THE CHARLOTTE NEWS

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The News' Platform For 1950-60

1. Organization of an Urban Redevelopment Commission.
2. A $10,000,000 school building program for Charlotte and Mecklenburg County.
3. A scientific county-wide revaluation of property.
4. Maximum feasible consolidation of the City and County Governments as recommended by Institute of Government studies.
5. A definite public housing program based on facts gathered in 1950 census.
6. Formation of a civic promotion group similar to Winston-Salem's Committee of One Hundred.
7. A new city auditorium.
8. A full-scale program for unbottling traffic congestion.
9. Improved air transportation facilities.
10. Positive action to clear Charlotte's creeks of contamination and pollution.

TEN-YEAR PLATFORM—X

CHARLOTTE'S dirty, ill-smelling creeks have long been a source of annoyance and irritation. They have also been an ever-present hazard to health. Any long-range program of public improvements for Charlotte would simply have to include the elimination of pollution and contamination from our creeks.

This contamination has come mainly from two sources: leaky, overflowing municipal sewers, and industrial wastes. Refuse from slum areas along their banks has added to the pollution.

The present City Administration has launched a three-pronged attack on the problem:

1. In co-operation with owners of slum property, a new slum clearance ordinance which requires, among other things, the installation of modern toilet facilities in all houses is slowly bearing fruit. Privies, many of them distressingly close to creek banks, will be completely eliminated within the city limits.

2. The City is moving along rapidly with the construction of a new sewer outfall system along Sugaw Creek, where leakage and overflow from the old, inadequate outfall built in 1898 has caused a great proportion of the contamination. The new outfall will be connected to the disposal plant in another six months, and will represent a total outlay of some $900,000.

3. The City has also employed a Chicago engineering firm to study the problem of industrial waste, and to determine the total volume and types of industrial wastes and the schedules and systems for dumping them. The firm will probably suggest alternatives for handling industrial wastes, either through the sewage system or in the creeks after the proper pretreatment.

The ultimate objective of all three phases of the attack is to free Charlotte's streams entirely from any offensive odors and any potential health hazard. When that is accomplished, many sections of the city will be far more desirable places to live and work than they have been in the past.

TAFT, THE NAVY, AND FORMOSA

THERE are a good many people in this country whose opinions on Formosa carry considerable weight with the American people, but Senator Robert A. Taft is not one of them.

No other man in the public limelight has been so wrong so many times as the gentleman from Ohio. Yet he still persists in trying to force his views on the American public and to set himself up as a greater expert than the President or the State Department.

Taft was an implacable opponent of American entry into World War II. "War is even worse than a German victory," he once said.

He voted against Selective Service, Lend-Lease, transfer of destroyers to Great Britain, draft extension, revision of the neutrality act, and virtually every other preparatory move—yet in 1947 he had the effrontery to proclaim that "the Republicans voted for every measure for the preparation of war . . . which had any relation whatever to the arming of the United States."

In 1941, he announced that "an invasion of the United States by Germany is as fantastic as would be the invasion of Germany today by the American Army, and as unlikely to be undertaken." Later that same year he advocated a negotiated peace even "with Hitler domination of the continent."

"It is England's war . . . They began it!", he roared, and as late as 1943 he said it was "debatable" as to whether our entrance into the war with Germany after the Pearl Harbor attack was justified.

In 1946 he was not certain whether we would be any worse off if we had stayed out.

"Europe is too far away; it has too many diverse people; too many traditional problems for us to have influence there," he said, and voted against the Bretton Woods monetary agreement, the British Loan, and subsequently opposed the North Atlantic Pact and the Military Arms Program, not to mention trying at every opportunity to hamstring the Marshall Plan by cutting its appropriations to the bone.

And now this prince of perspicacity is asking the American people to follow him in sending the U. S. Navy to Formosan waters to repel any attempt by the Chinese Communists to take the island.

