Weather
Partly cloudy and warm with scattered afternoon thundershowers through Sunday.
More Weather Data on page 8-A

THE CHARLOTTE NEWS

★★★★★ Final

Largest Afternoon Newspaper in The Carolinas

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President Vetoes Disputed Basing Point Measure

FBI NABS THIRD AMERICAN IN SPY HUNT

Thinks Bill Would Not Improve Law

Freight Charges Storm Center

WASHINGTON— (AP) — President Truman today vetoed the basing point bill—a measure that would have guaranteed individual businessmen the right to absorb freight charges and sell their products at uniform delivered prices.

In a message to the Senate, Mr. Truman said he was convinced the bill would "obscure, rather than clarify," existing laws relating to pricing practices.

It was the second controversial measure vetoed by the President in recent months. Both the disputed bills widely split Democratic ranks. The first was the Kerr Natural Gas bill which would have freed independent gas producers from Federal regulation.

The basing point bill was intended to define the application of the Federal Trade Commission Act and the Clayton Anti-Trust Act to certain pricing practices.

PRICE DISCRIMINATION

The legislation would have permitted sellers to discriminate in prices to customers to meet competition in "good faith," and in the absence of conspiracy, collusion or fraudulent practice.

The measure, as it reached the White House, was worked out by a Senate-House conference from separate versions passed by both chambers. The conference report was approved by the House June 1 and Senate and it to the White House June 2 after several days of turbulent debate. Senator Ives said the bill provoked such direct contradictory views in the Senate.

Senators O'Conor (Md.) and O'Mahoney (Wyo.) contended it

See BASING POINT on page 8-A

Bridges Loses Citizenship

SAN FRANCISCO —(AP)—Federal Court today granted the government's motion to revoke the citizenship of Harry Bridges, CIO longshore leader.

Federal Judge George B. Harris issued the ruling. The Government demanded that the naturalization of Bridges, Australian-born, be revoked after he was convicted of perjury recently.

The perjury conviction was based on a sworn statement in his 1945 citizenship hearing that he wasn't a Communist.

Bridges is under sentence to five years in prison. He has appealed.

Harriman Named Truman Assistant

WASHINGTON — (AP) — President Truman today appointed Ambassador W. Averell Harriman to a new job as special assistant to the President. His duties will be to help the President carry out the nation's broad international responsibilities.

Harriman is now United States Special Representative in Europe for the Economic Cooperation Administration, with the rank of Ambassador.

To succeed him in that post the President nominated Milton Katz, of Massachusetts, now Harriman's assistant in Europe.

He, too, will have the rank of ambassador.

Once Over Lightly By THE OLD SHAVER

I thought it was just a coincidence when an undertaker opened up next to a doctor, but now Sherry's closed and a church too . . . I'd like to live dangerously once in awhile and drink two full cups of coffee at a meal.

THE SENATOR MEETS A VOTER

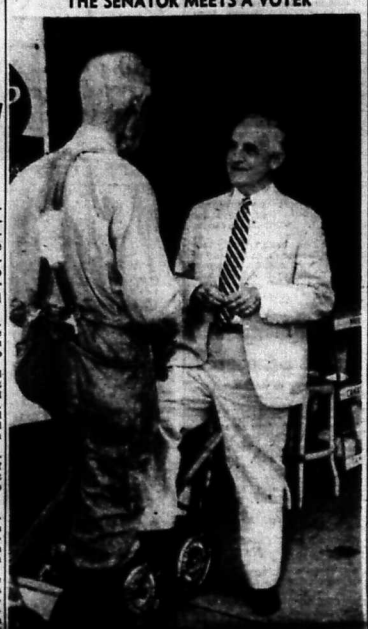

Photo Staff Photo by Tom Franklin Studio

Sen. Frank P. Graham stopped on the main street of Davidson this morning, shook hands with dozens of townspeople and chatted with voters like Boyd Moore, who is shown here in front of the local hardware store.

Graham Does Some Personal Politicking

By TOM FESPERMAN
Charlotte News Staff Writer

Sen. Frank P. Graham walked today through the heart of several Mecklenburg precincts that voted against him on May 27, shook hands with hundreds and grinned constantly like a man who figured a better day was coming.

