The Canadian Way
"Responsibility" is more than a word to Canadian public officials, Columnist Marquis Childs reports in a special dispatch from Ottawa. Turn t othe Editorial Page.

THE CHARLOTTE NEWS

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Largest Afternoon Newspaper in The Carolinas

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Joint Committee Votes To Allow Price Rollbacks

REDS, ALLIES DEBATE TRUCE LINE

New Slash Ordered In Steel For Autos

WASHINGTON —(AP)— The Government today ordered another five per cent cut in steel for passenger car production, effective on Oct. 1.

Auto output in the October-through-December quarter will be cut to 60 per cent of the level of the six months preceding the Korean invasion. This will mean a production of slightly over 1,100,000 cars.

If the auto makers need it, they'll be permitted to use some foreign steel, too, so that they can make the 1,100,000 quota, Defense Production Administrator Manly Fleischmann said.

The announcement came as DPA issued steel, copper and aluminum allocations for the final quarter of the year. Except for consumer goods, production levels will be about the same as in this quarter, it was stated.

Such consumer items as refrigerators, washing machines and household electrical appliances will get about 65 per cent of their pre-Korea tonnage. They get 70 per cent now.

Fleischmann said there's no reason for the consumer to worry. He said in a statement:

"Even with our defense production program we will generally maintain a level of civilian production approximately equal to that of 1949 — which certainly wasn't a year of hardship."

Nevertheless the planned cuts in automobile and consumer goods came as a surprise because Fleischmann and other defense leaders within the last month had assured civilian manufacturers that no further curtailments were planned this year.

At 1,100,000 cars, auto output will be about 100,000 less than in the present quarter and 400,000 under the output of the April-June quarter.

GOP Fails To Block Acheson's Salary

By WILLIAM F. ARBOGAST

WASHINGTON (AP)—Another Republican-powered "get-Acheson" drive has failed.

The end came yesterday when the House passed and sent to the Senate a $1,045,340,115 appropriation bill financing the State, Justice and Commerce Departments and the federal courts for the fiscal year which began July 1.

House foes of Secretary of State Acheson had tried unsuccessfully to saddle the bill with a rider which would have cut off his pay.

Also defeated was a Republican-sponsored move to slash the budget of the "Voice Of America." This is the State Department's overseas information program designed to sell the American way of life to foreigners, especially those behind the Iron Curtain.

REPUBLICANS SPLIT

Republican ranks split in both drives, while Democratic lines held firmer than usual.

Acheson's salary was saved by a standing vote of 171 to 81, the voters not being recorded by name. There was no organized attempt to force a recorded roll call vote.

A top-heavy roll-call of 245 to 141 beat back the attempt to cut the "Voice" budget from the $115 millions requested by President Truman to $70 millions. The House voted the $85 millions recommended by its Appropriations committee.

The drive to force Acheson off the payroll was spearheaded by an amendment offered by Rep. Phillips (R-Calif).

During an hour's hot debate on the amendment, Republicans repeated their allegations that Acheson has lost the confidence of the American people and that his foreign policies have failed.

Democrats, on the other hand, defended the secretary as an official with an outstanding record of service, and assailed the Phillips amendment as unconstitutional.

Administration spokesmen challenged Republicans to try to impeach Acheson.

Upwards of a score of Republicans voted with the Democrats, some of them explaining that although they have no love for Acheson, they disagreed with the GOP approach to the job of getting rid of him.

House defeat of the newest move against Acheson was expected to stick, since there has been no comparable drive in the Senate.

Massachusetts Bank Robbed

SOMERVILLE, Mass. —(AP)— Two gunmen in police uniforms, with badges, held up the Davis Square branch of the Somerville National Bank today and escaped with $33,059.17.

The robbers escaped in a car driven by a third man.

The men wore masks beneath their police caps and one carried a machine gun. The other was armed with a pistol, believed to be .45 caliber.

Acting Manager Loring P. Gleason, assistant to the president of the bank, and four tellers — two of them women—were in the bank when the men entered. Two customers also were on hand.

"The man with the machine gun covered the employees and customers while his companion climbed over a shoulder-high counter and looted cash drawers and three tellers' cages.

