

THE WEATHER
Philadelphia and vicinity: Considerable cloudiness today with mild temperatures turning colder this afternoon. Tomorrow fair and moderately cold. Fresh west winds becoming northwest this afternoon.
U. S. weather map and full data for State and Nation on page 2.

CIRCULATION: November Average: Daily 615,282; Sunday 1,121,909 118th Year TUESDAY MORNING, DECEMBER 24, 1946

WFIL—560—First on Your Dial

abdefgh

THREE CENTS

It Should Be Told

Flood of Nazi Gold Was Poured Into U.S. To Inflammate Hatreds

Second of a Series
By O. John Rogge

WHENEVER Nazi propaganda is mentioned Americans think of Joseph Goebbels. However, I discovered in Germany that two other men were far more active and important in spreading Hitler's poison here—Foreign Minister Joachim von Ribbentrop and George Sylvester Viereck.

Ribbentrop was a frustrated propagandist who engaged in a bitter internal fight in the highest Nazi circles with Goebbels. In the end Ribbentrop managed to win considerable control over foreign propaganda.

If you search the major policy files of the German Foreign Office, as we did, you will discover an odd thing. The material does not deal with such matters as treaties. Instead prime importance is held by dissertations on the most effective means of propagandizing abroad for Germany. Ribbentrop believed no orthodox method of negotiation was as successful as spreading fear of Germany and a distrust of one another among other Powers.

Perhaps this policy comes easily to a totalitarian state. The Communists appear to have adopted the line.

As early as April, 1938, the German Foreign Office, anticipating war, notified all diplomatic representatives and various consuls general to increase propaganda and intelligence activity. Beginning about that time Foreign Office records disclose transmission of large sums of money, most of it labeled "secret," to the Embassy in Washington and to several consulates.

THERE was built up at the Embassy here a Kriegskostenfonds (special war fund). At the time of Pearl Harbor the Embassy had more than \$3,650,000 in U. S. currency in its safes. Much was used for propaganda. Baron Heribert von Stempel, political and press attaché at the Embassy, told me that in 1940 and 1941 he personally paid out about \$750,000 for propaganda.

What may have been one of the cleverest of Ribbentrop's tricks is based on a letter, dated Aug. 31, 1938, which we found among the more important Foreign Office files. Written by Colin Ross, a propagandist, it suggested to Ribbentrop:

"It would be particularly effective to plant with the opponents of Roosevelt the slogan that Roosevelt, in order to be re-elected to a third term, would be willing to go to war."

That letter was dated long before any such slogan was heard in this country to my knowledge. But during the latter part of 1939 and with increasing frequency in 1940, it was charged that the President was seeking to take the country to war to guarantee his re-election.

I have wondered whether the charges grew up independently in this country or whether they were first planted here by the German propaganda machine.

It is a fact, we discovered, that Ribbentrop constantly stirred up his people for slogans which could be used in this country. One of these was "America for the Americans, Europe for the Europeans." Another devised by the Foreign Office was "plowing under American boys." Incidentally both appeared in speeches made by United States Senators.

VIERECK, German-born American citizen, now languishes in jail for violating the Foreign Agents Registration Act. But in the years prior to our entry into World War II and in the comparable period of the First World War he was unquestionably Germany's No. 1 propagandist in the United States.

Here were some of his accomplishments for the Nazis: He was public relations counsel for the German Library of Information weekly. But that was just on the surface.

Underneath Viereck was the secret founder of the Make Europe Pay War Debts Committee, one of the smartest of all German schemes to embarrass the Allies. He created the Islands for War Debt Defense Committee, even shrewder propaganda. He was intelligence agent for the German Foreign Office and its Embassy in Washington.

He secretly acquired and operated a publishing house, Flanders Hall, which Hans Thomsen, Charde d'Affaires of the German Embassy described to the Foreign Office as "our secret publishing house."

He manipulated U. S. Senators and Representatives—most of them unaware they were being used. He had members of Congress insert his material in the Congressional Record, order reprints for him at cost from the Government Printing Office, and mail the stuff out under their franks.

With money supplied by the German Embassy he secretly financed "no war" newspaper advertisements for various isolationist groups, including at least one of the "mothers' organizations."

In the years before the war, reputable magazines and newspapers—unaware he was a paid propagandist—bought and published his articles on Germany, articles slanted to cast a good light upon the Hitler regime.

VIERECK got on the Nazi gravy train in 1933, ostensibly as a publicist for the German Railroads Information Service. He did not get poor in the service of Hitler. Here are incomplete figures on his "take" based on information I obtained from German government files and witnesses.

During the first two years for the German Railroads he got over \$28,000. From Sept. 1939 to March, 1941, the German Foreign Office paid him \$25,000. The German Library of Information gave him \$20,000 in 1939, \$31,552 in 1940, and \$32,294 in 1941.

Stempel said he personally turned over at least another \$120,000 for expenses, including \$30,000 to finance the "no war" advertisements in newspapers. The biggest chunk went to support Flanders Hall.

UNTIL it was exposed Flanders Hall did a fine job for Nazis. Among other things it took propaganda bulletins of the German Information Office, translated them, gave them phony authors and intriguing titles and launched them as apparently independent, honest works. Here is a typical case:

A booklet was published called "Democracy on the Nile," by "Sayid Halassie, D. D." A burb explained that this Egyptian patriot was also a Catholic priest and was residing in "a bungalow"

Boy's Christmas Gift: He Will Walk Again

There will be big times today and tomorrow in the Shriners' Hospital for 9-year-old Jimmy Carrick, official mascot of the Seabees. First of all, he will be presented this afternoon with a football autographed by just about every member of the Navy football team, and quite a few high-ranking Navy officials as well.

