

OUR WEATHER
Fair and cooler tonight with frost. Wednesday, fair and warmer.
Last night, 36 degrees. Low expected tonight, 30 degrees. High expected tomorrow, 62 degrees.
Sunrise, 6:27 A. M.; sunset, 6:35 P. M.
More Weather Data on Page 2-A

O'Dwyer Says National 'Crime Empire' Growing

Government Action Urged by Envoy Job Too Big For Local Officials

NEW YORK — (AP) — Former Mayor William O'Dwyer told Senate investigators today there is a growing "national empire" of crime, and urged big-time Government appropriations to stop it.

O'Dwyer, now U. S. Ambassador to Mexico, testified that crime in America "will be widespread unless we get an appropriation of \$25,000,000 to \$50,000,000 for a continuing investigation of it."

"There is a national crime empire growing," he said, "and it will get stronger if it isn't stopped."

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FRANCS COMMITTEE
O'Dwyer, who has clashed heatedly with the Senate committee during two days on the witness stand, passed in his testimony today praise for doing what he called a "marvelous job."

Big-time racketeers can't be curbed locally, the ex-mayor said, in demanding the permanent Federal action.

"As long as 15,000,000 people want to be protected," he said, "and as long as you've got wires, information, racing sheets and newspapers giving full publicity and full information to that 15,000,000, you have something that is not entirely local."

"You've got something that is national and until we get help from the National Government in shutting it off, we're in trouble locally."

EARLY CITED
Committee Counsel Rudolph Halley said this is what the committee is seeking to do. But he added pointedly that "if something had been done locally" Racketeer Frank Costello might not have gained power over Tammany Hall, Manhattan Democratic organization.

"You know more about that than any other man," Halley said to O'Dwyer.

"That's not true," O'Dwyer protested, "you heard Costello testify."

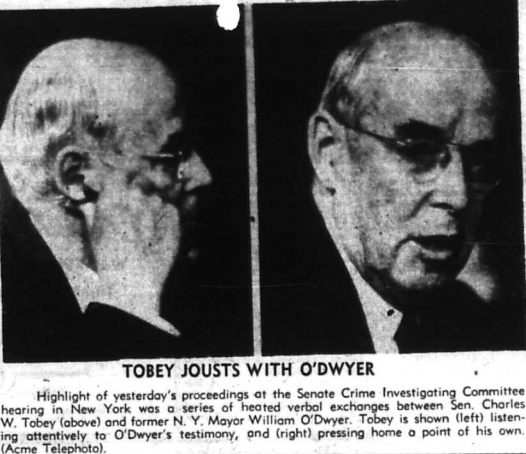
"Well," Halley said slowly, "perhaps Costello knows more about it than you."

ADmits INFLUENCE
Costello, reputed Eastern crime ruler, admitted at the public hearing yesterday that he had close friends in Tammany Hall, and used his influence once in picking its leader.

Earlier O'Dwyer told the committee he did not believe big-time racketeers could be curbed locally.

See O'Dwyer on page 2-A

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TOBY JOUSTS WITH O'DWYER
Highlight of yesterday's proceedings at the Senate Crime Investigating Committee hearing in New York was a series of heated verbal exchanges between Sen. Charles W. Tobey (above) and former N. Y. Mayor William O'Dwyer. Tobey is shown (left) listening attentively to O'Dwyer's testimony, and (right) pressing home a point of his own. (Acme Telephoto)

Tehran Under Martial Law

TEHRAN, Iran — (AP) — Martial law was proclaimed in Tehran today.

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See O'Dwyer on page 2-A

Monty Deputy To Eisenhower

PARIS — (AP) — Gen. Dwight D. Eisenhower today named British Field Marshal Viscount Montgomery as his deputy commander in the Atlantic Pact army.

Gen. Eisenhower also appointed eight other high ranking officers to his staff.

He chose Air Chief Marshal Sir Hugh Saunders of the British Royal Air Force as his air deputy.

A senior naval officer may be named later "if the need becomes apparent," a headquarters spokesman said.

The French cabinet announced, meanwhile, that Gen. Alphonse Juin, commander of France's armed forces, has been made available to Gen. Eisenhower to serve as ground troops commander in the Atlantic Pact army. Juin, 62, is inspector-general of French armed forces, a post created after Eisenhower's survey tour of operations. Juin also is resident-general of Morocco.

The French cabinet also announced that Vice Adm. Robert Jaujard was named to the Eisenhower staff.

Eisenhower announced that Jun's title would be commander in chief of the Allied army forces in the central sector of Europe, and Jaujard will be naval officer-in-charge, central sector, Europe.

Other appointments included Lt. Gen. Lauris Norstad, commander of the U. S. Air Force in Europe, as commander in chief of the Allied air force, central sector of Europe.

Admiral Sir Patrick Brind of the British Royal Navy, commander in chief, Northern U. S. Air Force, as commander Allied Air Forces, Northern Europe.

The headquarters announcement states that Eisenhower would ask the five power Brussels treaty organization to transfer to the United States the responsibilities of the Brussels pact defense organization which Field Marshal Montgomery has been commanding at Fontainebleau.

