TUESDAY, MARCH 6, 1951

THREE LETTERS

BECAUSE the news columns carried an inadequate account of the exchange of letters among a young Marine, his father, and Secretary of State Dean Acheson, we are printing them in full elsewhere on this page

The reason will be obvious to anyone who reads them (and we heartily recommend that you do read them). They express, better than anything we have yet seen, the American dilemma.

dilemma.

The young fighting man, his hopes shattered, is a victim of doubt and confusion about our national foreign policy and, indeed, about the future of civilization. He asks questions that are on the tongues of millions of Americans these days—questions that asked much more easily than they can be answered.

POTOMAC PEACE PACT

EDITORIAL writers are faced with an almost insurmountable problem in trying to interpret for their readers the implication of the recent "paces pact" between the U.S. Tessaury and the Federal Reserve Bureau. Few men in this trade understand the complex situation, to begin with, and those who do find it well-nigh impossible to explain it in the language of the layman.

Yet management of the Federal debt and Y. S. monetary policies are so important in the inflation control program that the effort mould be made. So here goes.

U. S. monetary policies are so important in the inflation control program that the effort should be made. So here goes.

The fend between the Treasury and the Reserve Board is of many months' duration. For ten years the Board has followed the specific of buying up at par or better all the Federal bonds offered it by insurance companies, banks and other institutions. The Board has argued that its bond purchases promote inflation by increasing the money supply, and by providing banks with money that they can lend many times over. It has sought to be relieved of the responsibility of supporting the Federal bond market.

The Treasury has argued that it will have to raise interest rates on new bond issues unless the market is kept stable. That would increase the carrying charge on the national debt, already some \$6 billion a year. It would also depress the market for corporate securities. The Treasury will issue some areas of the support of the White Hodde.

Last weeken, the two agencies reached an argreement. In the Treasury will issue some rate of 2.75 per cent that it will exchange with holders of certain bonds at an invalve of 2.75 per cent that it will exchange with holders of certain bonds bearing only 2.5 per cent interest. The theory is that the more attractive interest rate will induce

halted.
Nonetheless, the Treasury-Reserve Board agreement is a step in the right direction. The question is whether the step was big enough. Time and the inflationary spiral hold the answer to that.

The father, a close observer of the human race, and a somewhat cynical man, understands and the state of the

can people understand.
We do feel that it is imperative that all of
us make every effort to understand. That is
the only way this nation will ever find its
way out of the present dillemms. That is
why we are 'reprinting the three letter
which, once again, we urge you to read.

bondholders to make the swap and then hold their bonds until maturity instead of selling them to the Federal Reserve Board. Whether that theory will work out is prob-lematical. At first glance, it has the appear-ance of "window-dressing"—an effort to re-store peace in the Federal family and quiet the fears of U. S. investors. The plan appears

store peace in the Federal family and quiet the fears of U. S. investors. The plan appears to have several shortcomings:

1. The extra 1/4 per cent interest is hardly enough to persuade investors to exchange bonds they can cash in for bonds they must bold until maturity. (There is a further agreement that the new issues may later be exchanged for still another new marketable bonds beamoned March 10-12. The inflationary pressure is coming from sales of bonds by banks, rather than by other big security holders, and no bank wants to tie up bits resources in frozen assets.

3. The new bonds to be offered by the Treasury can be acquired only by holders of certain issues which will not fall due until the 1967-72 period. Since most bonds held by U. S. banks are of shorter maturity, sales by banks will not be materially affected.