CAN'T REMEMBER WALKING

Then, on Christmas morning there will be a Christmas party, with Santa Claus and everything, in which he will be joined by all the other crippled children in the hospital at Roosevelt boulevard and Pennypack Circle.

But the biggest thrill—and the biggest gift—that will come to him this Christmas is the virtual assurance that he will once again walk, although he has been unable to do

Continued on Page 5, Column 5

Regular editions of The Inquirer will be published as usual on Christmas Day.

Policeman Shot to Death In Frankford

Two Young Thugs Are Hunted; Victim Was Father of Six

Waylaid on a dark Frankford street, a 39-year-old, slightly-built policeman, father of six children, was slugged and shot to death at 1:10 o'clock this morning by two youthful thugs who escaped on foot.

The murder occurred less than half a square from the 15th District police station at Paul and Ruan sts.

HEAD CRUSHED

Patrolman Henry J. Hicks, the victim, who lived at 4306 Loring st., was found lying on the sidewalk by another policeman. He had a bullet wound in the right side and his head was crushed as though he had been struck with a blunt instrument.

Aroused police in the district and throughout the city immediately began an intensive hunt for the slayers, one of whom was seen by a fellow policeman.

Jury Censures Druggist's Error In Baby's Death

Special to The Inquirer
WILKES-BARRE, Dec. 23.—A druggist's mistake was censured today in the death of a three-and-one-half-month-old baby girl.

A coroner's jury, headed by the Rev. Samuel Truscott, of Kingston, found that the "druggist was negligent in compounding the prescription, which could have contributed to the death" of Pamela Upton, daughter of Mr. and Mrs. Osborne Upton, of 177 Sambaourne st.

CHILD STRICKEN

The child was stricken Dec. 1 after taking medicine compounded in a drug store here. She was rushed to Wilkes-Barre General Hospital but died shortly after admission.

Testimony before Coroner Louis S. Reese and a jury of six men indicated that in the reading of the prescription the word "nitrite" had been confused with "nitrate," a salt of nitrous acid.

The druggist, questioned by District Attorney Leon Schwartz, said he read the word as "nitrite."

CALLS WORD 'NITRATE'

Dr. Harry W. Croop, of Kingston, who prepared the prescription for treatment of a bronchial condition, said the word was "nitrate."

Three Wilkes-Barre physicians, asked to read the prescription, also identified the word as "nitrate." They are: Drs. E. W. Bixby, F. T. O'Donnell and E. C. Bahnmiller.

There was no testimony to indicate that substitution of one drug for the other could have caused the child's death, although Dr. Croop testified

Continued on Page 3, Column 6

SLAYERS ARE AMED

Apparently they took him by surprise and clubbed him, then shot him. When Hicks' body was found sprawled on the sidewalk, both his service revolver and his club were gone.

Police messages warned that the fugitive slayers are armed.

Hicks, a comparatively new policeman—he was appointed a sub-patrolman on Aug. 11, 1944—had gone on duty at midnight.

SEES MEN RUNNING

The murder was discovered by Safety Patrolman John Howdersholt, who was touring the district on his motorcycle.

Howdersholt came in from Torresdale ave., moving over Ruan st.,

Continued on Page 3, Column 5

Yule Candle Sets Fire, 2 Boys Die

Two small boys died and a third was burned seriously late yesterday when flames, caused by a Christmas candle, destroyed a backyard "clubhouse" made of packing boxes, and damaged a two-story apartment house at 57th st. and Greenway ave.

Those who died, trapped in the shack floored with branches of Christmas trees, were Raymond McNeil, 10, and his brother, Richard, 10, of 2122 S. 57th st., police said.

The older, at one time safely free of the "clubhouse," which had been built only a few days ago, lost his life in an attempt to crawl back inside to save his younger brother, who was trapped.

The third boy, Robert Pierce, 7, of 2139 S. 57th st., was taken to the

Continued on Page 3, Column 6

10 Are Injured In Barcelona Blast

MADRID, Dec. 23 (INS).—Ten persons were injured today when a small bomb exploded among Christmas shoppers in Barcelona's downtown section. Two were reported in serious condition.

Inquirer News On WFIL Today
660—FIRST ON YOUR DIAL

Regular Inquirer broadcasts of general news and sports at 7 P. M.

Other highlights:
8:30 P. M.—Dickens' "Christmas Carol"

10:00 P. M.—A.B.C. Christmas Party with Bing Crosby, Paul Whiteman, Tom Breneman and Walter Winchell

Midnight—Service from Valley Forge Hospital Chapel

Mutiny Revealed on Schoolship

The Caribbean cruise of the Pennsylvania Maritime Academy's schoolship Keystone State with 90 cadets aboard turned into a miniature "Mutiny on the Bounty," it was indicated at a closed hearing here yesterday.

The cadets aboard were charged with insubordination, disobedience and vandalism. They refused to obey orders of officers aboard the ship. They cut the vessel's main telephone cable, knocking out its entire communications system.

OFFICER'S AUTO DAMAGED

The other cadets, who returned aboard the Keystone State, celebrated their arrival in Philadelphia by badly damaging a ship officer's car, the hearing was told.

The auto was parked at the end of the Race st. pier at which the schoolship moored. As the cadets marched off, they kicked dead dents in the side of the automobile. Then they let the air out of its tires and ripped out the ignition wires.