AEC Hints New Eniwetok A-Bomb Tests Underway

WASHINGTON — (AP) — The Atomic Energy Commission, hinting that new A-bomb tests are underway in the Pacific, said today the tests will show how nuclear war can withstand building attacks.

The commission said it had new series of tests at the Eniwetok atoll in the central Pacific, only units of structures and materials.

The statement described the current work as "a major project."

"In order to assure the safety of vessels and aircraft operating in the central Pacific, only units of the (testing) task force are permitted within the danger area around Eniwetok atoll," the statement added.

Asked directly if new atomic blasts are being conducted, commission officials said they could say nothing to the statement.

The commission had previously announced that further tests would be held at Eniwetok.

While today's announcement would not flatter say the blasts were actually underway, the language strongly indicated as much.

"The announcement said the new series of tests include provisions for measuring the effects of atomic blasts 'on structures and materials of various kinds' and declared: 'This information will be made available to the Civil Defense Administration.'

The commission said it had had inquiries from the American Institute of Architects (AIA) about the tests. It added:

"The commission has advised the AIA that a major project is being carried out to supplement data already obtained from other atomic blast tests with instrumentation specifically arranged to provide data for the development of design criteria needed by architects."

"The test program at Eniwetok is being carried out by Joint Task Force 3, commanded by Lt. Gen. Elwood R. Quigg, USAF, and is made up of personnel of the armed services, AEC, other civil agencies of the Government, and AEC contractors."

"Full security restrictions are required by the Atomic Energy Act to apply to all phases of the test program. No further information as to composition, movement or operations of the task force is authorized for public release at this time."

Benefits To Jobless To Be Increased

NC Houses Passes Compensation Bill

RALEIGH — (AP) — Legislation to raise the benefits to unemployed workers and at the same time reduce the cost to employers was enacted by the Legislature today.

The House approved a Senate-passed measure which would increase maximum unemployment compensation payments from \$25 to \$30 a week, boost the minimum weekly payment from \$5 to \$7, allow workers to receive unemployment pay for 26 instead of 20 weeks a year, and extend the one-week waiting period before payments begin.

The House was told by Rep. Ed. M. O'Herron Jr. of Greensboro that the bill would reduce the amounts paid by employers for unemployment from \$1,000,000 to \$700,000 a year, or approximately 40 per cent of each employer's tax.

Meanwhile, a Senate committee recommended, in effect, that North Carolina continue to Federal.

The House committee on Federal and Interstate Relations voted to kill a measure which would repeal resolutions adopted by the 1941 and 1949 Assemblies.

These resolutions urged the United States to join a system of world government as a path to world peace.

Several organizations, including the Veterans of Foreign Wars, have urged repeal of the resolutions.

Severely criticized by the Senate, meanwhile received measures from Sen. A. Stoney of Burke aimed at action on what Banking Commissioner Guy P. Hood has asserted is a "legalized racket" in small loans.

The Banking Commissioner, who makes small loans in some cases have to repay as much as \$187 on a \$100 loan. Hood said that the State Insurance Commissioner are required to take out accident and health insurance and the State Insurance Commissioner are required to regulate accident and health insurance rates.

One of Stoney's measures would see the repeal of insurance laws.

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Secretary's Story Is Unlike Rowe's

By G. MILTON KELLY
WASHINGTON — (AP) — A secretary to RVP Director Walter L. Dunham has testified another director urged her on Feb 20 to risk over to the White House and give presidential assistant Donald Dawson a letter of resignation for her boss. Dunham was out of town.

Mrs. Florence M. Smoot, the secretary, said Director C. Edward Rowe also proposed revising the customary resignation letter Dunham had left with her for delivery to President Truman if the President refused to resign.

She gave her testimony behind closed doors yesterday to a Senate banking subcommittee whose members have complained that "can't find the truth" in conflicting stories from Dunham and Rowe. The group made it public today.

Mrs. Smoot was called as a witness because Dunham has charged that Rowe tried to get him to resign and be "the goat" of the Senate investigation of alleged infidelity in RVC lending Row denied it. He also disputed Mrs. Smoot's story.

In addition to gathering testimony on this point, the Senators decided at their closed session to continue their inquiry indefinitely.

Chairman Fulbright (D-Ark) had favored winding up by March 21, but the six other members overruled him.

Dunham in poor health, had gone to Florida, leaving Mrs.

Henry L. Mencken Leaving Hospital

BALTIMORE — (AP) — Baltimore's leading man of letters, H. L. Mencken, is up and at 'em again today.

To a limited extent anyway.

The 70-year-old critic and authority on the American language is leaving the hospital today for the second time in three years.

Doctors had written him off when he went in last Oct. 12 with a heart attack so severe he was not even expected to regain consciousness. Mencken died the next day.

VA To Close 72 Contact Offices

WASHINGTON — (AP) — The Veterans Administration today told members of Congress it will close 72 Veterans Administration contact offices before June 30.

In a letter made public by Representatives Bender (R-Ohio) and Secret (D-Ohio), the VA said the offices to be closed include: North Carolina: Elizabeth City, Fayetteville and Greensboro.