He started his handshaking and personal politicking at Davidson as soon as he'd had breakfast at Dr. John R. Cunningham's house. He went down on Main St., stopped men who were walking along the sidewalks, spoke a few words here, passed greetings there.

He went into the bank, the barber shops, the hardware store. He saw a farmer crossing the street, went out to the curb to meet him. He went into the drugstore, shook hands with the clerks and the men who were having their morning soft drinks.

Out on the street again, he was stopped by a woman who said, "I'm working for you, Dr. Graham. I've got to work for the man who taught my three children."

NO COMMUNISM

"I didn't teach 'em Communism, did I?" he asked.

The woman laughed and shook her head.

Sen. Graham was out for some of the personal politicking that has almost gone out of style in the radio age. He had already found out, and some of the friends who went along with him learned quickly, that this was the hardest type of campaigning.

As soon as the sun got up above the trees, Sen. Graham began perspiring. He loosened his tie, and almost continuously mopped his neck with his handkerchief.

"I'm afraid that pneumonia will

See GRAHAM TOUR on page 8-A

Leroy Always Pops Up In Graham Talks

By MACK BELL
Charlotte News Staff Writer

Everywhere Senator Frank P. Graham goes on his current "handshaking political tour he invariably talks about one man — Leroy Jones.

Leroy Jones is the Lenoir County Negro who ranked third in competitive examinations for entrance to the U. S. Military Academy at West Point and who was named second alternate by Senator Graham.

The story was told by Mrs. Graham, who was with her husband here to meet friends and supporters at the county headquarters in the Selwyn Hotel.

Wherever Senator Graham stops in his travels through Western counties, he tells people to ask any questions they want to, she said.

WHAT ABOUT LEROY

If no one mentions the name of Leroy Jones, Senator Graham says: "There are some other hot issues you haven't asked about. What about Leroy Jones."

"And then she crowed laughs," said Mrs. Graham. "Wherever Frank has given them all the facts there's been applause in every place."

Someone showed Mrs. Graham a handbill with a photograph of Leroy Jones which was distributed before the May 27 primary.

"I didn't seen one before," she said, "but people everywhere tell us about it."

Someone read the cutlines under the photograph: "No other Senator or Congressman has ever appointed a Negro to West Point."

"That's not true," she said. "The one appointee was a white boy, William Houser of Fayetteville, and the first alternate was William Caldwell Williamson."

The facts, according to Senator Graham, are:

1. Forty North Carolina boys took the examination.
2. The examination papers were numbered, showing no name.
3. The papers were graded by the Civil Service Commission.
4. The highest ranking competitor was appointed and is now at West Point.

"Why hasn't there been a picture of the winner?" Senator Graham wanted to know. "Incidentally the people in Lenoir County are proud of Leroy Jones. They're proud of the fact that a segregated North Carolina school is good enough to produce a student who ranks third in a competitive examination."

Truman Puts Signature On DP Bill

136,000 More To Be Admitted

WASHINGTON— (AP) — President Truman today signed legislation opening America's doors to an additional 136,000 displaced persons.

The measure revises a 1948 law, expiring June 30, that authorized the entry of 205,000 DPs — persons driven from their homes by two wars. It extends the program for another year and increases the number eligible for admission to 341,000.

Upwards of 153,000 displaced persons have already come to the United States to make their homes.

In addition to increasing the total of displaced persons who could become U. S. residents under the program, the new law also provides for the admission of:

(1) 5,000 war orphans from the free countries of Europe and Turkey who are adopted by American parents.

(2) 54,744 persons of German ancestry — double the number in the 1948 act — who were driven from their homes in Czechoslovakia, Poland, Romania and other eastern European countries after the Potsdam Agreement of 1945.

(3) Up to 18,000 refugees who entered the United States under the April 30, 1949, on temporary visas. To remain here, they must meet certain requirements as to employment, have not been arrested and Con-

TIE

The new measure also wipes out certain provisions in the original law that brought charges by President Truman and others that it discriminated against Catholics and Jews—an issue in the 1948 elections.

One change erases the requirement that 30 per cent of the DPs be farmers and that 40 per cent be from the Baltic states.

Another advances from Dec. 22, 1945, to Jan. 1, 1949, the date by which DPs from Eastern Europe must have entered Germany, Austria or Italy in order to be eligible to enter the United States under DP program.

