

Weather
Partly cloudy and cooler today with scattered showers in the late afternoon; Friday, fair and warm.
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ESTABLISHED DEC. 8, 1886

Price Index Favored As Cottons Gauge War Powers Linked to Living Cost

War Powers Linked to Living Cost Tentative Policy Voted By House

WASHINGTON (AP)—The House voted tentatively today to put wage and price controls into effect automatically whenever the Labor Department's cost of living index advances five per cent above what it was in June 1947.

Administration forces offered no opposition as the House adopted by voice vote the cost-of-living amendment offered by Rep. McKinnon (D-Calif.). It could reverse its stand later when the economic control bill comes up for roll-call votes.

The McKinnon amendment is similar to one proposed to the Senate banking committee by Senator Wright (D-Ariz.). It would put wage and price controls into effect automatically whenever the Bureau of Labor Statistics (BLS) living cost index advances five per cent above what it was in June 1947.

It would remove the proposed standby authority which would let President Truman decide when to impose wage and price controls.

FREE STAND URGED

W. Stuart Symington, chairman of the National Security Resources Board, made a special trip to the Capitol today to urge Senators to give the President a free hand in putting his wage-price restraining curbs into effect.

The BLS price index covers retail prices of food, clothing, fuel, services, and other necessities for moderate-income families in 40 selected group of large cities.

New index figures covering the June 15-July 15 period will not be available until the end of this month. Ewan Clague, director of the BLS, said that the next index would show an increase.

Clague said a preliminary check of retail food prices indicates a general increase of two to three per cent during the month ended July 15. He attributed advances mainly to higher meat prices.

He said the preliminary food price checks covered four cities in mid-July. Food of course is only one item in the index.

Clague said the figures "lead one to expect a total increase of the same general magnitude as from

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Pauley Would Go To War With Russia Over Korea

WASHINGTON (AP)—Ewan Clague said today he felt in 1948, and still does, that the United States should go to war with Russia if necessary to make her comply with her agreements in Korea.

Pauley, as a special ambassador to President Truman, visited North Korea in 1946. He said he concluded in 1946 that the Russians "didn't intend ever to get out of Korea."

Today, Pauley was before the Senate Armed Services Committee.

THE OLD SHAYER

As a general hearing on Korea, Chairman Tydings (D-Md.) had built up Pauley as a "mystery man" by declining to announce his identity until he had been named to war with Russia.

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PERCHING FOR PEACE ON A POLE

Like the man who went up a pole and came down a rushin', this left-wing demonstrator tried to escape authority by climbing a light pole during yesterday's rally in New York City. Demonstrators defied 1,200 police and firemen and tried to hold a rally in Union Square while chanting "We want peace" and "Hagard off Korea".

The rally was sponsored by the New York Labor conference for Peace at which Paul Robeson and others were scheduled to speak. (Acme Telephoto.)

Action Speeded On Money Bill

WASHINGTON (AP)—The Senate picked up speed today as it turned to the last item in a \$24,750,000,000 bill financing most Government agencies for the year ending next June 30.

After nearly four weeks of speecimining, the lawmakers agreed to meet an hour earlier than usual under a procedure which promised swift action on the remaining amendments to the big money bill.

Three hours of debate were set aside for two proposals designed to aid \$100,000,000 to the measure for health and shipping expenditures. It was agreed that each Senator would be limited to five minutes speaking time on each subsequent amendment.

The agreement was reached late yesterday after the expected vote.

See ACTION on page 14-A

Soviet May Renew Walkout From UN

By MAX HARBELSON
LAKE SUCCESS (AP)—Russia faced another diplomatic defeat today on the question of seating the Red China in the United Nations and there was speculation this might lead to a new Soviet walkout.

This speculation arose after Russia vetoed a meeting of the U.N.'s big five military staff committee in New York this morning.

Some diplomats here said this indicated Russia is not yet ready to end her general U. N. walkout strike and has only returned to the security council for a propaganda blip at the West.

SOVIET DEFTY FOREIGN

Minister Jakob A. Malik returned to the Security Council Tuesday to assume the council presidency under the monthly rotation system. He was defeated 3-2 the same day on an effort to rule Nationalist China was holding the Chinese council seat illegally.

Some diplomats had looked for another walkout after this defeat but Malik stayed on. Now seven of the council's 11 members have declared they will reject his proposed agenda which would give the Chinese representation question precedence over the Korea problem.

The question is this: Will Malik ignore a decision which would not only shut China ahead but might sidetrack the China issue indefinitely?

Six countries—Britain, France, Ecuador, Cuba, Norway and Nationalist China—voted in opposition last Tuesday in insisting that the council discuss the Korean problem.

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UN Offensive In Korea May Roll On To Manchuria

SOMEWHERE IN KOREA—(AP)—Foreign diplomats here today gave some support today to Foreign Minister Ben C. Limb's suggestion that the United Nations offensive, once it starts, will not stop short of the Manchurian border.

A diplomatic observer said U. N. forces probably would have to go beyond the 38th parallel—dividing line between North and South Korea—to disarm the aggressors.

He said Communist war criminals held responsible for the present fighting would have to be arrested and tried.