ACCUSATIONS AILED

These charges were aired at a meeting of the Pennsylvania Navigation Commission, held at the

Continued on Page 3, Column 4

U. S. Probing 'Ultimatum' Of Dairen Reds

Russian Threat Forces Navy Craft To Flee 'Free Port'

WASHINGTON, Dec. 23 (AP).—The State Department tonight sought full details on a 20-minute "verbal ultimatum" issued by Soviet military authorities ordering a U. S. Navy craft to leave the port of Dairen, Manchuria, or risk unnamed consequences.

A State Department spokesman said the department was awaiting a report on the incident from H. Merrill Benninghoff, American consul general at Dairen.

The spokesman added that if a report were not forthcoming shortly, the department would press for one.

LEAVES IN HURRY

A dispatch from Dairen said the American ship, an unarmed wartime troop landing craft, pulled out after receiving the Russian ultimatum. The dispatch was sent by William H. Newton, Scripps-Howard staff writer representing the combined world press.

Under Soviet pressure, the ship departed so hurriedly that her commanding officer, Lieutenant (JG) Ray C. White, of Silver City, N. M., and the American diplomatic courier, Harris H. Ball, of Amarillo, Tex., arrived on board only at the last minute before the vessel left. Both had been ashore at the American consulate awaiting the outcome of a final appeal to the Soviet military commander of Dairen to permit an American businessman to go ashore.

The dispatch quoted the Russian commander, Major General V. U. Korzhanov, as sending word to the ship that "unless you leave within 20 minutes we will not be responsible for the consequences."

The Navy Department here withheld immediate comment, saying only that the craft, the LCI(L) (land) L-190, was en route to the American base at Tsingtao on the North China coast.

LISTED AS FREE PORT

Even before the order for the American vessel to leave, Korzhanov had refused to permit an American businessman to embark, despite the fact that he carried full clearance from U. S. authorities. The Soviet commander also barred two American newspapermen representing the combined world press.

Soviet troops have occupied Dairen, the finest seaport in Manchuria, since the Japanese surrender. Red Army forces still control the city, although

Continued on Page 2, Column 5

Olympian, Freight Collide Head-On

ORTONVILLE, Minn., Dec. 23 (AP).—The second coach section of the Olympian, Milwaukee Railroad coast train, collided head-on tonight with a freight train at Waubay, S. D., and F. R. Dowd, division superintendent at Aberdeen, S. D., said "about 20 persons were superficially injured" and that none required hospitalization.

Dowd said the two trains came together on the road's double-tracked main line when a freight overshot a siding. Both locomotives and several cars were derailed.

Waubay, a community of less than 1000, is 175 miles west of Minneapolis.

Reds Reorganize Planning System

MOSCOW, Dec. 23 (AP).—The Soviet government decreed today a sweeping post-war reorganization of the Soviet Union's economic planning system, involving more planning powers for individual ministries.

The reorganization also calls for a special new planning organ for science and increased emphasis on verifying the degree to which plans are carried out in practice.

CENTRALIZATION RELAXED

These measures were outlined in the Journal of Planned Economy.

Under the new decree, which relaxes the strict centralization of planning activity prevailing here during the war, individual ministries will submit economic plans to the government annually rather than quarterly and will have new authority to modify production assignments to enterprises, under their

Continued on Page 2, Column 6

3 Hotel Men Indicted In Atlanta Fire Tragedy

ATLANTA, Dec. 23 (AP).—Involuntary manslaughter indictments were brought against the operators of the ill-fated Winecoff Hotel today after a grand jury investigation into the disastrous fire which claimed 119 lives in the early morning hours of Dec. 7.

The charges were returned a few hours after the grand jury heard a special agent for the National Board of Fire Underwriters attribute the rapid spread of the flames to arson.

FELONY CHARGED

E. E. Andrews, Fulton county solicitor, said the indictments were brought against A. F. Geale, Sr., and A. F. Geale, Jr., of Sheboygan, Wis., and R. E. O'Connell, a Chicago detective, who have leased the hotel since 1934.

One of the three indictments alleges a felony and accuses the lessees of "unlawfully and without intention to do so cause J. R. Moody of Arlington, Ga., to fail to his death in an effort to escape from the Winecoff Hotel during the Dec. 7 fire."

The indictment also charges that

Continued on Page 24, Column 5

Taft Blasts C.I.O. Bid For Pay Rise, Urges Price Cuts Instead

Firms Open Drive to Bar Portal Pay

Lewis Wins Writ Hearing

Ohio Senator To Head Key Labor Unit

WASHINGTON, Dec. 23.—The legal "battle royal" between the Federal Government and John L. Lewis and his United Mine Workers was further expanded today when the Supreme Court agreed to review the validity of the district court injunction issued against the miners in the recent soft coal strike.

Lewis and the union, in a move that was unopposed by the Department of Justice, asked the court to decide whether Judge T. Alan Goldsborough of the Federal District Court here, had legal authority to issue a preliminary injunction against the strike.

The U.M.W. and Lewis, represented by a long list of lawyers, argued that Goldsborough's action violated the Norris-LaGuardia Act forbidding injunctions in labor disputes and also violated constitutional guarantees of free speech and protection against involuntary servitude.

PICKS LABOR POST

All three said they were convinced that there could be no second round of wage increases without a corresponding rise in the price level.

At least that one glimpse of the Republican line of thought was obtained after Taft cleared up his choice of chairmanships, a matter that had been under speculation for weeks. He chose the leading post on the Labor and Public Welfare Committee, leaving to Senator Eugene D. Millikin (R., Colo.) probably, the Finance Committee chairmanship to which Taft was equally entitled by virtue of his seniority.