The American people may like much of Senator Taft's domestic program; but they'll have none of his foreign policy, thank you.

AID TO EDUCATION

IF THERE was good reason to bury the $300,000,000 Federal aid to education bill last year, there is even better reason to pigeon-hole it this year.

The same arguments against it which were valid last year are still true:

1. The Federal Government simply is not financially able to take on this new domestic obligation;

2. There has been no satisfactory resolution of the dispute over the religious question which flared into controversy then;

3. The growing tendency to forbid discrimination in the expenditure of public funds is a sure forerunner of Federal pressure to destroy segregation in public schools, once they become dependent on Federal hand-outs;

4. States, which owed only $4.02 billion dollars in 1940, are in a far better financial position to expand education facilities than the Federal Government, which owed $252.77 billion last year.

Chairman Lesinski of the House Education & Labor Committee has set aside Feb. 6 to March 6 for closed sessions on Federal aid to education bills. The committee appears to be divided still, and there is reason to hope that the measure will be permitted to die.

DAIRY CLAIM EXPLODED

THIS contention of the dairy lobby is that the ten cents a pound on yellow-colored oleomargarine is necessary to keep that product from destroying the market for butter.

Not only is it completely contrary to the American system to protect one product by taxing a competitor, but the results claimed by the butter people are not even being attained.

A local survey this week showed that one large, well-known grocer about half-and-half in its sales of white and pre-colored oleo; that another chain the pre-colored product outsells the white two to one; in still another chain, yellow margarine outsells the color-your-own variety ten to one; and one independent grocery reported that colored margarine made up 99 per cent of its sales.

The inconvenience of coloring margarine at home is so great that consumers are paying the entire ten cents a pound tax rather than go to so much trouble. Thus the tax is not "protecting" butter, but merely making it more expensive for consumers to buy the product of their choice.

The only valid restriction on oleomargarine is a legal requirement that it be plainly marked on the packages, and that it be identified as margarine when served in public eating places. All others are shameful abuses of legislative power to protect one domestic product at the expense of another.

A newsman reports that President Truman "wants the budget squared." It has been squared. Now it's time to extract the square root and call that the budget.—*New Orleans (La.) States.*

The trouble about some of those prayers for rain offered in New York is that they are in the class of things usually labeled For Emergency Use Only.—*Arkansas Gazette.*

Poem In Which A Thought Is Projected Concerning The Approaching Spring:

A butterfly
Will flutter by.—*Atlanta (Ga.) Journal.*

'No Stirring Call To Arms On This?'

News From The Capital

Bob Reynolds Decision Due

By TOM SCHLESINGER
Charlotte News Special Writer

WASHINGTON

BUNCOMBE Bob Reynolds, ex-salesman, ex-orator, ex-man of fortune, ex-Senator, probably will be an ex-candidate for Senator Hoey's post.

The former free-wheeling chairman of the Senate Military Committee and winner by a knockout blow over organizational Democrats in the two years he ran for office has set this week-end for his fateful announcement.

In 1942 North Carolina Democrats saw in former Gov. Clyde R. Hoey their first real chance to oust Reynolds since he defeated Cameron Morrison by the largest majority ever given a candidate for major office in a North Carolina Democratic primary.

Reynolds defeated Morrison by stumping the state in a rattletrap car during the darkest days of the depression. To the common folk he pictured the alleged lush luxury in which Morrison lived in Washington, showing pictures of his hotel as his "residence" and telling of his mythical "gold splitters".

Some nostalgic oldtimers around Washington who remember Reynolds as his brother's keeper say he will run again just to see the circus. But, they point out, his campaign style would be seriously cramped this time. His marriage into the wealthy Mellon family, one of the "poor boy" class and lifted him into the Morrison bracket.

