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In The Day's News

By FRANK JENKINS

They say money talks.
Let's talk about money for a moment.

French money this time.

Why French money?
Well, the French are overhauling their currency system. The French unit of money value is the franc, just as ours is the dollar. For a long time, the French have been doing business with paper francs. They're starting today to mint a METAL franc.

This metal coinage will be silver. The five-franc silver piece will be "worth" 500 present-day francs. That is to say, the government will DECREE that its value will be 500 francs. There is some accompanying mishmash to the effect that at the same time the money is increased 100 times in value prices will be scaled down 100 times to match.

That is probably government moonshine. What these new silver francs will be actually worth over the long pull will depend on how much in the way of goods and services people will be willing to exchange for them.

That is the REAL value of money.

Question:
How much will these new francs be worth in terms of American money?

The answer is NOT MUCH. The present exchange value of the paper franc—meaning, if you are touring France, how many of them you can buy for a dollar—is in the broad, general neighborhood of a quarter of a cent. So the new French five-franc silver piece won't buy any houses and lots. It might buy an American postage stamp.

Another question:
Why is the French government making this change?

One suspects it is for psychological reasons. The French are a rather realistic lot—as evidenced by the way they're apt to invest their savings. When they want to put something by for a rainy day, they're inclined to go out and buy some GOLD—on the black market, or wherever they can get it—and take it out in the back yard and bury it.

The French government probably thinks the French people will have more confidence in metal money than in paper money. That suspicion is buttressed by the fact that the new money is being called "heavy francs." When people heft them in their hands, the new silver pieces will feel more like real money.

One more question:
What is REALLY SOUND money?

I think the soundest money ever circulated was the gold, in the form of "dust" that was the medium of exchange in our State of Jefferson in its romantic days of old, the days of gold. The miner went out and mined the gold from the lodes in the placer days and put it in a buckskin poke and carried it in his pocket. When he wanted to buy something, he took out his poke and weighed out the necessary amount of "dust" on the merchant's scales.

That is to say: He WORKED for the gold. So much gold represented so many actual hours of toil in the recovery of it from the lodes.

That is a REAL measure of value.

BULLETIN

MEXICO CITY (AP)—A Tigres Zlatos airline crashed near Puerto Kino on the Gulf of California today. First reports said all 16 persons aboard were killed.



LAKE OF THE WOODS was almost free of snow when this picture was taken last Wednesday. The picture was taken from Rainbow forest camp looking out over the lake toward the summer homes on the far side. Those going in to cabins around the lake report almost no snow left. Klamath County has a plow in the area now getting rid of the last snow blocks around the lake in preparation for the fishing season.

Horse Race Tax Measure Leaps Over First Hurdle

By JAMES C. ANDERSON
SACRAMENTO (UPI)—Gov. Edmund G. Brown's bill to increase state taxes on race tracks by \$12,400,000 a year was past its first hurdle in the Legislature today despite vigorous opposition.

Representatives of every race track in the state plus horsemen, breeders and harness race operators and even a man who claimed to represent the \$2 better testified against the bill.

But on a 10-6 vote, the Assembly Revenue and Taxation Committee Thursday approved the measure by Assemblyman Thomas J. MacBride (D-Sacramento).

The bill is part of Brown's 256 million dollar tax program. The governor, in a recent speech in Santa Barbara, warned the public to keep a sharp eye on racing interests and on the beer and oil industries to "see if they are willing to bear their fair share of the tax program."

Judging from the opposition at

the committee hearing Thursday, the race tracks want no part of a tax boost.

The MacBride bill would increase the state's share from betting from 13 per cent to 15 per cent. It also would take a bigger cut out of breakage, the odd pennies left over because race bets are figured in units of 10 cents, and a larger cut when the mutual handle goes above 50 million dollars.

MacBride listed net profits of Santa Anita compared to its net worth as 22.1 per cent and said that a share of stock purchased when the track was built in 1934 at \$5,000 would be worth \$70,000 today and would have earned another \$100,000 in dividends.

But Gwynn Wilson, vice president and general manager of Santa Anita, said an investment in such blue chip stocks as American Airlines, Goodyear, IBM or Santa Fe Railroad all would have earned more than race track stock.

Wilson argued that any increase in the state's take from tracks might cut down the number of bettors and result in reduced revenue.

Other witnesses echoed his testimony.

Clement Hirsch, director of the Horse Breeders Protective Association, told the committee that if the bill passed "you're going to kill the goose that laid the golden egg."

Another witness, Harold C. Bowles, said he represented the "Citizens' Bipartisan Council," under questioning from the committee, he said the council was made up of 245 bettors.

"Every track in the state is a bonanza," he said. "There's only one thing wrong with the bill—the 2 per cent increase should come out of the track's profits, not from the guy putting up \$2 at the betting window."

Before the bill was passed by the committee, Assemblyman S. C. Masterson (D-Richmond) offered an amendment to kill a provision in the bill which would eliminate the funds now going to the wildlife preservation fund.