UNDER IRO CARE

Of the 341,000 DP's made eligible for admission, 301,500 fall in the general category of displaced persons under the care of the International Refugee Organization (IRO, a United Nations agency to which this country contributes.

The rest include 18,000 former Polish soldiers now in the British Isles; 10,000 Greeks, of whom 2,500 must be closely related to American citizens; 7,000 refugees from the Venezia-Giulia area of the Italian peninsular cede to Yugoslavia by Italy after the war.

Also included are 5,000 IRO displaced orphans (as distinct from the 5,000 adopted children"; 4,000 Shanghai refugees, mostly white Russians who fled to China and have been evacuated from there but have not been resettled, and 900 recent refugees from Iron Curtain countries whose admission is recommended by the Secretaries of State and Defense.

CHANGES MADE

Congress also made various changes in the law aimed at tightening administration of the program and at more careful screening of applicants.

Beginning immediately, all adult refugees must take an oath on arriving they are not and never have been a member of the Communist Party or any organization hostile to the U. S. form of government.

—Grand Jury Report—

1949 Peekskill Riot Termed Shock Troop Proving Ground

WHITE PLAINS, N. Y. — (AP)—A Special Grand Jury charged today that last Fall's Peekskill, N. Y., riots "were used by the Communist party as proving ground for the shock troops of a revolutionary force controlled by a foreign power."

In a 26 - page presentment, handed up simultaneously with two indictments, the grand jury said the sponsors of Paul Robeson's violence-climaxed Sept. 4 Peekskill concert "used Communist goon squads organized as security guards."

The jury said the American people had not previously witnessed "a full-scale demonstration of the power of the Communists to mobilize their militant forces quickly and in sufficient strength to constitute a challenge to the authority of government."

However, the jury said it found that Communist Guards "Conducted themselves in an orderly and peaceful manner" although they were "prepared to use force if necessary."

The Sept. 4 riot, in which cars were overturned and more than 100 persons injured, was "caused by hoodlums," the jury said.

The presentment was handed up to Supreme Court Justice James W. Bailey, following an eight-month investigation by the Grand Jury which heard 247 witnesses.

Two men were indicted on second-degree assault charges. Their names were withheld, pending arrest.

Under study by the jury were two disorders near Peekskill — one Aug. 27, which prevented a scheduled concert by Negro singer Robeson, and the second, Sept. 4, which came after Robeson performed.

On both occasions, veterans groups staged protest parades near the outdoor concert arena.

The jury said the Aug. 27 rioting was "not the result of organized planning on the part of any individual or group." It said the Sept. 4 concert was "planned by the Communist Party to take full advantage of the events of Aug. 27 and as a demonstration of the power of its supporters to hold a meeting in a hostile area."

Drug Advertising Checked

Anti-Histamine Claims Moderated

WASHINGTON — — The Government announced today that five big makers of Anti-histamine drugs have agreed not to advertise that their products will cure or prevent colds.

The firms had been accused of using "false and misleading" advertising in promoting the sale of the new preparations.

Under today's agreement the companies can continue to sell the drugs and advertise that they will ease or stop cold symptoms, such as sneezing and running noses.

The Federal Trade Commission said the action results from FTC complaints charging the firms with violation of Federal Fair Trade laws.

TIE

American Co., Inc., and Wyeth Pharmacal Co., all of New York; Union Pharmaceutical Co. Inc., Montclair, N. J.; and Grove Laboratories Inc., St. Louis, Mo.

FTC's announcement said the companies have agreed to "discontinue representations concerning the effectiveness of their anti-histamine preparations in the treatment of common colds."

The products involved are sold under the trade names of Resistab, Anahist, Kriptin, Inhiston and Antamine.

The Government agency — which serves as watchdog of the trade and advertising practices of business — started proceedings against anti-cold drugs on March 21.

It charged that the antihistamine preparations were being sold through "false and misleading advertising" and that they would not cure colds as claimed by the makers.

FTC also contended the products "may be unsafe and produce injury or harm to the user."

In announcing approval of stipulation agreements with the five companies, the commission said in a statement:

"The effect of these stipulations and agreements is that unjustified claims for antihistimines in reference to the common cold will stop immediately."

The agency asserted, however, that doubt remains as to the possible effectiveness of the drugs in treatment of some types of ailments.