"Don't move or we'll drill everybody," the man with the machine gun warned. None attempted to resist.

The men missed a much greater sum. Shortly after they departed, an armored car delivered a much greater amount.

OUR WEATHER

Partly cloudy and little temperature change today, tonight and Saturday with scattered afternoon thundershowers today and tomorrow.

Highest yesterday 90 degrees. Lowest this morning 72 degrees.

Sunrise, 5:27 A. M.; sunset 7:30 P. M.

More Weather Data on Page 7-A

HOME-MADE THUNDERSTORMS

Ever hear of creating a thunderstorm artificially? Heat from forest fires and volcanoes sometimes does. One 7-27 story tells how an engineering gang heated from working in a Florida swamp, used this method to cool off. They set fire to the sawgrass, and a great volume of hot air ascended. Cumulus clouds formed and soon grew into thunder heads. The thunderstorm broke and torents of rain descended, cooling the workers and putting out the fire. Forest fires thus sometimes sow the seeds of their own destruction by creating thundershowers which extinguish them.

All-Night Session Held On Controls

Conferees Drive For Agreement

WASHINGTON —(AP)— Senate-House conferees voted tentatively early today to permit price rollbacks on non-farm commodities to levels which prevailed just before the Korean war—provided certain cost increases are taken into account.

The tentative decision came near the end of an all-night session of the conference committee, which agreed to extend economic controls legislation through next June.

The extension measure covers wage, price, rent and other emergency curbs.

Senator Maybank, (D-SC), the joint committee chairman, told reporters the group will meet again later in the day to make a final decision regarding the non-farm rollback prevision. He said a few other provisions also will come up for a final vote at that time.

Those matters include what to do about a proposal to scrap the ban voted on livestock slaughter quotas by both the Senate and the House.

The legislation would keep intact the ten per cent beef price rollback already in effect, but would bar additional price cutbacks for that commodity. The Price Administration planned two more reductions, each 4 1-2 per cent.

The conferees agreed that prices for other farm commodities could be rolled back to 90 per cent of the level of last May 19 or to the parity level, whichever was higher. Committee officials said, however, that in practice the farm rollback section could affect only a few commodities, such as cotton, wool, veal and lamb.

In its tentative form, the compromise extension bill fell far short of the kind of controls legislation President Truman has requested. The separate bills passed earlier by the Senate and House were minus most of the additional controls authority which President sought.

The conferees also approved more liberal consumer credit controls than the Federal Reserve Board now has in effect, covering the installment purchase of new and used automobiles and such household items as radios and television sets.

The Administration won at least one victory when the conferees agreed to permit rent rollbacks to levels which prevailed just before the Korean war, in newly designated critical defense areas.

In both the Senate and House bill was a provision authorizing rent increases of up to 20 per cent above the June, 1947 levels in areas now controlled. Committee officials estimated that the increases in most cases would amount to only five to seven per cent because boosts have been granted since 1947 for many dwellings.

The compromise bill produced

See CONFEREES on page 7-A

Paper Links Merl Young With Boyle In Loan Case

ST. LOUIS —(AP)— The name of E. Merl Young was linked by the Post-Dispatch today with that of William M. Boyle Jr., Democratic National Committee chairman, in helping a St. Louis firm get a $565,000 loan from the Reconstruction Finance Corp.

The newspaper, which two days ago disclosed Boyle had been on the firm's pay roll, said Young joined Boyle and James P. Finnegan, former internal revenue collector here, in bringing pressure on RFC officials for approval of a loan to the American Lithofold Corp.

Young, like Boyle a Missourian, once was identified by the Fulbright Senate subcommittee on banking as a key figure in favoritism and the influence network of the RFC lending decisions.

The Post-Dispatch gave Charles G. Alexander, head of the RFC office here, as its source for Young's part in helping obtain the 1949 loan which had been turned down three times.

Alexander has been a witness before a Federal grand jury here investigating the official conduct of Finnegan, who resigned after the inquiry.

The newspaper reported Alexander told it that Young telephoned him in December, 1948, from Washington, saying "the Democratic National Committee is interested in the Lithofold Corp. loan." Alexander said he sent a report of the conversation to his superiors in Washington.