AIKEN ON SIDELINE

Taft's decision sidetracks Senator George D. Aiken (R., Vt.), who in some respects has been known as "a better New Dealer" than most Democrats. The decision was not made public, however, until after an exchange of letters in which Aiken was assured that he was not being pushed out of the picture because he was too liberal, and Taft in turn was promised Aiken's support.

Although the Finance Committee chairmanship is considered more important than the corresponding post on the Labor Committee—and both groups are scheduled to play an important part in the G. O. P. legislative program—it was widely believed that Taft chose the Labor Committee as the one more likely to enhance his Presidential possibilities.

As chairman of the Senate Labor Committee, Taft might be able to win a few friends in organized labor by standing firmly against too-stringent regulation, and this may be one of the reasons Aiken agreed to support him.

With regard to Presidential prospects, Taft indicated today he would soon sit down with the new junior senator from Ohio, John W. Bricker,

Continued on Page 4, Column 4

Court Upholds Union Election Despite Fraud

By FRANK H. WEIR
Inquirer Washington Bureau
WASHINGTON, Dec. 23.—The Supreme Court, in an 8 to 1 decision, today ruled that an employer could not refuse to bargain with a union on the ground that an election fraud was discovered after the employees had chosen the union as their representative.

Justice Robert H. Jackson, lone dissenter, denounced the majority in vigorous language for having ignored the interests of employees who rejected the union as their bargaining agent.

MASSACHUSETTS ELECTION

The case grew out of an election in which employees of the Roxbury, Mass., plant of the A. J. Towers Co., by a vote of 116 to 114, named an A.P.L. union as their bargaining agent. Later, the company announced it learned that one employee, Mrs. Jennie A. Kane, had quit her job before the election, although she was permitted to cast a ballot.

Since the union had challenged one unopened vote—presumably against the union—the election would have been tied at 114 to 114 if the union challenge were not sustained and if Mrs. Kane's ballot was also rejected.

REFUSED TO BARGAIN

The company thereafter refused to bargain with the union, arguing that it had not been chosen as bargaining agent.

Continued on Page 4, Column 3

Fire Sweeps Hotel In Quebec, 2 Dead

QUEBEC CITY, Quebec, Dec. 23 (UP).—At least two persons were reported killed and five injured here tonight when fire raged through an old Lower Town hotel.

The fire, believed to have been started when an oilstove upset during an altercation between two lumberjacks, spread with lightning speed through the three-story Mount Royal Hotel.

The blaze badly damaged the structure, alongside Quebec's Union Station and main postoffice building on Henderson st., before firemen could set up to battle it.

The two persons killed were not identified immediately. Both were women and one was said to be a 16-year-old girl.

Widow Cheers Fatherless Family

Mrs. Rose Fritz made up her mind yesterday that her seven children, made fatherless four days before Christmas, must not be robbed of the holiday joys for which they had yearned so long.

It was a brave decision for the 33-year-old widow of Amandus Fritz, 35, of 404 W. Glenwood ave., who was decapitated Saturday night when he was thrown from his motorcycle against the window of a hit-run automobile.

THOUGHT OF CHILDREN

Some advised her to ignore Christmases. It wouldn't be proper, they told her, to make a pretense of merriment while her husband lay in a funeral parlor awaiting burial Friday morning.

But then she thought of the youngsters.

"They can't understand it," she explained. "I've told them their daddy won't be back, but they can't believe it. How can I possibly ignore Christmas when seven children are looking forward to it?"

So they got out the evergreen tree

Continued on Page 5, Column 4

Taft Blasts C.I.O. Bid For Pay Rise, Urges Price Cuts Instead

Firms Open Drive to Bar Portal Pay

By JOHN C. O'BRIEN
Inquirer Washington Bureau
WASHINGTON, Dec. 23.—The Chamber of Commerce of the United States, backed by the National Association of Manufacturers, today began marshaling forces to relieve employers of portal-to-portal pay liabilities dating back to 1938, as labor unions rushed into courts across the country with claims totaling approximately \$500,000,000.

As new suits clogged the courts, employers estimated the potential liability of industrial and commercial firms at \$6,000,000,000. Since many of the claims affect war contracts, the government would have to reimburse employers.

JUDGE IS AMAZED

Almost as amazed as the employers at the concerted drive of the labor unions to collect tribute for past time spent in moving from factory gates to work benches, was United States District Judge Frank A. Picard, of Detroit, whose 1942 decision touched off the wave of suits. In Detroit, he indicated many of the actions to collect would be thrown out of court as unjustified.

Picard expressed amazement at the drive of labor unions to collect back pay following his decision in the suit of 1200 United Pottery Workers (C. I. O.) against a pottery firm in Mount Clemens, Mich.

OVERTIME PAY

He told reporter that instead of the question of portal-to-portal pay in industry generally, the only issue involved in the pottery case was overtime pay.

Picard's decision in the pottery case was reversed by the Court of Appeals but was upheld in a 6 to 2 decision by the United States Supreme Court. The case, however, is now back in his court because of a ruling of the highest court that it was up to him to determine the amount of back pay due the pottery workers.

Aligned by the avalanche of suits, the Chamber of Commerce, representing some 2000 members, drafted for a referendum vote a series of proposed amendments to the Wagner Act, designed to relieve the liability of employers for the additional compensation which, under the law, is computed at twice normal overtime rates of pay.