"Where the effect of these drugs on the symptoms or manifestations of a cold are still in doubt, the companies will be permitted to advertise on their own responsibility the effects which they can justify," FTC said.

"Should the companies continue their research, and if and when either the companies or the Federal Trade Commission believe the conclusions should be modified in the public interest, the stipulations provide an opportunity for such modification," the statement added.

McCarthy's New Attack Revives Amerasia Furore

WASHINGTON — (AP) — A sharp new attack by Senator McCarthy (R-Wis) on Secretary of State Acheson today revived a fresh storm of controversy over the Amerasia case, apparently ending any chance that Congress might rest its inquiry into the 1945 episode.

The Wisconsin Republican accused Deputy Undersecretary of State John Peurifoy last night of promising free legal advice and loyalty clearance for a defendant in the secret documents case, in return for favorable testimony on Capitol Hill.

Both Peurifoy and the Amerasia defendant, Emmanuel Sigurd Larsen, immediately issued denials of McCarthy's charge.

Peurifoy declared further that he had been told McCarthy himself had hinted he would go easy on Larsen "if he were to testify in a way satisfactory to Senator McCarthy." Peurifoy said his information on this score came from Larsen.

The new furore over the Amerasia case erupted following a New York grand jury's finding yesterday that the Justice Department had properly handled prosecution of the case five years ago. The case involved the illegal removal of hundreds of secret Government documents which Federal agents found in raids on the offices of Amerasia magazine in New York. The magazine, which dealt with Far Eastern affairs, was out of business a short time later.

The grand jury's action led some Democrats to express hope that the Senate committee investigating McCarthy's Communism - in - Government charges might be able to wind up its Amerasia probe in short order.

However, many Republicans made clear that the grand jury's action didn't entirely satisfy them. They were expected to point to McCarthy's latest charge as the clincher.

The Wisconsin Senator spoke last night before the National Editorial Association at Groton, Conn.

He said Larsen had arranged a "payoff" deal with Peurifoy preparatory to appearing before the Senate investigators in closed session last week. McCarthy quoted Larsen as saying to Peurifoy: "you needn't worry, John. I won't testify against John Service."

Service and Larsen were among six persons originally arrested in the Amerasia case. At that time, Service was employed by the State Department. Service, now a department consular official, was never indicted. Larsen was fined $500 after he pleaded "no contest." He no longer is a department employee.

U. S. To Leave Trieste Troops

WASHINGTON — (AP)— The United States has emphatically turned down Russia's demand that Trieste be internationalized.

In a note delivered to Moscow today, the American Government also refused to pull out U. S. Army troops stationed in the Trieste area.

State Department officials said the British and French Governments has sent similar rejections to Russia.

Russia had contended in a formal note April 20 that the United States, Britain and France were violating the Italian peace treaty by bringing up plans to internationalize the Adriatic city and its surrounding territory.

Girl Brutally Beaten In W-S

WINSTON-SALEM — (AP) — The pretty seventeen-year-old daughter of a radio shop owner was attacked and inhumanly beaten this morning while apparently alone in the store in the Winston-Salem business district.

Bloody and battered, her head beaten almost to a pulp, she was found by her father tossed behind a counter in the rear of the store and covered with an old mattress.

Her body was discovered shortly after noon and she was taken to the City Memorial hospital where her condition was described as "very, very critical."

Her assailant had literally beaten a rifle to pieces over her head and apparently had either left her for dead or tried to finish the job by smothering her with the mattress.

NO LAST CHANCE?

WASHINGTON — (AP — The House Ways and Means committee changed its mind today and voted against giving tax dodgers a "last chance" to settle up with Uncle Sam before facing criminal prosecution.

—McCarthy Explains $10,000 Article—

Lustron 'Highest Bidder' For Booklet

COLUMBUS, Ohio —(AP— A rough word count today showed U. S. Sen. Joseph R. McCarthy (R-Wisconsin) received more than $1 a word for his writing a special article for the defunct Lustron Corp.

The article — "wanted: A details report of housing for every dollar spent" — covered 27 pages of a 94-page Lustron booklet entitled "how to own your own home."

The article contained about 9800 words, Lustron paid Sen. McCarthy $10,000 for it.

"I just sold to the highest bidder," said the Wisconsin Republican.

McCarthy's writing does not set any precedent. Many congressmen and others in government officials have written magazine articles and books and have received payment for them.