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SAGELY enough, the colorful Tar Heel sophisticate voluntarily removed himself from the reach of the voters in 1944 by declining to run for a third term. His prayer and wartime record included votes against the repeal of the arms embargo, against both Lend-Lease acts, against revision of the Neutrality Act, against extension of the draft, and against arming merchant ships. He was also the only Southern Senator to vote against both Lend-Lease acts, and was known to employ all sorts of unsavory characters of the Gerald L. K. Smith school.

So he beat a hasty retreat rather than face sure defeat. But, as any old_fireborse can tell you, there is something about the smell of smoke. Reynolds, now 63, would like to return to the next time the race came around, ruled out without a doubt. That may have been why he toyed around so long with the thought.

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SENATOR GRAHAM, visibly relieved by the news of Umstead's decision not to run, spent part of this week working on the cost and potash situations. The Hoey office was almost as active.

Senator Graham, after conferring with Majority Leader Lucas and Interior Secretary Chapman, said that facts showed the cost shortage is most critical in North Carolina and Illinois.

Perhaps even more vital to the state is the potash predicament. Three companies in Carlsbad, New Mexico, produce 85 per cent of the potash in this country. This fertilizer is almost indispensable to the tobacco and cotton growers in North Carolina, and the potash workers are on strike.

It is estimated that 300,000 tons of potash are needed between now and April 15, and it takes six weeks from the time it is mined to get it into the farmers' hands for use. So officials of the Department of Agriculture, the National Labor Relations Board and the U. S. Conciliation Service, at the behest of our Senators, began work this week trying to straighten out the mess.

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THE Senate Subcommittee, headed by Senator Hoey, which conducted the inquiry into the activities of the five-percenters last year is setting up a new series of hearings. Only formal approval of a $100,000 fund is needed. Committee sources indicate that secret surveys have been made on complaints of kickbacks under the multi-billion-dollar European Recovery Program. . . . Senator Graham has resigned from the Senate Post Office and Civil Service Committee. He was a member of the subcommittee last year that guided the classified and postal pay bills through Congress. He's transferring to the Rules Committee. . . . Another special rates study by the Congress' Commerce Committee will be launched this year. . . . Senator Olin Johnston plans to ask the Senate to defer action on the $100,000,000 boost approved last session in his Post Office Committee in the belief that the House should act first, and House members are balkier than the Senators. . . . Chairman Doughton of the House Ways & Means Committee has let it be known that an "immediate" repeal of excise taxes, but favors a "one-package" tax bill to be taken up after through study. His committee has been going to town on hearings on the excise tax boosts.

The Democratic Southern Conference to be held in Raleigh, Jan. 28, obviously is intended to help beat the pants off Republicans in the 1948 campaign, and offset the work being done in the interest of the States Rights Democrats, who denied the President electoral votes of four Southern States. . . . Plans for the projected Air Force Institute are being surveyed in Maxton, Southern Pines, Goldsboro and Charlotte. Rep. Durham's fever merely the shaking of the Tenth Into "in North Carolina". . . . Bill Staton of Sanford, named as Senator Graham's contact man in North Carolina last week, is being paid out of the Senator's funds, and is not on the Federal pay roll. . . . Dr. Graham, incidentally, is planning to build a house in Chapel Hill.

There should be more word on Charlotte's proposed veterans' hospital coming from the Jan. 17 meeting of the House Veterans Committee of which Rep. Jones is a member. The chairman of this committee, Rep. Rankin, Democrat, Mississippi, is somewhat confused from his district. . . . Comment of Consumers Johnston and Welchel have last week for a four-day training course was that it would be impossible for anyone to take the assignment without going through the school.

Drew Pearson's Merry-Go-Round

Rackets Reach Inside The Government

WASHINGTON

IN 1920, when Franklin Roosevelt advocated the repeal of Prohibition, one big argument was that liquor racketeers had become a law unto themselves, a group above the Government. That argument was valid. But now the old liquor racketeers have moved into the gambling racket where they still remain a law unto themselves.