AMENDMENTS PROPOSED

The members in turn will be requested to poll about 30,000 companies on a series of proposed amendments to the Fair Labor Standards Act of 1938.

Amendments to the Wagner Act

Continued on Page 4, Column 4

Lewis Wins Writ Hearing

Inquirer Washington Bureau
WASHINGTON, Dec. 23.—The legal "battle royal" between the Federal Government and John L. Lewis and his United Mine Workers was further expanded today when the Supreme Court agreed to review the validity of the district court injunction issued against the miners in the recent soft coal strike.

Lewis and the union, in a move that was unopposed by the Department of Justice, asked the court to decide whether Judge T. Alan Goldsborough of the Federal District Court here, had legal authority to issue a preliminary injunction against the strike.

The U.M.W. and Lewis, represented by a long list of lawyers, argued that Goldsborough's action violated the Norris-LaGuardia Act forbidding injunctions in labor disputes and also violated constitutional guarantees of free speech and protection against involuntary servitude.

Court Upholds Union Election Despite Fraud

By FRANK H. WEIR
Inquirer Washington Bureau
WASHINGTON, Dec. 23.—The Supreme Court, in an 8 to 1 decision, today ruled that an employer could not refuse to bargain with a union on the ground that an election fraud was discovered after the employees had chosen the union as their representative.

Justice Robert H. Jackson, lone dissenter, denounced the majority in vigorous language for having ignored the interests of employees who rejected the union as their bargaining agent.

MASSACHUSETTS ELECTION

The case grew out of an election in which employees of the Roxbury, Mass., plant of the A. J. Towers Co., by a vote of 116 to 114, named an A.P.L. union as their bargaining agent. Later, the company announced it learned that one employee, Mrs. Jennie A. Kane, had quit her job before the election, although she was permitted to cast a ballot.

Since the union had challenged one unopened vote—presumably against the union—the election would have been tied at 114 to 114 if the union challenge were not sustained and if Mrs. Kane's ballot was also rejected.

REFUSED TO BARGAIN

The company thereafter refused to bargain with the union, arguing that it had not been chosen as bargaining agent.

Continued on Page 4, Column 3

Ohio Senator To Head Key Labor Unit

By ROBERT BARRY
Inquirer Washington Bureau
WASHINGTON, Dec. 23.—Senator Robert A. Taft (R., O.), prospective new chairman of the Senate Labor Committee, challenged the C.I.O. bid for a 25 percent general wage rise today with a flat statement that "what the country needs is lower prices, not higher wages."

Together with Senators Joseph A. Ball (R., Minn.) and H. Alexander Smith (R., N. J.), who comprise the Republican study group on labor problems, Taft said the C.I.O. demands were based on "completely misleading theories."

PICKS LABOR POST

All three said they were convinced that there could be no second round of wage increases without a corresponding rise in the price level.

At least that one glimpse of the Republican line of thought was obtained after Taft cleared up his choice of chairmanships, a matter that had been under speculation for weeks. He chose the leading post on the Labor and Public Welfare Committee, leaving to Senator Eugene D. Millikin (R., Colo.) probably, the Finance Committee chairmanship to which Taft was equally entitled by virtue of his seniority.

AIKEN ON SIDELINE

Taft's decision sidetracks Senator George D. Aiken (R., Vt.), who in some respects has been known as "a better New Dealer" than most Democrats. The decision was not made public, however, until after an exchange of letters in which Aiken was assured that he was not being pushed out of the picture because he was too liberal, and Taft in turn was promised Aiken's support.

Although the Finance Committee chairmanship is considered more important than the corresponding post on the Labor Committee—and both groups are scheduled to play an important part in the G. O. P. legislative program—it was widely believed that Taft chose the Labor Committee as the one more likely to enhance his Presidential possibilities.

As chairman of the Senate Labor Committee, Taft might be able to win a few friends in organized labor by standing firmly against too-stringent regulation, and this may be one of the reasons Aiken agreed to support him.

With regard to Presidential prospects, Taft indicated today he would soon sit down with the new junior senator from Ohio, John W. Bricker,

Continued on Page 4, Column 4

Locke Resigns As Aide to Truman

WASHINGTON, Dec. 23 (AP).—President Truman today accepted the resignation of Edwin A. Locke, Jr., a special assistant to the President, effective Dec. 31.

Locke is to become a vice president of the Chase National Bank in New York.

In a letter, Mr. Truman told Locke that he had discharged his duties "with singular ability and efficiency," and added:

"You must not be surprised if, from time to time, I call upon you for advice and assistance."

Trolley Stolen At Frankford Loop

A Route No. 59 trolley was stolen shortly before 2 o'clock this morning from the loop at Oxford ave. near Frankford ave.

Police said the operator, who had a short layover period, was in a nearby restaurant drinking a cup of coffee. When last seen the car was proceeding north on Oxford ave.

Gas Works Files Notice To Enforce Rise Jan. 22

Blocked by OPA regulations from effecting a 6½ to 15 percent rate increase Jan. 1, the Philadelphia Gas Works Co., in Washington yesterday filed necessary notice with the Federal agency to enforce the boost Jan. 22.

The increase, which will be felt by all but 40,000 consumers, was stymied for the Jan. 1 date when the utility company failed to give OPA a 30-day notice.

30-DAY NOTICE FILED

The OPA's protest was based on a provision of the 1942 Stabilization Act. Previously the increase had been approved by the Philadelphia Gas Commission.