Alexander said he told Young files on the loan application had been sent to the RFC in Washington and "Young seemed to be pleased." Alexander added that Young made no further calls to him.

The Post-Dispatch has charged that both Boyle and Finnegan were on the pay roll of the firm, Boyle at $500 a month and Finnegan at $1,000. The newspaper said that, in all, Boyle received about $8,000 in monthly installments.

Boyle has acknowledged he was on the pay roll of the firm for a short time and received "some legal fees," but maintained he had quit law practice shortly after he became head of the Democratic party.

Gaston Guardsman Is Jailed For Missing Drill

GASTONIA —(AP)— Garland Grindstaff, 21, a National Guardsman of East Gastonia, today completed the first day of a five-day sentence imposed under military regulations for missing drill.

Sgt. John Humphries said Grindstaff had missed three consecutive drills. They drill each Thursday. The sergeant said that under a new policy, guardsmen are excused for one absence, fined $10 for two absences, and jailed five days for three absences. Sentences are served in the county jail. Grindstaff is a member of Company K of the 120th Infantry.

TO FURNISH TROOPS

MANILA —(AP)— The Cabinet today agreed to furnish troops at some future time for United Nations security forces, as requested by the U. N. General Assembly.

GUNS THUNDER AS NEGOTIATORS TALK TRUCE

The Korean war goes on while United Nations and Communist negotiators hold peace talks in Kaesong. United States tanks are pictured here firing on a Communist position. (U. S. Army photo from Acme.)

Drive Reported Into Red China

By SEYMOUR TOPPING

RANGOON, Burma—(AP)—Three regular Chinese Nationalist columns have thrust 65 miles into Red China's Yunnan province from their refuge in northeast Burma, authoritative sources reported today.

The informants said the Nationalist invaders, numbering around 15,000 troops, now hold about a 100-mile long border strip and is engaged against regular Chinese Communist troops. The Nationalists were said to have seized control of an air field 200 miles southwest of

All three columns were reported to be under the command of Li Mi, nominal Nationalist governor of Yunnan province and one of Generalissimo Chiang Kai-shek's best-known generals.

The sources said Li Mi's push back into Red territory has been going on quietly for almost three months. Although relatively small, it is the most effective action undertaken by the Nationalist forces this year.

Li Mi began his operation last May, with Burmese Government troops harrying his rear in an effort to drive the unwelcome Nationalists out of neutral Burma, which has recognized the Communist regime of Mao Tse-tung.

House Votes To End German War

WASHINGTON —(AP)— The House voted officially today to end the war with Germany that started on Dec. 11, 1941, and unofficially ended when the shooting stopped in May, 1945.

It passed and sent to the Senate, at the President's request, a resolution declaring the war officially terminated the moment the President signs the legislation.

The roll call vote was 376 to 0. One member, Rep. Javits (D-NY), voted "present."

Defense Let-Down Worries Marshall

WASHINGTON —(AP)— Secretary of Defense Marshall said today he is "shocked" at the defensive letdown of the American people since the Korean truce negotiations.

In a plea to Senators, Marshall asked that Congress approve the full $6,300,000,000 the Administration asks for foreign arms aid.

He said that if it came to a choice it would be better to cut money for the United States' own armed services rather than trim the money intended to strengthen Western European forces.

The program will provide "only the essential military requirements" in 1952 for Gen. Dwight D. Eisenhower's armies, Marshall said, and stressed that the "major purpose" is to prevent another war, not just to defend Europe in case of war.

"The best deterrent to war is being prepared," he said.

Marshall testified before the Senate Foreign Relations Committee whose members learned with some dismay yesterday that the $8,500,000,000 asked now for foreign military and economic aid is only the first part of a three-year program to cost about $25,000,000,000.

The $8,500,000,000 includes $6,300,000,000 for arms aid and $2,300,000,000 for economic assistance.

Secretary of State Acheson told the Senators yesterday of the three-year program. He said it is necessary to counter Soviet Russia's designs and bring about "an era of genuine relaxation of tension."

Marshall was called to give details on military aspects of the program.

In a prepared statement he read to the committee, Marshall touched only lightly on what is to come after this year.