Kingsley Building Given House Nod

WASHINGTON (AP)—The House Thursday approved a military construction authorization bill that lists \$955,000 for Kingsley Field, Klamath Falls, Ore.

The money is to go to acquisition of real estate, for operational and maintenance facilities.

Weather

Northern California—Fair through Saturday but some high clouds in north portion. Variable fog and low cloudiness on coast. Little change in temperature. Coastal winds northwest and north 15-30 miles an hour. Outlook through Sunday, probably fair.

Klamath Falls and vicinity—

Partly cloudy Saturday. A few snow flurries in the mountains and a few scattered rain showers in the valleys. Temporary clearing tonight. Low tonight 22-28; high Saturday 48-55.

High yesterday 61
Low last night 23
Precip. last 24 hours 0
Since Oct. 1 4.36
Same period last year 14.33

CRATER LAKE

High yesterday 48
Low last night 21
8 a.m. today 23
Trace of new snow
Snow depth 79
Last year 159

There was a very light wind this morning in the park and it was snowing lightly, the rangers reported. Skiing icy. Roads open to the rim. Warming hut expected to be open on Saturday and Sunday. At 10 a.m. on Ski Hill on Sunday, Slim Mabery's class of ski students (Sitzmark Ski Club) will put on a public exhibition and compete for trophies and awards which will be presented at noon in the recreation hall of the park headquarters administration building.

The public is invited to watch two hours of competitive ski tests and runs at the park.

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MONTANA PRISON RIOT

Convicts Imperil Lives Of 18

Herter Deemed Past Hurdle; Way To Cabinet Post Clear

WASHINGTON (AP)—Senate Republican leader Everett Dirksen of Illinois said today he has been assured Christian Herter will be appointed secretary of state. He said he expects an official announcement Saturday or perhaps later today.

Although he did not disclose the exact source of his information, Dirksen indicated that it came from White House officials.

Dirksen said he had been given no information on any other shift

in State Department assignments.

A specially selected doctor is understood to have found that Herter's sometimes painful arthritis of the hips will not interfere with his being an active foreign policy chief.

Herter has long been considered the No. 1 prospect to succeed the ailing John Foster Dulles. But President Eisenhower is reported to have requested a confidential medical checkup of Herter by a "neutral" physician before making any appointment.

Dr. Theodore B. Bayles, Herter's personal physician, already had expressed firm confidence that Herter would be fully capable of shouldering such duties.

But Eisenhower apparently wanted an impartial verdict so that he could assure the American people that Herter, who frequently has been photographed leaning on his metal arm crutches, had a clean bill of health.

A top Republican official, who knew about the medical exam, said Thursday night that Eisenhower would announce Herter's formal nomination in a few days. Several senators have said the Senate was ready to confirm Herter promptly.

Accompanied by his wife, Herter left quietly by train for a week-end rest at a family farm outside Charleston, S.C. He had already boarded the train before the State Department told reporters.

Aides said that the former Massachusetts governor of Massachusetts, an avid outdoor sportsman despite his ailment, wanted to relax for a few days before assuming the full load of running the State Department.

In 12 days, he must fly to Paris to attend a meeting with the British, French and West German foreign ministers at his side, then confront the Soviet Union's Andrei Gromyko for what promises to be a tough bargaining conference in Geneva.

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World News In Brief

United Press International
REDS—Tokyo—Red China's "National Peoples Congress" opens in Peking to name successor to Mao Tse-tung.

MINERS—Whitesburg, Ky.—Mine guard killed in exchange of gunfire with UMW members; second fatality of eastern Kentucky coal strike.

NIXON—Washington—Vice president's trip to Moscow in July viewed as personal political bonus and well-timed diplomatic maneuver.

PLANES—London—British still unhappy over U.S. high-level flights to Berlin; U.S. firm; Moscow charges "deliberate provocations."

ALERT—Washington—Wall of sirens in hundreds of U.S. communities will signal start of civil defense training exercise today.

CASTRO—Washington—Cuban prime minister goes before U.S. editors.

KHRUSHCHEV—London—Khrushchev is 65 today; some concern felt for his health as congratulations pour in from Communist world.

DULLES—Washington—Christian A. Herter receives health clearance, apparently assured of becoming secretary of state.

Big Ovation Given Bolshoi

NEW YORK (AP)—Eighteen minutes of unbroken, thunderous applause that rocked the Metropolitan Opera House late Thursday night tell the story: those attending fell in love at first sight with the Soviet Bolshoi ballet.

Bravos rolled with equal enthusiasm from young dance students who had waited up to 40 hours for a crack at standing room and from jeweled society women in \$50 box seats.

Again and again the curtain parted, bringing out legendary Galina Ulanova, who led the celebrated Russian dancers in Sergei Prokofiev's "Romeo and Juliet," to another round of applause and bouquets.

Then the Soviet troupe applauded the audience and the curtain closed on the premiere of the Bolshoi on these shores.

Soviet and American flags hung side by side from center boxes in the Diamond Horseshoe. The orchestra played the national anthems of the two countries.

