

The United Nations must take a firm stand in the world. It is a vital force, says Mr. Welles, former Undersecretary of State, in a special article on today's editorial page.

# THE CHARLOTTE NEWS

## 3 High Government Officials Listed As Speculators

# USE COMMON STOCKS TO GET RICH

### Remains As Vice Chairman

## Truman Demotes Eccles As Federal Reserve Head

WASHINGTON—(AP)—President Truman today shook up the leadership of the Federal Reserve Board of Governors demoting Chairman Marriner B. Eccles and designating as new chairman a man Thomas Bayard McCabe of Philadelphia to the post.

An exchange of correspondence released by the White House showed that Eccles will remain with the board yesterday to fill the board vacancy created by the death of Venetie Flanigan.

The letter to Eccles from the President, which was not dated, said:

"As I explained to you last week, it is now my preference to designate a new member of the board to fill the vacancy by the death of

About the time the correspondence was made public, a major Capetart (R-Ind) told reporters he had been informed by "a very reliable source" that Mr. Truman planned such a move.

Asked why Capetart said he did not know for sure, but added he has heard that bankers "look upon Eccles as being too idealistic."

"I am told," Capetart continued, "that they feel his policies have been wrong and he has been responsible in part for inflation."

**DUFFLED WITH SUTHERS**  
Eccles and Secretary of the Treasury Snyder have been on opposite sides of the fence on how to curb the expansion of bank credit.

Mr. Truman, in his Nov. 17 message to the special session of Congress, asked for legal power to restrict bank credit.

To carry this out, Eccles asked the Senate and House Banking Committee require banks to set up a "special reserve."

Snyder, in testimony to the committee, opposed this but never explained why he was against the Eccles proposal.



MR. ECCLES  
Vice-Chairman Resigned, and then confirmed by the Senate, to designate him as chairman.

### Shortage Grows Worse

## Congress Pondering Plans To Limit Exports Of Oil

WASHINGTON—(AP)—Senate and House today weighed separate proposals to stop all oil exports by law while a fuel shortage exists in this country. Simultaneously a Senate committee suggested that the States fix new low speed driving limits, similar to the 35-mile-an-hour wartime limitations, to save gasoline.

### Reds Set To Deal

## Austrian Treaty Hopes Brighter

VIENNA—(AP)—Russia was reported here today to be ready to deal on a peace treaty for Austria.

An Austrian Government spokesman said hope for a settlement of the occupied country's future had been blocked by an East-West deadlock, now appeared "brighter."

The Austrian Government agency said five conditions had been laid down by the Russians for discussion at the Big Four Deputy Foreign Ministers conference in London next week.

1. That Russian demands regarding the Big Esterodoff oil fields, northeast of Austria, remain unchanged. Russia wants two-thirds of the field's production and an equal share of the equipment.

2. That the oil field concessions remain effective for 50 years.

3. That Russia be paid \$200,000,000 within two years for all other German assets in Austria now controlled by Russia. One of the toughest questions in Austrian negotiations is date when Austria's present definition of what constitutes German assets in Austria.

4. That Russia be given from 20 to 40 per cent of the Danube Shipping Co.

All 1,000 profits obtained under these conditions may be taken from the Danube Shipping Co. **SKIP SOME PROBLEMS**  
An American spokesman, informed of the Austrian press agency report, commented that these terms do not mention political problems, displaced persons, demilitarization, denazification or border changes.

5. That Austria be given from 20 to 40 per cent of the Danube Shipping Co. **ADM. STIRLING**  
Retired Rear Admiral Vasey Stirling Jr. many times called the stormy petrel of the service, died of a heart ailment today after a three-month illness. He would have been 78 on service in the Navy before he retired in 1936. He applied in 1944 for return to active duty but Secretary Forrestal's decision there was not available "suitable to your rank and command."

In retirement Stirling went extensively and this brought him into many public controversies.

Soon after outbreak of the war in Europe in 1939 he advocated immediate American intervention. As early as 1936 he had written an article suggesting a coalition against Russia, Communism.

Two surviving sons are Navy officers—Capt. Vasey Stirling and Lt. (retired) of Norfolk, Va., and Cmdr. Harry E. Stirling of Baltimore.