Charles Frazier, rate expert for the gas company, in Washington yesterday filed the 30-day notice to increase rates on Jan. 22. The notice was presented to Ervin H. Pollack, secretary of the Washington OPA bureau.

CONSENTS TO INTERVENTION

The notice was in the form of information that the gas company is petitioning the Philadelphia Gas Commission for an increase in rates. It ended with: "The Philadelphia Gas Works Co. hereby consents to

Continued on Page 24, Column 7

In the Inquirer

TUESDAY DEC 24 1946

Departments and Features

Amusements	6, 7	Obituaries	9
Bridge	14	Port in Storm	10
Business and Finance	18, 19	Puzzles	15
Comics	14, 15	Radio	15
Death Notices	19	Ration Dates	10
Editorials	8	Short Story	22
Feature and Picture	11, 12	Sports	16, 17
John M. Cummings	Page 8	Women's News	10, 11
Walter Lippmann	Page 12		
Paul Mallon	Page 12		
Henry McLemore	Page 12		
Luella O. Parsons	Page 15		
Portraits	Page 8		
George E. Sokolsky	Page 12		
Washington Background	Page 12		
Walter Winchell	Page 14		

Homesick G.I.'s in Japan Aid victims of Quake

TOKYO, Dec. 24 (Tuesday) (UP).—The known dead in Japan's disastrous earthquake and tidal wave slowly mounted today as relief and rescue teams searched shattered homes and buildings for victims. Homesick Allied occupation troops in many instances gave up planned Christmas Eve celebrations to join with American and Japanese Red Cross and relief agencies in caring for the homeless refugees and in searching for the dead.

British Announce Malay Unity Plan

SINGAPORE, Dec. 23 (AP).—The British government announced tonight details of a proposed plan for a "Federation of Malaya," designed to bring political unity to the loosely associated native states and British colonies which constitute the present Malayan union, on the southern half of the rubber-rich Malay peninsula.

The plan reserves for the British the complete control of the defense and external affairs of the strategic area, whose quick domination by the Japanese in the early stages of the Second World War brought consternation to the British and their allies.

The proposals already have been approved by the sultans and the British Cabinet, and now will be submitted for the approval of Indian, Chinese and other racial groups.

Sultans Approve Plan

The constitutional proposals for Malay envisage the creation of a central government under a crown-appointed high commissioner; extension of federation citizenship to most residents; creation of legislative executive councils for the federation of nine Malay states and settlements of Penang and Malacca; and state governments headed by native sultans acting on the advice of a British resident officer.

Yugoslavs to Free N. J. Photographer

KEARNY, N. J., Dec. 23 (UP).—Mayor Errol Gilzean revealed today receipt of a cablegram signed by Secretary-Marshal Blod of Yugoslavia, which said that Roy Stoeckel, who was released from a Yugoslavian prison "sometime this month."

Stoeckel originally was sentenced to four years in prison by a military court at Calle after he was convicted of illegally crossing the Yugoslavian border and taking photographs of military installations without authorization.

Laski to Drop Suits

LONDON, Dec. 23 (UP).—Harold Laski said today that as a result of an adverse jury verdict in his recent libel suit against a newspaper, he had decided to drop similar actions against the Evening Standard and Daily Express, both of London, and the Nottingham Guardian.

The Weather U. S. Forecast for City and Nearby States

Philadelphia and vicinity: Considerable cloudiness today with mild temperatures turning colder this afternoon and tomorrow. Fair and moderately cold. Fresh west winds becoming northwest this afternoon.

Eastern Pennsylvania, Western Pennsylvania, Western New York and Ohio: Partly cloudy, colder and windy today. Tomorrow fair and rather cold.

Maryland, Delaware and New Jersey: Partly cloudy and mild but rather windy today. Colder tonight. Tomorrow fair and cool.

District of Columbia: Partly cloudy and rather windy today, becoming colder tonight. Tomorrow fair and cool.

Eastern New York and West Virginia: Partly cloudy and becoming colder today and tonight. Tomorrow fair and rather cold.

Connecticut: Occasional light showers ending this morning. Clearing and becoming colder this afternoon. Fair and colder tonight.

Preview of U. S. Weather Forecast Period Ending 7:30 P. M. Today



Light snow or snow flurries will help decorate the Northeast and the northern Great Lakes Region for Christmas. Northern Minnesota may also have some light snow, but the absence of any well defined storm centers over the U. S. promises mostly fair weather and seasonable temperatures elsewhere in the Nation today and Wednesday.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.

Table with columns for months (December 1946, January 1947) and days of the week, showing weather forecasts.



(AP Wirephoto) TIDAL WAVE WRECKS JAPANESE FISHING BOAT. Wreckage of a fishing vessel tossed ashore at an undisclosed port in southern Japan by the tidal wave which devastated wide areas of Honshu and Shikoku Islands. U. S. Army and Japanese rescue crews are rushing supplies to the stricken areas.

French Tanks and Planes Join in Battle for Hanoi

PARIS, Dec. 23 (AP).—French troops, supported by planes and tanks, battled through the main streets of Hanoi today in their show-down fight for control of northern Indo-China. An official proclamation expressed fear that warfare might soon erupt in southern Indo-China and thus engulf all of the rich empire outpost.

Leon Blum, interim President of France, told the French National Assembly that the situation was "serious" and might grow worse. He promised a policy of firmness and said he was rushing the famed armored warfare specialist, Major General Jacques LeClerc, to the troubled Far Eastern colony.

FIGHT PLEDGED

LeClerc led French forces into Indo-China after the Japanese surrender. Meanwhile a delayed dispatch from Saigon gave the first word of Viet-Nam President Ho Chi Minh,

whose government fled Hanoi after the initial outbreak of hostilities on Thursday.

