after year, the pickets plodded the old, familiar sidewalk — until last Saturday, when Downey died at the age of 79.

The union, assuming that Mrs. Downey would listen to reason, called off the pickets and made ready to negotiate.

But Jim's widow announced Thursday she has decided to stand fast.

"The barmaids make better than union wages and they are going to stay," said Mrs. Downey. "Besides, the strike does business no harm at all. Many's the person come here to have a look at our famous pickets and stays for a drink."

## Kaiser Quarry Shuts Down

**THE DALLES (AP)** — The Henry J. Kaiser Co. has abandoned a permit quarry and plant 13 miles south of Maupin, Ore., in southern Wasco County, it was announced here Friday by the owner, Dant & Russell Inc., of Portland.

Dant and Russell said the operation was shut down last Saturday and some 65 employees of the Kaiser Gypsum division were dismissed.

Kaiser Gypsum announced in May, 1952, it was leasing the operation from Dant and Russell for one year, with option to buy. The Portland firm gave no reason for the Kaiser withdrawal, but there were indications that the plant didn't find a satisfactory market.

At the quarry permit — a volcanic glass — was mined. The plant used the permit as a base for mineral accretional tile and lightweight aggregate, a substitute for sand in plaster.

## MOTEL BURNS

**NEWPORT, Ore. (AP)** — Fire destroyed several apartments of the Welcome Traveler Motel at the edge of Newport late Thursday night. Operator Joe Ditto said he could not estimate the amount of damage at once. The origin of the fire was not determined immediately.

## CONTRACT AWARDED

**PORTLAND (AP)** — The Bonneville Administration awarded a \$14,229 contract Thursday to the Walton Brown Electric Co., Salem, for additions to the East McMinnville substation.

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## Marshall Plea, Understand US

**LONDON (AP)** — Gen. George C. Marshall appealed Friday to British leaders to foster a generous understanding on America's aims and problems in Korea.

In a stern tone, he told a luncheon of the English Speaking Union it was important that the British public resist Soviet propaganda that the United States is engaged on some warlike course.

He also declared the American public "is intent on seeing that nothing be permitted to lend aid to the Chinese Communist forces."

Marshall told the luncheon gathering of 2,000 he thought the British public "only partially realizes" the size of American casualties in Korea. He added:

"For some reason—probably a result of clever Soviet propaganda and subtle suggestion—there seems to be a belief that America is in a warlike mood, fraught with the possibility of bringing about a general conflagration.

"Nothing, I know, could be further from the desires of the American people and their leaders."

Marshall also referred to charges occasionally made here that the United States government ignores the advice of its Allies.

He said that in its own experience as secretary of state and secretary of defense, "the maximum amount of attention was paid to those of the British government."

## Ships Arrive For Festival

**PORTLAND (AP)** — The cruiser Helena arrives here Saturday, first of the official Rose Festival week guests to put in an appearance.

Five minesweepers are due Sunday, the attack transport Algol is due Monday and two destroyer escorts, the Gilligan and the Rombach, Tuesday.

The week's big event starts Wednesday night with selection and crowning of the queen in Multnomah Stadium.

The major spectacle this year will be a ski jump in the stadium. The steel scaffolding, which towers above the roof of Multnomah Clubhouse, will be completed Sunday.

The stadium will be open Sunday in what is called a "sidewalk superintendent's show" for completion of the steel scaffolding.

The annual festival parade Friday will be headed by Interior Secretary McKay and there will be the usual floats, bands and marching units from all parts of the North coast. Fourteen public address units will be located along the parade route to identify the entrants.

## Hanford Millwrights Return to Work

**RICHLAND, Wash. (AP)** — An eight day old walkout of 90 AFL millwrights ended Friday at the 110 million dollar expansion project at the Hanford atomic plant.

The walkout was staged in a jurisdiction dispute with AFL machinists over work assignments and apparently was not settled when the millwrights returned. Representatives of the two unions met, however, with federal conciliators in a continuing attempt to iron out the differences.

## Loggers of Ashland, Blue River Killed

**By The Associated Press**

Accidents reported Friday claimed the lives of two Oregon loggers.

Curtis Morrell of Ashland was killed Thursday when struck by an uprooted tree.

Claire L. McInture, 34, of Blue River, was fatally crushed by a rolling log as he was loading a truck near the McKenzie Bridge about 50 miles east of Eugene.

## State Grange Meet To Open in Medford

**MEDFORD (AP)** — The annual five-day convention of the Oregon State Grange will open here Monday.

State Master Elmer McClure is to make his annual report on the opening day. Gov. Paul Patterson is to be main speaker at the Monday night session.

Resolutions expected to be discussed include the Hells Canyon controversy and other power matters.

## BOY WITHOUT PET

**ALBUQUERQUE (AP)** — It was a sad day for five-year-old Jeff Wright, son of Mr. and Mrs. G. A. Wright of Albuquerque. He had no pet to enter in the Sandia Base kindergarten pet show recently.

Wandering his misfortune on the way to school, Jeff spotted one of the thousands of grasshoppers the city and causing concern to adult officials.

He picked it up, named it Skipper, entered it in the contest and won a blue ribbon.

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