### Ambassador, Senator And Budget Aide

## On New List

**Other Federal Employees Named**  
WASHINGTON—(AP)—A senator, an ambassador and the newly-appointed assistant director of the Budget Department today as budgeters in commodity markets since Jan. 1, 1946.

James B. Salant, an economist with the President's Council of Economic Advisors.

His brother, William A. Salant, assistant chief of economic staffs for the State Department.

His mother, Mrs. Josephine S. Salant, New York.

Winthrop O. Brown, chief of the division of investment in the State Department and a former Lead-Lend office.

**WIVES SEVERELY**  
The list was released for publication a few hours after the Agricultural Department announced that it has suspended three of its own employees for speculation in commodities and investment in stocks.

The announcement was made last night by Jesse B. Gilmer, administrator of the production and marketing administration, which oversees Government purchases for foreign relief and price support purposes.

Gilmer said "none of the three suspended had any inside information as to Government buying."

Today's list included 738 traders reported by brokers as employees of the Federal Government or as members of immediate families of Federal employees.

Andrews considered requested brokers to report names of all persons in the market between Jan. 1, 1946, and Dec. 31, 1947. No details of their activities were given.

The information was obtained in connection with Congressional inquiries to determine whether Government "traders" have profited.

Mr. Pace, who served as executive assistant to Robert R. Hannegan while the latter was director of the market, was recently appointed by President Truman to the No. 2 spot in the Budget Bureau, but has not yet taken the oath of office.

Waller S. Salant had speculated in cotton and eggs and had made \$1,500 to \$1,700, "but certainly not had the inside financial information." He said he had been in the market since February, 1947.

Waller S. Salant said transactions carried in his name were made by another member of his family.

He said that the transactions were for himself and his brother since they were minors.

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### Money Market Tension Eases

LONDON—(AP)—Tension eased off in world financial markets today as investors bought British pounds to defend the value of the pound.

Treasury officials worked out measures to defend today that protect the pound from the repercussions of the French franc's devaluation, which became effective yesterday. The pound is the financial base for much of the world.

Mr. Stafford Cripps, chancellor of the exchequer, said that whatever measures were decided upon to support the pound would be taken without adverse effect on the home market.

France's action in cheapening her money market has caused a loss of confidence in the British stock exchange yesterday. Government securities were down 10 to 20 points, 100,000,000 in value. The market activity has been quiet since last July, occurred before Sir Stafford's late afternoon announcement to the House of Commons that Britain had no intention of following the French lead.



### SOCIALITE SUES HUSBAND

In a suit for separate maintenance filed at West Palm Beach, Fla., Mrs. Nancy Rheem Talbot, Washington and Palm Beach society matron, charged that the interest of her husband, John Alden

Talbot Jr., in Movie Actress Lana Turner caused her "great mental anguish." This picture of Mrs. Talbot (left) Talbot (center), and Miss Turner (right) was made recently in the El Morocco night club in New York. (AP Wirephoto).

### Ex-Officer Accused

Edward Scheidt, special agent in charge of the New York FBI office, gave this account of the Bureau's case against the ex-warder.

Monti, while stationed in Karachi, India, in October, 1944, got a hitch-hike ride to Italy in an Army plane.

There he stole a U. S. Army photographic plane and flew to German-held territory.

**ALLOWED TO RE-ENLIST**  
After the Nazi capitulation he was at Washington but later joined the U. S. Army at Milan, Italy; he was returned to the United States by military authorities and court

mer fighter pilot had told of making two propaganda broadcasts in Germany "at the time of the raid." He wrote scripts. The father said the former soldier, waiting his parents in the St. Louis suburb lately released from Berlin, made six trips on Allied bombings. Although they followed the propaganda line, the ex-warder was quoted as saying, he had intended to tell the Allies of the raid. He was threatened while a prisoner, he said, and "I let them think I had become a Nazi. After all they had the guns."

### Strike Threatened

## Board Is Created In Rail Dispute

WASHINGTON—(AP)—President Truman today created an emergency board to investigate a wage dispute between the nation's railroads and three unions representing about 125,000 operating workers.

The unions have called a strike for Feb. 1.

Under the Railway Labor Act the President is authorized to appoint a fact-finding board which has 30 days to hold hearings to report back to the President. A 30-day "cooling off" period must elapse before a strike can be called.