The dispatch quoted Ho as saying yesterday at Bachninh, 15 miles northeast of Hanoi, that the Viet-Namese, preferring death to slavery, would fight a long and bloody struggle for freedom and that "20,000,000 Viet-Namese would ultimately vanquish 100,000 reactionaries."

A state of siege in Tonkin and northern Annam was proclaimed by French authorities.

Trucks equipped with loudspeakers broadcast appeals in Hanoi, capital of the Viet-Nam republic, for the Viet-Namese to surrender. The loudspeakers blared:

"Viet-Namese, surrender. The Viet-Minh government has fled. Hois a white flag on your houses and give your arms back. Every armed civilian captured will be shot. Every house without a white flag will be searched. Every house from where shooting starts will be attacked."

French authorities in Hanoi accused the Viet-Namese of atrocities against French civilians, including sadistic murders and torch slayings.

29 BODIES RECOVERED

The authorities said the bodies of 29 French civilians, including 11 women, had been recovered, and that the hearts had been cut out of some and daggers jabbed into the eyes of others.

The Associated Press correspondent at Hanoi said he had seen last week-end the bodies of 19 Chinese who had been manacled and machine-gunned.

French armored units rumbled through Hanoi streets as infantry attacked the city hall and post office in the Indo-Chinese quarter of the city, the French News Agency said. The attack was preceded by a bombardment by both planes and field guns.

BARRACKS CAPTURED

Delayed Associated Press dispatches from Hanoi said the main Viet-Nam army barracks, blasted by planes and artillery, finally was captured by the French yesterday.

Some Viet-Namese and Japanese, entrenched in blockhouses, rejected surrender terms, but finally were driven out by the artillery and aerial bombardment.

French mopping up operations around other Viet-Nam strong-points in Hanoi proceeded slowly in the face of much sniper activity. Viet-Nam artillery continued a "sporadic and inaccurate" shelling of the city.

A French Army spokesman in Hanoi said other French-garrisoned towns were "successfully holding their positions," and that the French had enlarged their perimeter in Haiphong, approximately 60 miles east of Hanoi.

GUARD AGAINST LOOTERS

French authorities announced that all male French civilians in Hanoi and vicinity would be drafted into the civil guard to help protect property against "looters."

Reds' Ultimatum At Dairen Probed

Continued From First Page

though the Chinese-Russian treaty of 1945 called for its designation as a free port.

Newton, one of the two American correspondents barred from landing, said the Soviet-appointed Chinese mayor of Dairen was not even advised by the Russians that the ship had arrived, but subsequently commented:

"If I had known you were coming, I would have been at the dock to greet you."

OVERSTAYS 2 HOURS

The ship arrived at Dairen on Dec. 18 carrying diplomatic mail and supplies for the U. S. Consulate, and requested permission to remain in port 48 hours. Without comment, Soviet authorities accepted the request.

The vessel remained in harbor two additional hours while Benninghoff sought permission for the American businessman, Jesse L. Poole, of Atlanta, Ga., representing the Standard Vacuum Oil Co., to go ashore.

Almost immediately, the Soviet "ultimatum" was presented. The incident recalled a recent charge by Edwin W. Pauley, U. S. reparations commissioner, that the Russians had virtually "sealed off" Dairen during their secret operations in stripping key industrial machinery from Manchuria. Pauley said his inspection group had been unable to obtain the necessary credentials to visit Dairen, either from Soviet or local authorities.

PREVIOUS INCIDENT

Richard Cushing, former member of the Associated Press China staff, said in San Francisco that a similar incident occurred last February when the Russians used the same method to eject him and two other American newsmen from the port.

Cushing said full-scale Red Army maneuvers, complete with tanks, artillery and troops, were in progress at that time in the hills north of the city.

Besides the rebuff to the U. S. Navy, the dispatch reporting this week-end's incident said, the American consul general, Benninghoff, was left standing in the bitterly cold street when he attempted to intercede with the Russian military commander. Finally he was told by a sentry that Korzhanov was not available, although the Soviet commander was in his home.

Armed police, under Soviet direction, paced the docks day and night preventing anyone from leaving or boarding the ship unless issued a Soviet pass, the account received here said. The vessel carried a crew of 28 enlisted men and five officers. All arms had been removed before the trip to Dairen.

Assembly in India Quits Until Jan. 20

NEW DELHI, India, Dec. 23 (UP).—The Constituent Assembly adjourned today until Jan. 20 after adopting rules of procedure.

Despite statements by the Working Committee or Executive of the dominant Congress Party, political officers predicted that the Executive eventually would recommend acceptance of the British government statement of policy of Dec. 6, emphasizing non-acceptance of any constitution imposed on Moslems.

Editor Denies Red Charge N. Y. Paper Is 'Terrorized'

NEW YORK, Dec. 23 (AP).—Dr. David Z. Krinkin, editor of Ruskysky today, said today he was "greatly surprised" at a dispatch from Moscow in which a Soviet writer charged that Ruskysky had been "terrorized" and that editors and contributors had been arrested and fined.

The charges were made by Andrei Malyskko, a young poet, in an article in Ukrainian Pravda. He said "progressive" Ukrainian newspapers in the United States and their editors and contributors had received similar treatment.

DENIES TERROR CHARGES

Krinkin, whose paper professes friendship for the Soviet regime, said when asked for comment on Malyskko's charges: "I am the editor. I have never been terrorized—never arrested. I am greatly surprised to hear this story. How come this story is being spread in Russia and over here?"