Last year a rash of stories on Frankie Costello were published by Time, Newsweek and Edward Folliard of The Washington Post, a great newspaperman. These stories told how Costello headed a ring at the Waldorf's new automatic roulette layout, owned an office building on Wall Street.

Unwittingly, these articles tended to paint such a glorified picture of America's No. 1 gambler that Costello was able to surround himself with a halo that was the envy of the life for him.

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In each case pointed out that Costello still lived with the same wife, completely ignoring the files of the New York Police Dept. which are filled with recordings of obscene, lascivious conversations between Costello and a score of mistresses.

The tragic fact is that Costello and the gang leaders he represents have succeeded to an amazing degree in getting in solid with the people in high places. That is not a lesson that we want taught our youth.

Furthermore, when any one group in our society sets itself up as more powerful than another, democracy breaks down.

Costello Could Be Deported

HITHERTO Costello's chief influence has been in the big cities—New York, Miami and Los Angeles. But now he appears to be able to reach inside the Federal Government.

The amazing fact is that Costello could be deported from the United States and sent back to Italy tomorrow if the Justice Dept. wanted to. For, when Costello swore out his American citizenship papers in 1925, he perjured himself regarding his criminal record. Countless other aliens have been deported for doing exactly the same thing, but they have lacked something which Costello has—influence.

At this very moment, another immigrant named Peter Brindisi is on trial in San Francisco on exactly the same charge—perjury in connection with his citizenship papers.

This column holds no brief for Brindisi. But everyone should be treated equally. And it's an ironic fact that "Jiggs" Donohue, a private attorney who has had contacts with the Maragon-Costello crowd, is now retained by the Justice Dept. to prosecute Brindisi.

Costello's Partners

PRESIDENT TRUMAN, I am convinced, knows nothing about Costello influence inside the Government and would not stand for it if he did. Nevertheless, Costello appears to have a friend inside the Bureau of Internal Revenue, and this column has previously published the details on the fixing of a Federal tax-fraud case involving Los Angeles gamblers.

Last Summer, Sen. Clyde Hoey's investigating committee also stumbled onto the fact that ex-White House friend John Maragon, now under indictment for income tax evasion, was Costello's partner. "Dandy Phil" Kastel, and that Bill Helis, the "Golden Greek", another partner of Costello's, had been a contributor to the Truman campaign.

Maragon was alleged to have a secret banking account in El Paso, Texas, which over a period of time contained as much as $120,000—a lot of money for a man who complained that his salary averaged only $4,000 a year. Certain questionable income tax transactions were in cash—the coin of the underworld.

Maragon and General Vaughan also had enough power locally in Democratic politics to get a Federal court order against the remodeling of California's Tanforan race track after being introduced to the track's owners by Costello's partner, Kastel.

Thus Costello probably makes most of his money in gambling, one source of revenue is his partnership with "Dandy Phil" Kastel and Irving Helis, and he has enough influence to get Senate and King's Ransom whisked. When Republican Senators stumbled into this connection last Summer, Bill Helis immediately owned up voluntarily to the facts that at no time had he ever been associated with Costello in connection with the Whiskey Co. owners of House of Lords and King's Ransom.

The Official Record

HOWEVER, here is part of the official though confidential record regarding the Costello—Clyde Tolson—Clyde Tolson friend Bill Helis friendship Costello, and "Dandy Phil" Kastel.

Nov. 2, 1933—A note for $225,000 by Irving Helis at the Whitney National Bank in New Orleans was endorsed by Phil Kastel, William Helis and Frank Costello.

In 1935—Kastel owed C. D. Jennings of Chicago $40,000 for slot machines. On a note for this sum signed by Kastel and Robert Friedberg with the Alliance Distributors stock certificates put up as collateral. Alliance Distributors is the name under which Costello, Kastel and Helis operate. To meet this note Alliance Distributors arranged to sell 2,500 cases of whisky and turn the proceeds over to C. D. Jennings.