A white House announcement included a long list of carriers involved in the dispute with the Brotherhood of Locomotive Engineers, Brotherhood of Firemen and Enginemen and the Switchmen's Union of North America.

The order said the dispute threatened to interrupt commerce to such a degree as to deprive the country of essential transportation service.

As usual in such cases, the creation of the board will be followed by a vote on the announcement of its personnel.

### W. Kerr Scott Awaits Word From Friends On 1948 Race

By RALPH HOWLAND  
RALEIGH—(AP)—Agriculture Commissioner W. Kerr Scott made it clear today that he has enough of my friends say so to run for Governor next year.

The party in North Carolina today for Governor some years ago, he ran as an Easterner. Scott said that his home county of Alamance has a Western background in line with Chatham's. Therefore, he said, he would discount the argument of Johnson supporters that he is a Westerner.

The fact that they are making no argument, Scott said, shows that they are worried. If I get in the race I'll give them something else to worry about.

Many Capitol Hill politicians were wondering today just what Scott's announcement of the gubernatorial nomination would have on the U. S. senatorial race between the incumbent, W. B. Umstead, and former Governor J. M. Broughton.

### Group Splits Along Party Lines On Knutson Bill

Early House Test Is Scheduled  
WASHINGTON—(AP)—The House Ways & Means Committee voted 15 to 9 in a straight party split today for the Republican \$8,300,000,000 tax-lashing measure. That sends the bill to the House where a vote is expected next Monday.

The committee announced that President Truman's counter proposal, which would tax corporate taxes) plan was beaten 10 to 4.

Four Democrats were reported to have joined in opposing the President's plan.

That will committee Democrats taking a solid stand against the Republican bill in its present form, there is immediate renewed speculation that the size of the tax cut might be reduced before Congress completes action on it.

**HOURS PASSAGE SEEN**  
The House expects to take the measure up Thursday. After it acts, the bill will go to the Senate. Republican leaders believe the House will pass the bill "as is" but say the Senate may amend it.

Chairman Knutson (R-Minn.) of the Ways & Means Committee said the Knutson proposal would:

1. Raise personal income taxes from 34 to 38 percent in the lowest income tax bracket and from 24 to 28 percent in the upper bracket.

2. Extend to all states the measure to tax property privileges under which husbands and wives may divide the family property for tax reporting purposes, thus obtaining lower rates.

3. Give percentage tax reductions ranging from 30 per cent in the lowest income tax bracket to 10 per cent in the upper bracket.

The measure would relieve about 7,000,000 persons from further income tax.

Democrats contended that the Republicans, with a 245 to 183 majority in the Senate, could not pass through the House. Their strategy was to convince the GOP that they could not pass the measure.

Republican leaders called a mass meeting of all the party's House members for tomorrow in an effort to create a united front against the Knutson bill as now drafted.

Meanwhile, Senate Republicans indicated a policy meeting yesterday to discuss a bill to tax deduction but left the amount blank in the bill.

Finance Chairman Millard E. Eisenhower said he had information on the budget and on how much surplus there will be.

### Rep. Thomas In Panama Hospital

BALBOA HEIGHTS, C. Z.—(AP)—Rep. J. Parnell Thomas (R-N.J.) was under treatment at Margarita Hospital today for a serious illness which afflicted him at sea.

Thomas was transferred to Margarita from the S. S. Ancon yesterday. He had been stricken by a gastrointestinal hemorrhage Saturday night while en route here to investigate observations that military activity in the canal zone Sunday. A U. S. plane was ordered to drop plasma to the Ancon for him.

Margarita is on the Atlantic side of the Panama Canal. It is a chief health officer of the Panama Canal Zone. It is a condition permitted, he would be taken later to the Gorgas Hospital on the Pacific side.

What Am I Saying!  
By FRANK MORGAN  
Odds how a girl who looks like a man, which brings me to a man who marries a woman who is in the middle of a night-mare.

### WEATHER

Rain this afternoon, clearing to light new late tonight. B. Wednesday. Slightly cooler.

Temperature at 1:00 today..... 34  
High and low 14-24 today..... 13-34  
Sunset today..... 5:47  
Sunrise tomorrow..... 6:47  
More Weather Data on page 4-A