Further, this source said, restoring the 38th parallel as a boundary line would leave Korea economically disintegrated and Republic of Korea subject to another attack from the Communist North.

He suggested the final decision on how far the U. N. offensive is to be carried would be made by the majority of the U. N. would support his view.

Reds' Lines Deeply Penetrated

By DON WHITEHEAD
AN ADVANCED U. S. COMMAND POST, Korea (AP)—This is the amazing story of a U. S. battalion that fought its way 22 miles behind the enemy lines, battled against the Red's machine guns, and emerged from destruction in a savage struggle this morning.

"There hasn't been anything quite like this daring adventure in all the Korean war," the officers called the Korean's defiance of U. S. and asking member nations to locate the war.

There hasn't been weeks has found itself siding with both the United States and Russia on one aspect or another of the Korean questions.

B-29's Pound Chemical Plants

TOKYO (AP)—B-29 bombers made their third major strike in five days against North Korean chemical and munitions manufacturing plants today, the Far East Air Force reported.

The target was the Bogun Chemical Plant at Hainam, on the east coast 118 miles above the 38th Parallel. Four hundred tons of bombs were poured down on the factory.

Some bombs were dropped widely. But three-fourths of the bombs landed on the main building. The B-29s struck shortly after 10 p.m.

The Bogun plant is only three miles from explosives factory the Far East Air Force said was "almost totally destroyed" by a B-29 strike Sunday. They struck again in the same area Tuesday.

The factory was encountered over the target.

While the Superforts were ranging into Red territory, fighters and light bombers gave close support to ground troops. Among other targets, they hit five tanks.

A blast of fire shot 100 feet into the air from a tank raked by Maj. John Duggan of Eau Claire, Wis. He was flying an F-84. He attacked about two miles west of the target.

Another flight of jets hit two tanks near Hamchang on the Red line under the command of Capt. Millard U. Hodges of Tulsa, Okla. flight leader, said one tank was left burning and the other damaged.

A jet attacked by Lt. Howard R. Aulen of Martins Ferry, O., left another tank burning near Hamchang.

Night flying B-29s hit Communist supply lines and convoys.

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What's Inside

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Marines Join Army In New River Line

TOKYO (Friday)—(AP)—Allied troops, for the first time approaching but still inferior to the ten-division strength of the Red invaders, rolled forward for the showdown fight for South Korea today with big Pershing tanks.

Elements of two fresh American divisions—the First Marines and the Army's Second Infantry—joined three other American and five South Korean divisions along the shrinking front.

Front line predictions were the Marines and Second Infantry troops would be in battle by nightfall.

The lines stretched from the general south coast area of Chinhae northward along the river banks of the Nakdong River. The Allied troops had quietly withdrawn from four positions as much as 10 miles over a three-day period.

A field dispatch early today said the First Cavalry Division had completed its orderly withdrawal to the east bank of the Nakdong River, 12 miles southwest of Taegu. The bridge near Wasewan was blown after the last American crossed.

A Marine U. S. 24th Infantry Battalion, on a reconnaissance sweep with five tanks, penetrated 25 miles behind the Communist lines near Chinhae Thursday.

It discovered a big enemy building for the battle for the plans leading to Pusan, the gateway U. S. port city 80 miles west of Seoul.

The tank force then fought its way out of the enemy lines, with a regimental command post from destruction by guerrillas. The enemy commanders fled in confusion toward smaller numbers towards Pusan.

Don Whitehead, Associated Press correspondent at the front, said the American force proved the enemy lines could be breached by hard-hitting tank force.

Whitehead said the coalition advanced along the river valley, penetrating rear elements of the Reds. It was the deepest penetration made yet by an American force into the Red line and surprised the enemy in a roaring road battle.

LOOT IMPORTANT

The tank force ran through machine guns and captured enemy equipment. The loot was considered important by Intelligence, Whitehead reported.

Four Sherman tanks and four armored cars were abandoned by the Americans as they withdrew to road positions four miles southwest of Chinhae, about 60 miles west of Pusan.

The Americans pulled out after the Reds had got behind them and cut off the 18th. The Red Ko-

Reds Shell Road Close To Taegu

By HAL MOYLE
U. S. EIGHTH ARMY HEADQUARTERS IN KOREA (AP)—Communist guns began shelling a river highway 10 miles southwest of Taegu today.

The fire was aimed to reduce American traffic along the road running east of the Nakdong River and south-westward to the river. The fire was concentrated near the town of Hyungjin on the main north-south road east of the river. This was the closest point to Taegu that heavy Red fire has reached.

The number of Communist guns involved could not be determined immediately.

The North Koreans quickly followed the American withdrawal from the Kuchang-Hyungjin area. Apparently part of the Red force is in the south, counter-attacking the Nakdong as Americans pulled back to the eastern bank.

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YANKS WITHDRAW FROM KUMCHON



Burning Kumchon (underlined) on the central Korean front was abandoned to the North Koreans (dark arrow) Wednesday. This put Red forces only 30 miles (broken arrow) northwest of Taegu, a key railroad and highway center. The Communist drive through Kachang and Hyungjin toward Taegu threatened the left flank of U. S. forces (open arrow) in this area. In the south, counter-attacking American forces have recaptured the heights east of Chinhae. (AP Wirephoto Map.)