

MISSING FILE
FERRY OLD
TO SENATORS

State Dept. Official
Testifies Security
Report Disappeared

WASHINGTON (AP)—A State Department security officer testified today that his report on a "suspected Communist" disappeared by the department's employees from secret files.

John E. Matson, special agent in the department's division of Security and Investigation, was a witness before the Senate investigation subcommittee headed by Sen. McCarthy (R-Wis.).

McCarthy has charged that State Department files have been "looted" of derogatory information concerning some employees, including those under fire in his Communist investigation.

Matson did not identify the employee concerned in the missing report, except to say the man was attached to the U. S. Embassy in Ecuador.

Matson told the senators that he had "on several occasions" found that documents were missing from the department's files. He named those of them as a letter to Sen. Lawrence Duggan, a former State Department official who pleaded to go to a New York City building.

McCarthy, questioning Matson, termed Duggan's death "a suicide" and referred to a letter to Sen. McCarty "who had been exposed" and was under fire as a possible Communist.

Duggan's death plunge was in December, 1948. Congressional committees were digging at the time into charges of Communist infiltration of the government.

U. S. Rejects
Warning By Red
China Premier

Threat Dismissed
As 'Old Stuff'

BY OLEEN CLEMENTS
TOKYO (AP)—Red China Wednesday warned the U. S. to accept Communist terms for peace in Korea or face a fight to the finish along the bleak battlefield.

In a direct challenge to U. S. President Eisenhower's new administration, Red Premier Chou En-lai demanded unconditional resumption of truce talks at Panmunjom, an immediate cease-fire and an 11-power political conference to settle the thorny question of prisoners.

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He said that experts in the field had not yet agreed on methods of testing and theory, and the "big problem" is individual variation. He said that a person with a low resistance to alcohol could be intoxicated although high blood alcohol would be with a person with a high resistance could be sober although his blood showed a much higher percentage than .15.

After hearing from Gardner, the committee deferred action on the measure.

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Nations Must Join
Or Risk Aid Cut

BONN, Germany (AP)—U. S. Secretary of State John Foster Dulles today called upon continental Europe to put away its "old dangerous rivalries" and join quickly in armed union to "provide the indispensable cornerstone of a strong Atlantic community."

The Secretary and Mutual Security Director Harold E. Stassen flew here from London, where they reportedly left behind a warning to British leaders that concrete progress must be made within 75 days toward creating a European defense army including German troops or America may reduce its aid program.

After a brief preliminary meeting with Chancellor Konrad Adenauer, they swung into a series of conferences with German and Allied leaders which will virtually fill their 21-day stay here.

Dulles read a brief formal statement to the press after his first chat with Adenauer. He praised the 77-year-old chancellor as one of the great postwar statesmen who has the vision to move forward and realize the possibilities of the new Europe.

Dulles said he and Stassen were making this fact-finding tour of the six nations which have signed the treaty to create a European defense army because "we believe these countries stand on one of the great evolutionary change which will supplant national rivalries with unity."

"We should certainly take the United States to be wrong for British forces to be involved in these operations.

"Supposing the forces of Chiang Kai-shek conduct a blockade against the Chinese mainland and interfere with British merchant shipping peacefully going about its business.

"I would like the foreign Secretary (Anthony Eden) to inform us what the majority's government would do. What does the Royal Navy do?

"We could not tolerate Chinese interference with peaceful British shipping and that shipping would be entitled to the active protection of the Royal Navy."

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Holland Death
Toll Hits 1,320

AMSTERDAM (AP)—The death toll in Holland's disastrous floods rose to 1,320 today. This brought the total in 15 Low Countries and Britain to 1,860.

The Dutch figure fell short, however, of the approximately 2,000 deaths which reliable, but unconfirmed, reports say the surging flood waters have caused since the week end.

And the end was not in sight. Five new breaks in the dike system of Schooneveld, 2,000 feet in Southwest Holland, posted a new peril for thousands of homeless flood victims.

Boats boomed through heavy seas and plumes bucked snow and winds in a race against time to get away 3,000 stranded persons of Schouwen-Duiveland before the next high tide late afternoon.

Dutch parachute troops were ordered dropped into the surrounded dry parts of the flood area to help in rescue efforts and to direct parachute drops of relief supplies.

Rescue officials set up a "flying windmill" helicopter base from Woensdrecht Airport here to pick straggling areas.

The Dutch Ministry of War offered an extra guelder (about 30 cents) and a pack of cigarettes to each of the 4,000 to 5,000 American soldiers who have been sent in to help in the rescue work. But Gen. Manton S. Eddy, commander of U. S. Army Forces in Europe, asked that money and cigarettes be turned over to the national relief fund.

Although Britain herself is staggering under heavy flood damage in the southeast, British troops and helicopters have been sent to help stricken Holland. Queen Juliana of the Netherlands sent her thanks to Britain's Queen Elizabeth II.

Young Ike Given Intelligence Jobs

Committee Approves
G-D Reorganization

RALEIGH (AP)—When no one appeared in opposition, the Senate Committee on Conservation and Development today unanimously gave its nod of approval to a measure to reorganize the State Department of Conservation and Development.

The bill would schedule a hearing on the measure, but no one appeared except the committee members and four reporters.

The bill would make the terms of all 15 members of the G-D board expire on June 30. This would give the governor the authority to appoint an entirely new board of seven members of the present board whom he wishes to keep.

ONE OBJECTION
The Senate G-D Committee had received only one objection to the proposed reorganization of the G-D board.

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By Inciting Chiang To Attack
Briton Charges Ike Risks War

LONDON (AP)—A British Socialist leader today accused President Eisenhower of egging Chiang Kai-shek to attack the Red China mainland and warned there was a risk of spreading the (Korean) war.

Deputy Labor Party Leader Herbert Morrison opened a major House of Commons debate by expressing apprehension that the suggestion in American policy talks in London by Communist China against the risks of Chiang attacking the China mainland, Morrison declared.

"Supposing he gets into difficulties because he is defeated, supposing some of his troops are surrounded, supposing there is a naval incident in the Korean sea, supposing the United States goes in to help the Chinese against Chinese Naval Forces."

Explaining the delay in stating the new conference, Press Secretary James C. Hagerty said: "The only reason for the delay is the very heavy pressure of the President and his administration on the military and state departments."

Eisenhower's last news conference at which he permitted himself to be questioned, was held last Sept. 8 in Cleveland. That was during the Presidential campaign.

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