4 BROTHERS KILLED
NAPLES, Fla. — A bomb or artillery projectile uncovered by youngsters at play exploded today. Four brothers ranging in age from 11 to 15, were killed.



STARTING NEW LIFE
Four-year-old Linda Oliva snuggles up to her aunt, Rose Hosmer, who is planning to adopt her to live at her farm near Vineland, N. J. Linda's mother died in a plunge from a moving train near Yuma, Ariz., after getting the child to jump also. (Acme Telephoto)

Dug-in Reds Fight After Long Retreat

M'Arthur Orders News Blackout

By OLEN CLEMENTS
TOKYO — (AP) — United States troops battling Communists from Hongchong on the central Korean front today ran into "very stiff" Communist resistance.

Red troops fighting from well-dug-in positions hurried back to an American battalion after a day-long fight.

In Tokyo, General MacArthur ordered a news blackout to distance the United States from the Korean peninsula.

(Correspondents were not allowed to say specifically what was in the Allies news reports, but the politically important Parallel 38.)

BLACK BAN
It is one of the most rigid news restrictions placed on correspondents since the war began.

At latest reports, sent before the line, the Allies were 20 or less than seventeen miles from the border to Red Korea.

The U. S. Eighth Army said Hongchong and a lateral road in ten scattered points across the peninsula. Patrols were known to be operating much closer to the border.

In the action northeast of Hongchong, Allied air and artillery attack failed to knock out the Communists. The Reds fought back.

The contested hill commands a junction of the road leading northeast to Hongchong and a lateral road running east. Much enemy activity has been reported on both roads during the last two days.

Elsewhere on the central front Allied troops advanced against increasing enemy resistance.

An armored patrol advancing on the line at Hongchong and small arms fire from Chinese rear guards. Allied officers said they were sure the line will fall without a fight. Chunchon was once the Chinese headquarters in South Korea. It is eight miles on the border between North and South Korea.

ENCOUNTER FIRE
North of Seoul on the Western front, Communist soldiers ran into heavy small arms, mortar and artillery fire. The resistance was a south of Uijongbu. The exact location was not given.

In Seoul itself mines were being cleared from the streets, and roadblocks were being removed. The mines were dug out on long lines of civilians.

On the west central front ROK troops were fighting Communist forces. The Allied advance on the front of Pusan, however, said AP correspondent William C. Barnard said the South Koreans made the deepest penetration of Communist lines.

"Activity on the east-central front was confined to patrol skirmishes and a bridge near Kowon, an American patrol found about 100 Communists dug in on the high ground overlooking the river north of Pusan."

Artillery and air attacks forced the Reds to withdraw.

Reports of a bridge near Kowon, however, would consider the risk far less grave if both the Chinese and the Allies withdrew from the peninsula under these terms.

Rowe and Dunham, also witnesses at the closed door hearing, agreed there had been a telephone conversation between them, but that was about all they agreed on.

Reds May Dig In North Of Parallel 38

By RUSSELL BRINES
TOKYO — (AP) — Communist strategy indicates now the Reds may be planning to dig in north of Korea's 38th parallel for the time being.

Officially, this could mean one of two things: it might be to create a passive stalemate, or an effort to win time for reorganizing the forces in advance of another southward thrust.

A stalemate based on diminishing the effect of closed sessions, could lead to political overtures for a peace, dividing the Korean peninsula into two halves.

Red China follows usual Oriental diplomatic tactics, it will seek that sort of a deal the first time it is ready to talk terms. This approach, it is felt here, might gain ground among some of the western powers.

United Nations military commanders long have privately warned against a compromise peace that would give the Chinese what they regard as a stranglehold on Korea. The South Korean government has taken a similar position repeatedly in official statements which have included a formal request for permission to bomb Manchuria.

This is the military view. The Chinese proved by their military crossing of the Yalu River last October that they had no respect for formal political boundaries. They could be trusted even to respect the 38th parallel or a similar subdivision. The parallel has meant far less to Communist forces of both sides, anyway, than apparently it has to diplomats.

By controlling a substantial slice of Korean soil, the Chinese would be in a position to build up power for an attack any time they chose. Thus, in effect, would merely move the Yalu southward and might even give the Communists the same sanctuary in their newly-won part of Korea that they have had in Manchuria.

The full power of the United Nations force has barely been sufficient to turn back the Red drive across all of Korea. Therefore, the same force would have to be maintained in the peninsula to provide an adequate safeguard for the South Korean government under such a peace.

The Communists thus could pin down a powerful force without incurring military loss to themselves.

The alternative would be to risk giving up the land thousands have died to save and the ideal of resisting aggression which prompted U. N. intervention. An Allied withdrawal under these terms might free the Communists for aggression elsewhere in Asia.

Many American commanders, however, would consider the risk far less grave if both the Chinese and the Allies withdrew from the peninsula under these terms.

The threat of Chinese intervention would always be present. But Allied power stationed outside of the peninsula might be sufficient to hold Peiping in check.

Another possibility, it is felt here, might be the creation of a buffer zone somewhere in North Korea. But this would mean renouncing the U. N. aim of unifying Korea.

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