Aug. 23, 1938—Bill Helis paid Irving Haim's note for $225,000 at the Whitney National Bank with his personal check for that amount.

Sept. 19, 1938—Agreement was executed between Irving Haim and William Helis giving Helis an interest in J. G. Turney & Sons Ltd., the holding company for King's Ransom and other whiskies.

Sept. 16, 1938—A receipt was signed by Helis for 10,000 ordinary shares and 30,000 preferred shares of stock.

Who Told The Lie?

SEPT. 1, 1938—Lloyd Cobb, Helis' man in New Orleans, wrote A. G. Reynolds, Helis' man in London, enclosing a clipping from the Washington Merry-Go-Round, linking Helis to Costello.

Jan. 14, 1943—An interoffice memo from A. G. Reynolds indicated that Phil Kastel's $100,000 note and Haim's $225,000 note hadn't been paid. The memo referred to a letter agreement between Helis and Haim whereby both notes would be repaid by Haim.

July 27, 1943—George Uffner came to New York from New Orleans to see Costello. Costello, calling Uffner on the phone said: "You and Bill Helis meet me in the lobby tonight at seven o'clock. If Alfange wants to see me that will be all right." (Dean Alfange is Helis' lawyer, who also issued a denial last Summer that Helis was ever connected with Costello.)

February, 1947—Helis, when interviewed by the New York State Liquor Authority, stated that Haim had paid all money owed him, and that he and Haim now own equal shares in J. G. Turney & Sons.

August 1948—William Helis denied to the press that he had ever been associated with Frank Costello in connection with the Whiskey Company, the wholly owned subsidiary of J. G. Turney & Son.

New American Policy To Be Tested In Southeast Asia

By JOSEPH & STEWART ALSOP

WASHINGTON

BY COURTESY of Mao Tse-tung and the French Government, the energy and seriousness of the new American policy in Asia will almost immediately be subjected to its first test. The test will come in Indo-China, which is, with Burma, one of the two keys to the rich, populous and strategically vital Southeast Asiatic peninsula.

In Saigon, the French government has for some time been urging our government to give aid and comfort to the non-Communist elements in their former colony, which is still part of the French union. And the time for effective action is very short, because Indo-China's Communist element will soon be receiving aid and comfort from the Chinese Communists across the border.

The detailed position can be simply described. Full Chinese Communist occupation of the border provinces of Yunnan, Kwangsi and Kwangtung should occur within a month to six weeks at most. No one expects Mao Tse-tung to send his armies into Indo-China. But the mere presence of Mao's armies in the border provinces will afford a supreme opportunity to the Indo-Chinese Communist leader, Ho Chi Minh.

Hitherto, when Ho Chi Minh wanted supplies or arms for his powerful guerilla movement, he has had to buy them through underground agents in China proper or Hong Kong or the Philippines. Similarly, his only refuges have been Indo-China's jungles and mountains. Now, however, when Ho Chi Minh's guerillas want material help or temporary refuge, they will only have to cross the border to their Chinese comrades. In short, they will be aided as the Greek Communist guerrillas were so impertinently aided, by possessing foreign bases and supply centers.

The French government has therefore asked the State Dept. to countenance Ho Chi Minh's new advantage, by helping to build up the strength and prestige of Ho Chi Minh's rival for power, the Emperor Bao Dai.

This Descendant of the old rulers of Annam is a symbol of the belated French realization of the tremendous force of Asiatic nationalism. Encouraged again, after innumerable follies in Indo-China, the French decided that they could not defeat Ho Chi Minh while he monopolized the appeal to native patriotism. Paris therefore recognized Indo-China's independence within the French Union, and established a new Indo-Chinese government under Bao Dai. Bao Dai's primary function was, and is, to draw away the native non-Communist patriots who constitute the rank and file of Ho Chi Minh's movement.