Photostat copies of papers filed in U. S. District Court show McCarthy was guaranteed 10 cents for each copy of the promotional booklet sold up to 100,000 copies. Lustron sold the booklet for 25 cents. Records showing total sales have not been made public.

In a brief introduction, Sen. McCarthy says the material for the Lustron article was gathered during a 30,000-mile tour of the nation as the chairman of a joint Congressional committee investigating housing.

TERMED 'UNETHICAL'

This led Clyde Foraker, court-appointed receiver for the Government-subsidized housing plant, to call the article "unethical."

Lustron borrowed $37,500,000 from the Reconstruction Finance Corporation and RFC threw it into receivership when the concern defaulted on payment of $36,500,000.

The plant now is in a legal tangle in U. S. district courts in Columbus and Chicago.

Referring to the price paid the senator for the article, Foraker said:

"I'll bet he wouldn't have gotten it if he hadn't been United States Senator."

Actually, the McCarthy article contained nothing unusual or any material not generally made public until that time.

Most of the 27 pages were devoted to an explanation of the method by which various loans to home owners — from FHA, VA, and combination — are made, citing interest rates and the rest.

OPENING ANECDOTE

The Senator begins his article, after the brief, page and one-half introduction, with an anecdote. A woman popped out of a taxicab during his tour and offered a solution to the housing problem: She wanted to sell the plan of legislation passed by Congress.

Near the close of the article, Senator McCarthy attacked the current housing law and offered certain ideas of his own.

In Washington, McCarthy said another housing firm offered seven and one-half cents a copy for the manuscript and Lustron bid ten cents. The McCarthy-Lustron contract for the article was signed on Nov. 12, 1948, and the Senator was paid the $10,000 on the same day.

The booklets, which contained numerous pages of photographs and promotion for the Lustron porcelain-enameled steel house, was sold by Lustron direct to the public.

"People even wrote in for the booklets this month," a Lustron official remarked.

Linked With Fuchs, Gold And Stack

Cal Tech Man Also Picked Up

By ASSOCIATED PRESS

The FBI today arrested a third American accused of passing U. S. secrets to the Klaus Fuchs spy ring for Russia.

It was the second such arrest within 24 hours. There

(In New York U. S. Attorney Irving Saypol said that Greenglass had been assigned to the Los Alamos Atomic Bomb project in New Mexico in 1945 and had "worked on the bomb itself").

was evidence in the nation's capital that other arrests were imminent.

Seized in New York City was David Greenglass, 28, a former U. S. Army non-commissioned officer at Albuquerque, N. Mex., where he allegedly filched wartime atomic secrets for Russia.

His arrest followed the FBI's seizure in Syracuse, N. Y., last night of Alfred Dean Slack, a 46-year-old chemist, also linked by the FBI with the Fuchs spy apparatus.

Both allegedly had passed secrets to Harry Gold, Philadelphia now awaiting trial on charges

ALFRED SLACK

serving as intermediary between Fuchs and Russian agents. Fuchs, a British atomic scientist, pleaded guilty to espionage and is imprisoned in England.

Almost simultaneously with Greenlass' arrest in New York, West Coast FBI agents seized Dr. Sidney Weinbaum, 52, a California Institute of Technology scientist charged with falsely swearing he had not been a Communist.

Weinbaum, arrested in Pasadena, formerly was with the institute's jet-propulsion laboratory.

The rapid-fire series of arrests came after FBI agents returned last week from London where they had questioned Fuchs.

Fuchs, while serving during the war in this country on the atomic bomb project, has named Gold as his contact with the Red espionage ring.

Greenglass, arrested here on a complaint filed in Alburquerque, New Mexico, cited this country's wartime alliance with Russia as the explanation for his action, FBI agents said.

In explaining his purported con-

See MORE NABBED on page 8-A

RDX Solid More Powerful Than TNT

WASHINGTON—(AP)—The explosive RDX is a white chrystalline solid that is mixed with TNT and it 50 per cent more powerful than TNT. Presumably it was for turning over samples of this explosive to Russian agents that a Syracuse, N. Y., chemist, Alfred Dean Slack, was arrested last night by the FBI.

While the explosive has been described as new and secret, defense department officials told a reporter today that what actually is secret is the American production process.

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