Mikhail Mentshikov, Soviet ambassador to the United States, shared a box with an American capitalist, Cyrus Eaton, Cleveland industrialist who has visited the Soviet Union.

They were joined by Van Cliburn, gangling American pianist who scored a smash in Moscow when he won the Tchaikovsky piano competition.

Society, world diplomacy and the entertainment field were heavily represented in the glittering audience that filled the 3,616 seats.

The ballet itself, particularly Mme. Ulanova, a slight but spectacular figure, appeared to please everyone.

W.G. Rogers, Associated Press arts editor, wrote that she "ranged through an exacting role with the mastery for which she is famous—innocent and girlish, awakening, maturing to the love of the handsome and impetuous stranger from the camp of her family's enemies, and committing herself to marriage and death for his sake."

The ballet will be at the Metropolitan for a 3½-week repertory run. Then, after six performances at Madison Square Garden, the 100 dancers and 90 musicians will go on tour, returning here in May to end an eight-week U.S. visit.

TB CASES

SOSSAU, Germany (AP)—Tuberculosis struck 40 German schoolchildren—aged 7 to 14—in the same crowded classroom of a village school here. Authorities said they caught the disease from their teacher. Seventeen of the children had to be sent to a TB sanitarium.

Aide Killed, Guard Knifed

DEER LODGE, Mont. (AP)—Convict riot leaders at the Montana prison told newsmen today they are holding 23 hostages "including some stool pigeons."

DEER LODGE, Mont. (AP)—The lives of 18 hostages dangled in balance today while Montana prison officials bargained with rioting convicts. They have killed a deputy warden and stabbed a guard.

The rebels released one hostage, Walter Jones, 24, prison psychologist, for an eight-minute talk with newsmen.

He said guards among the hostages "are all set up to be killed, some will be hanged, I am going back in. I don't know for how long. The inmates are tough. Any little thing will set it off."

Jones said the convicts threatened to kill the other hostages if he did not return within eight minutes.

His statement dashed an earlier report from Father Gerald Lynam, prison chaplain, that an agreement had been reached to settle the riot that broke out Thursday at 4:30 p.m. (MST).

Father Lynam told newsmen after a session with the convicts and prison officials that "everything is going to be all right." He said a formal announcement would be made shortly. But three hours later no agreement had been announced.

Jones pleaded with officials to "please leave this in the warden's hands. If you take it out of the warden's hands and storm the gates, we've all had it."

About 150 combat-ready Montana national guardsmen ring the 90-year-old castle-like prison. They are armed with automatic rifles and bayonets.

A convict spokesman, a burglar named Jerry Miles, talked for more than 15 minutes over the prison public address to the 435 convicts inside. His speech was heard outside the walls.

Miles said he wanted out-of-state newsmen to come inside and look over prison conditions. "I don't think the warden or the others will let you in," Miles said, "because they don't want newsmen to know what conditions are."

Miles and other prisoners have been complaining of what they termed poor medical facilities, bad sanitation and the policies of the Montana Parole Board. "We are not fighting for today but for the next guy who comes in here," Miles said.

Father Lynam took part in a 2-hour 45-minute conference—between bars of a prison gate—among the prison officials and convict leaders.

He said three out-of-state newsmen would be present at the announcement of the agreement.

Trucker Slain In Gun Fight

WHITESBURG, Ky. (AP)—A gun fight between striking coal miners and a nonunion truck driver left one man dead and another severely wounded Thursday night.

Three United Mine Workers members, including the wounded man, were arrested on murder charges in the second violent death since the UMW went on strike in eastern Kentucky March 9.

James Otis Adams, 41, of nearby Dargula, a truck driver who also worked as a guard at the nearby nonunion Little Shepherd Mining Co., was killed while exchanging shots with men who tried to drag him from his truck.

State police said the men charged with murder were Harrison Stidham, the wounded man, Verlin King and Democrat Hollman, all of Marlone.

Stidham was placed under police observation at the hospital where he was taken with a severe stomach wound.



"GIVE 'EM A FAIR TRIAL and then hang 'em." That interpretation of frontier justice was revived by a merciless Klamath County Court that roamed the streets of Lakeview. These photos by the Lake County Examiner show that the beardless in Lakeview are brought to quick justice. The

photo on the left shows that Examiner Publisher, Glen H. Charles finds he can't escape a fine by filching a few shaving permits being printed in his own shop. Assuming that justice is done are, from the left, George Iremonger, holding a pistol in Charles' back; Bob Howard, writing

a legal permit; Bob C. Howard, black-robed judge pronouncing sentence on the public address system; and Jack Pendleton. The grim scene in the center shows the same Whitaker Committee at work. Their victim is Bob Nichols, a Lakeview attorney, whose flowery oratory failed to get

him out of a one dollar fine. In the last scene District Attorney Chick Chaloupka learns, before an enthusiastic crowd, that it doesn't pay to defy the court. His dual crimes, too much oratory and too few whiskers, result in his being hanged (by the shoulders) as an example.