The experiment began unfortunately, and the State Dept. was initially skeptical of its success. More recently, however, the prospects have improved. Bao Dai has shown courage and the ability to attract followers. A native army of 90,000 is being recruited, trained and armed by his government with French help. French High Commissioner Pignon has handled the political problem astutely, and the excellent French army in Indo-China, under General Carpentier, has made good progress against Ho Chi Minh's guerillas.

FULL RECOGNITION

In these circumstances, the French government will be asking this month to extend full recognition to Bao Dai, open diplomatic relations with him, and offer him aid.

The time for American action will come almost at once, when the French Assembly formally ratifies the independence of the Bao Dai regime. By being bold and firm, we can accomplish two great results. We can help to build up the Indo-Chinese people that Bao Dai is truly independent, and no mere French puppet. And we can simultaneously greatly increase Bao Dai's prestige. According to informed observers, if these results can be accomplished soon enough to forestall Ho Chi Minh's full gain from the Communist victory in China, the effect will be very great indeed.

Serious Challenger To Taft Is Not Apparent At Present

By MARQUIS CHILDS

WASHINGTON

TAFT vs. Truman!

The smart insiders in the Democratic Party are more and more convinced that that is the lineup for 1952. What has just happened in Columbus, Ohio — and it didn't happen—confirms that view.

Chairman William M. Boyle Jr. of the Democratic National Committee went to Ohio to meet with Democrats, liberites and farmer-representatives. According to advance rumors, his mission was to persuade all elements to agree on a candidate who could defeat Sen. Robert A. Taft in the election this Fall.

The leaders of organized labor, who have made Taft their No. 1 target, were hopeful that the agreed-upon candidate would be Murray Lincoln, executive secretary of the Ohio Farm Bureau Federation since 1928 and the leading promoter of co-operative enterprise in this country. For many months pressure has been applied to Lincoln, who was at one time a registered Republican and who has never run for public office, by labor and farm groups to persuade him to run.

But Lincoln has been reluctant. He indicated from time to time that he would run only if all elements in the Democratic Party, both state and national, were behind him. In other words, he declined to wage a fight in the primary.

EASY VICTORY

At the Columbus session a question arose that has been the subject of speculation here in Washington. The report has persisted that Boyle and the men around the President decided if they would rather not see Taft defeated so that he would in all likelihood be the Republican nominee for President in 1952. Truman, reasoned, would then as they see it, have an easy victory.

In the aftermath of the Ohio meeting Lincoln, himself, and many of his most ardent proponents have the distinct impression that President Truman's political advisers would be well satisfied to see Taft re-elected to the Senate and thereby so strengthened in Ohio that the Presidency that only a Republican rebellion on a scale rarely seen could sidetrack him. No matter what Democratic Party organization there may be, Senator Taft's re-election seems as of this writing assured. The Democratic committeeman will in all probability go more or less by default to a loyal, regular Democrat, such as State Auditor Joseph T. Ferguson, who will scarcely be a match for Taft.

LINCOLN TOO RADICAL

It may be that Lincoln is too forthright and too radical for the Democratic committee. Speaking before the Maryland Farm Bureau convention this week, he boldly tackled the problem of falling farm prices at the point of greatest political sensitivity. This is with respect to the share of the family's food dollar that goes to the farmer and the share that goes to the large-scale processor. Lincoln called for an investigation by the Federal Trade Commission into what he said were "glaring wrong" differences in this division.

He went on to advocate that large processors of milk, such as Borden's and the National Dairy Co., be acquired by co-operatives with the aid of Government loans and then operated on the co-op principle. Lincoln suggested parallels in co-operative endeavor to indicate that this would mean important price reductions.

"We are now in a period," he said, "when science and mechanization in distribution as science and mass production in industry have combined to make abundance all possible. This, rather than the issue, is the real revolutionary force at work in the world today."

That is strong stuff. While it might not be objectionable, it would be likely to send nervous tremors through Ohio's regular Democrats.