The management of the U. S. debt until the 1967-72 period. Since most bonds held by U. S. banks are of shorter maturity as the most of the ways to control the solution of the ways to control the solution of the control of the control of the solution of the ways to control of the solution of the ways to control of the solution of the ways to control of the solution of the solution of the ways to control of the solution of th

CAMPAIGN OF MISREPRESENTATION

THERE is now reason to hope that some of

the sponsors of the move to rescind the
General Assembly's 1949 "World Government" resolution will back off from their
ill-conceived project.
Replying to a column-long "open letter"
by Ed Post Jr., crusading young editor of
the Cleveland Times, Senator M. T. Leatherman of Lincoln County, one of the sponsors,
wrote:

"I am very much impressed with the per-tinent information contained therein... As a co-introducer of Resolution No. 170, it does not necessarily mean that I am op-tered the theorem of the control of

The "large groups" Mr. Leatherman re-Wars and the Daughters of the American Revolution, both of which apparently have been misled by national officers. The DAR been misled by national officers. The DAR letters to General Assemblymen, especially, read as if they had been dictated by the same executive secretary. They repeat a host of absurd and totally unfounded allegations: that the 1941 and 1949 resolutions by the General Assembly would abolish the United States, scrap the Constitution, turn Americans into, sixes, let down all the bars to immigration, destroy the dollar, confiscate American property.

Nothing could be further from the truth. The 1941 resolution merely expressed the hope of the General Assembly that totalitarianism and tyramy would give way to a system of law and order under a Federation of the World, and petitioned Congress to accept the principle of a world order.

The 1949 resolution frankly analyzed the fundamental weakness of the United Nations—its inability to cope with aggression by major powers—and urged the calling of a convention to propose amendments to the Constitution which would permit the U. S. to negotiate a new constitution for a world organization with powers adequate to assure

peace. The 1949 resolution has no legal effect whatsoever. It doesn't commit anyone to anything. It leaves the whole question in the hands of the American people who would first have to elect delegates to such a convention and then ratify any constitutional changes agreed upon by the convention. In every step of the process, the people would retain the veto.

Obviously such a convention is out of the

creatings agreed upon by the concentration of the creation in the veto.

Obviously such a convention is out of the question now. It would serve no purpose whatsoever, even if the DAR's fears were valid, to rescind the General Assembly's 1949 straight into the General Assembly is 1949 straight into the General Assembly is 1949 straight into the contract of the General Assembly is 1940 straight into the contract of the General Assembly is 1940 straight into the General Assembly in 1940 straight into the General Assembly in 1940 straight into the General Assembly in 1940 straight in 194

From The Omega (Ga.) News

BRAVE EDITOR

LAST week we took what the military would call a calculated risk and lost. We wrote an uncomplimentary editorial pertains country. Our cellorial was republished in the Atlanta Journal last Thursday, and before dinner we were tracked down by two angry agents of the Dept. of Forestry who were prepared with documented proof of the good work of ghe fire lookouts and crews who man the equipment. Their evidence was ever-whening, and all we had to prove our point was just a lot of burned land.

We had no reason to desy their proof but we were not convinced that our eyes had lied about the woods burning and no fighters in

sight. Tempers finally cooled after it became obvious that neither side would admit defeat. As a matter of fact, we finally became friends and we accepted an invitation to lunch with them. What we regretted most was that they left before we could sell them a subscription and possibly a bit of advertis-ing.

A fanatic has been described as a person who won't change his mind and can't change the subject.—Mattoon (III.) Journal-Gazette

Three Letters That Express The American Dilemma

FROM A YOUNG MARINE TO HIS FATHER

16 January, 1951—Tuesday has a

16 January, 1951—Tuesday
Language Company
Language
Languag



troops throughout the world? Why middle we take the heunt of it all? If the other countries in the United Nations went supply the meeded men and money then we aboutle pull out of Kores, and if need be, out of the United Nations and stopt cometains a fine of the ingent and the morals of the lighting man is very low. Mainly because will use the American people area? be hind him. Here at Pendicten (Callernia), most of these men know when a proposition of the propositi

FROM THE FATHER TO SECRETARY ACHESON

Camden City Civil Defense Council City Hall, Camden 1, New Jersey January 19, 1951.

Secretary of State Washington, D. C. My Dear Sir: Environment of the Common of the Com

brought to me by a world press.