But he said requirements in the two following years "will be at least as large as the amount we are requesting for this year."

Thereafter, the defense secretary said, U. S. military equipment assistance "can be reduced."

When the foreign relations committee convened, Chairman Connally (D-Tex) directed aides to invite armed services committee members to sit in on the hearings.

However, no armed services members were present when Marshall began testifying.

The armed services committeemen had indicated they felt they should sit in on the hearings since the program was so largely concerned with military matters.

Marshall noted in his statement that Western European nations would provide about 85 per cent of the manpower for the defense forces Eisenhower is building in Europe.

He described the aid program as aimed to provide the major items of military equipment the Allies cannot produce themselves "in time," and support for their own military production.

Marshall said the major part of the money is earmarked for the Atlantic and Mediterranean areas included in the North Atlantic treaty organization.

And, Marshall declared, if Congress must cut any military funds, it should pare down U. S. equipment money rather than reduce the allowances for European aid.

Questioned by Connally, Marshall said he was "shocked" at the way Americans have reacted to the proposal of Russia's Jacob Malik which touched off the current cease fire negotiations in Korea.

Making it clear he felt there has been a "let-down," Marshall said:

"I am more shocked by what has happened in recent days than I

See LET-DOWN on page 7-A

Harriman Will Fly To London

By ROBERT B. HEWETT

TEHRAN, Iran —(AP)— A British embassy spokesman said today a British decision on whether to accept Iran's proposal for reopening talks on the oil nationalization dispute is expected soon.

British Ambassador Sir Francis Shepherd conferred with American Special Envoy W. Averell Harriman seeking further clarification of the Iranian offer, as requested by the British Cabinet.

Later, Harriman announced he would leave by plane for London tonight to explain Iran's proposal to the British Government. He said he could clear up any questions best by a personal discussion rather than depend on further exchange of telegrams.

He held further hurried talks with Premier Mohammed Mossadegh and the Shah after his decision to fly to London. The flight is expected to take eleven hours and he intends to return here within two or three days.

The embassy spokesman said a message will be sent to London later today to aid the Cabinet in its decision.

He said Shepherd's round of talks including a visit yesterday with the Shah, was aimed at determining whether Premier Mossadegh genuinely desires to negotiate with a British Government mission.

Reds Accused Of Buildup

Allies Held Back Knockout Blow

WASHINGTON —(AP)— The Army claimed today the Allies had the Communists in Korea "hanging on the ropes" last month but held off trying to deal a knockout punch in order to show "good faith" in peace talks.

At the same time, the Army officially accused the enemy of carrying out a "tremendous buildup" of troops, supplies, and weapons at the front since the original peace proposal was made June 23.

In contrast, the Army said, one United Nations combat unit was pulled out of the battle area and sent to Japan. The unit was not identified.

The Army's report was given in an unusual on-the-record briefing for newsmen at the Pentagon. Ordinarily, briefings of this nature are held to give reporters background information only but this time the Army spokesman read a statement for publication.

Late in May, it said, the Allies had just beaten off a major Chinese Communist drive in the "most disastrous defeat" since the Chinese entered the war last November.

The Chinese were "driven back in confusion," the Army said, with losses of more than 100,000 men.

The Allies were in a good position to follow through, the statement continued, but held up the drive after agreeing to enter into peace talks.

This is what the spokesman said: "On May 16 the Chinese Communists launched a major offensive on the east central front and drove the South Korean forces back about 20 miles. The threat to the Tenth Corps was continued by the Second Division and the Third U. S. moved from reserve.

"By June 2, the force of the Communist effort was broken and the Eighth Army moved immediately into counter - offensive. The weight of this counter - offensive was so effective that the Chinese Communists were driven back in confusion, losing over 100,000 men and suffering 10,000 prisoners. This was for the Chinese their most disastrous defeat since they entered the war last November.

"Acting in good faith the U. N. (after June 23) accepted the proposal to explore the possibility of peace and halted the advance.

"It is evidence of good faith by the U. N. that further tactical exploitation of U. N. forces was halted at the very moment when the U. N. forces were in the position to achieve an even greater success. They (the Communists) were hanging in the ropes."