This lad has been raised in the raditions which have been prevalent in this country since colonial days — his schooling is that the average should be a strength of the average had the advantage of the same of the

his back yard at home, he knows it from personal visits.

The tenor of his letter about forcing policy leaves me cold and my reply to him will be a replanted that it must be so, and has been so since 1914 because of certain inescapable facts. I will explain that we are a guilble people, when ye was and lost both times the peace, because we remainer we regard winning a fost-ball match. I will tell him explain that we have a guilble people, which was not been a graded winning wars in the same manner we regard winning a fost-ball match. I will tell him the same had been a so with the same had been a so with the same had been a so will be a so with the same and th

I will send him a copy of an ad-dress of mine, which he said was too deep for him to understand when he read it in its formative stage. I will try to open his eyes



people, take advantage of the situations of the president of the United States, simply because they wished in the word by the pentage in mountain previous present a migranderstanding which have been footered by a press which is venal.

What I am going to tell him of forcing up to a word of their natures, since they were of the opinion that they were arrest against the inimicable to the general good of our possible to the general good our

FROM SECRETARY ACHESON TO THE FATHER

WASHINGTON, D. C. Assistant to the Mayor, Camene City Civil Defense Camene City Civil Defense Camene I, New Jersey Daer Mr. Moullette:
HAVE THOUGHT a great deal help their futuration and bitter-being the company of t



joyed the blessings of freedom that we had come to accept this condition as automatically assured. If has fallen to us, to your son's generation, and to ours—to take up again the defense of freedom against the challenge of tyranny.

and reflects what must be the instinctively humans. fedlins: of good men everywhere and of the provided of the

secretary actes on the control of th

T-Men Cracking Down On Racketeers Drew Pearson's Merry-Go-Round

TYPE Bureau of Internal Revenue has ordered its first unsign exception on the big racksters since this column street quibilishing the income hax returns of mobsters who have been cheating on their taxes.

As a result, Timen are now inspecting the books of Chicago's policy racket, or numbers game, for income-tax violations. Their investigation has already led to the tax returns of Tony Accardo and Jack Gunt.

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Betting on the numbers in Chicago has mushroomed into a billion-dollar, back-alley business, which feeds upon the nickels and dines of the little people. If the policy in the nickels and dines of the little people, in lines, all still in gangland of the feed with the policy of t

Fake Pay-Offs

Then the fake payoff would be deducted from the policy wheely total take, making the profits appear much smaller. The latest income tax returns for the Fire and Buffalo wheel show receipts of \$5,645,061.57 in 1949. However, the wheel claims to have paid out \$4,002.17.79 to winners. Thus, the jugging of the betting slips may make a difference of millions.

Thus, the juggling of the betting slips may make a difference of millions.

The income tax records also reveal bow underworld bosses Accarde and Guilk muscled in on the Eric and Dark the transport of the state of

Meanwhile, Manno had moved to Erie and Buffalo from the Standard Golden Gate wheel, known to be controlled by Accardo and Guzik.

It would appear that Pardy and Manno are merely front men for Accardo and Guzik. Meanwhile, the Bere-nuti brothers, original convers of the Erie and Buffale wheel, have fied to Italy.

Shocking Labor Relations

WITH the stulle industry in the grip of a strike, the Within the understanding strike, the port on the industry's "shocking" labor relations. Though the report has not yet been made public, this column has obtained a copy. Case histories of lawlessness and terror-tim against union organizers in the Southern textile industry are included in the report, indicating that "for all practical purposes, self-organization and collective bargaining are seadily losing ground."

gaining are steadily losting ground."

"The retreat of union organization is being compelled by employer campaigns on an area-wide front," the Senata report charges. "Much of this campaign is being conducted in shocking violation of the labor-management relations set, and the National Labor Relations Board appears to be poweries to cope with the situation.

"The rights of the javoreness to self-organization and collective bargaining are guaranteed by Federal law, and yet thousands of workers in the Southern textile industry, who have sought the protection of the law, have failed to obtain it," the report continues.