At that time, the spokesman continued, the area known as the Iron Triangle was under U. N control, south forces were going up the east coast and "great quantities" of enemy material had been captured. The enemy's manpower losses "were staggering."

He added:

"The picture since then has been one of constant and continuous buildup behind their screening forces. There has been continuous and aggressive action all

See REDS on page 7-A

UN Seeks To Retain Battle Gains

U. N. ADVANCE HEADQUARTERS, Korea —(AP)— The Allies told the Communists today where they want to draw the cease-fire line in Korea—and why.

Vice Adm. C. Turner Joy, chief United Nations delegate, explained the Allied position in detail as negotiators got down to the meat of armistice talks in their eleventh meeting at Kaesong.

Admiral Joy talked 52 minutes.

He gave the Reds two-marked military maps to picture his position.

The five Communist generals made no comment. Instead they asked for, and got, an adjournment until 10 a. m. Saturday (7 p. m. EST Friday).

North Korean Gen. Nam Il, spokesman for the Red delegation, presumably will present the Communist reply at that time.

DISAGREE ON LINE

The general understanding is the United Nations is pressing for a demilitarized zone roughly along the present battle line. The Communists want it along the 38th Parallel.

Starting from a point 35 miles north of the 38th Parallel on the East Coast, the battle lines run roughly 15 to 20 miles north of 38 for 75 miles to Chorwon. Then they drop sharply south along the Imjin River, crossing the Parallel at a point east of the Kaesong armistice site.

Joy's statement, opening actual negotiations for an armistice, took most of Friday's 72 minute session.

AGREE IN PRINCIPLE

The first 18 minutes were devoted to procedural matters. The two delegations reached agreement in principle on just how to tackle the four major points of their truce talks, a U. N. announcement said, and named teams of officers to work out the details.

Then Admiral Joy leaned his elbows on the green topped conference table and began reading a prepared statement on the Allied position. It was officially described as a "sparsely phrased and logical presentation."

"Joy expressed a military viewpoint," said Air Force Brig. Gen. William Nuckols, Allied spokesman who was present. "This (military view) is the area to which U. N. delegates have frequently stated they will confine themselves."

Both Joy and Nam leaned forward with their elbows on the table.

"They were closer together, physically, than they have been for some time," Nuckols said.

INTERRUPTED ONCE

Only once was Joy interrupted. A Korean interpretor asked him not to go so rapidly, so he could hear the English as well as the Korean translation being read by a U. N. interpreter.

After he had spoken for nearly half an hour, the American admiral produced a colored map to illustrate "a major point he was asking," Nuckols said.

Joy handed the map to Nam, who showed up with a new, close-cropped haircut. A few minutes later Joy produced a larger map, explained another military point on it, and gave that to the North Korean general.

General Nam gave no hint of the Communist reaction.

NO HARD FEELINGS

"There were no hard feelings," Nuckols commented.

Although Joy read from a carefully prepared statement, Nuckols said the U. N. delegation had "A great deal" of discretionary power in its armistice talks. He said he didn't know how much leeway the five Chinese and North Korean generals had.

The U. N. wants to settle on the most defensible battle line possible. This is generally under-

See ALLIES on page 7-A

Reds Turn Back Allied Patrols

U. S. EIGHTH ARMY HEADQUARTERS, Korea —(AP)— Allied attempts to capture dominating hills on the eastern front were blocked again today by stubborn Communist resistance.

Eighth Army reported attacks by United Nations soldiers were blunted northeast of Yanggu and north of Inje, U. N. troops made similar attacks yesterday, but fell back before intense mortar and artillery fire from Chinese positions.

Allied patrols reported light contact with Communists northeast of Kumhwa in the central front. Moderate resistance was encountered by other patrols south of Kumsong.

American B-28s from Okinawa bombed Communist supplies at the Western Korea river port of Kyomipo and cut rail tracks in the same area. Kyomipo is southwest of the North Korean capital, Pyongyang.

Fifth Air Force fighters and light bombers pounded Communist transportation facilities in more than 350 sorties.

Railroad bridges were hit at Hwangju, south of Pyongyang, and Yonghung, on the east coast. Flying Marines reported damaging road bridges south of Kojo, another east coast town.

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