U. S. and French Clash on Saar

BERLIN, Dec. 23 (AP).—The American and French military governments said tonight that the French action in sending 1200 men into the coal-rich Saarland to set up a customs barrier between the Saar and the rest of Germany.

DESIRE SEPARATION

The French, who desire separation of the Saar from Germany or at least its economic integration with France, contended officially that their action was an anti-black market operation designed to prevent the exporting of food products from the Saar and an influx of currency into the territory.

In Paris a French Foreign Office spokesman announced that 6000 German prisoners of war, all natives of the Saar and still in French prison camps, would be liberated Jan. 1. All are farm workers.

In London a British Foreign Office spokesman supported the French action, saying it was a step against currency manipulators and black marketeers and that the French had informed the Foreign Ministers Council in New York that such action was contemplated.

CLAY TAKES ACTION

But Clay, obviously irked by the action, declared: "Under quarantine government of Germany any action like that taken by the Allied Control Council for consideration is a unilateral action."

"What's going to happen around here if a cordon is thrown around every black market area in Germany? Suppose we did it in Bavaria or even the Bremen enclave? Suppose the Russians did it in Saxony?" He said he intended to notify Washington formally of the French move.

CROSSING OF BORDER

The French-issued Berlin newspaper Der Kurier said the crossing of the Saar border would be permitted "only for German nationals and foreign civilians, of whatever nationality, who possess passports with a visa, written in three languages."

There was no immediate reaction from the Russians, but it was recalled that when French occupation authorities last July ordered the transfer of 11 rural communes from the Saar to the Saar, the Soviet-controlled Berlin Zeitung criticized the French of "preparing to annex the Saar."

Reds Reorganize Planning System

Continued From First Page

control within limits as circumstances require.

These new measures involve no departure from fundamental collectivist principles underlying the economic system. They are strictly organizational measures aimed not at abandoning the planning system but at improving it and adapting it to post-war conditions and tasks.

One significant new measure is the creation of a department charged with drafting a "genuine" scientific state technical plan embracing all the most important spheres of scientific progress.

The reorganization has as one of its aims the overfulfillment of plans by giving the ministries more independence and initiative.

CHECKUPS PROVIDED FOR

Another aim is to give planning organs more time to concentrate on the highly important but hitherto somewhat neglected task of checking up on how the plans are being carried out.

The decree reorganizes the Gosplan Planning Commission, presided over by Nikolai Alexandrovich Voznesenski, setting up new overall co-ordinating departments, including the department of "economic relations proportions," one of the tasks of which is to eliminate bottlenecks in industry.

Special administrations also are provided to plan whole sectors of the economy such as fuel, transport and agriculture.

Britain Opposes Red Note on Straits

LONDON, Dec. 23 (UP).—A Foreign Office spokesman said today that the British Ambassador to Moscow, Sir Maurice Peterson, had verbally expressed to Russian officials his disagreement with the views on the Dardanelles contained in the Russian note last month.

Peterson again stated the British belief that direct conversations on the future of the Dardanelles, provided in the Potsdam declaration, among Turkey, Russia, the United States and Britain, had been exhausted.

He suggested that all the nations who signed the Montreux Treaty should meet to discuss revision of that pact which governs control of the strategic strait. The United States would replace Japan.

Truman Reports On UNRRA Aid

WASHINGTON, Dec. 23 (UP).—President Truman reported to Congress today that UNRRA deliveries of relief and rehabilitation supplies in 1947 "may well amount to \$750,000,000."

Mr. Truman said that delivery of these supplies would make it unlikely that more than a few liberated countries would require grants or loans during the coming year.

The President expressed "full agreement" with the proposal of the State Department that each government enter into direct arrangements with UNRRA for the distribution of aid after UNRRA is liquidated next year.

Army Grants Amnesty To Million 'Little Nazis'

BERLIN, Dec. 23 (UP).—The United States, in a sweeping Christmas gesture to Germany, has decided to "forgive" about 1,000,000 "little Nazis" in the American occupation zone, a reliable source said tonight. Informants expected that the amnesty would be announced formally tomorrow night.

Highest ranking officers in the American occupation zone recommended the amnesty and the War Department has approved it, informants said.

McNARNEY TO SPEAK

The number affected, according to the report, would constitute one-third of all Nazis in the American zone who might have faced charges under the new German-written and German-administered Denazification law.

General Joseph T. McNarney, American commander-in-chief, was expected to make the announcement of the amnesty at the high point of a Christmas address to Germans in Frankfurt tomorrow evening.

FIRST BREAK IN POLICY

The amnesty, informants said, was the first actual relaxation of the tough denazification policy of the United States, which hitherto has taken sterner measures against Nazis in its zone than have the other three occupation Powers.

It was understood the recommendation for "forgiveness" was made to Washington—and finally approved by the Government—because the American Command felt that to take formal action against all Nazis, including mere followers, would be a task extending anywhere up to eight or ten years.

NOMINAL OFFENDERS

Those to benefit by the reported amnesty would be the Nazis in classes three and four of the new five-class denazification code. They are rated as nominal offenders.

The first two groups—major offenders and planners—still must stand trial and are liable to penalties ranging to 10 years at hard labor, confiscation of property and loss of civil rights. Those Nazis in class five are listed as having been exonerated.

Messersmith Arrives in U. S.

By CHARLES H. ELLIS, JR. Inquirer Washington Bureau. WASHINGTON, Dec. 23.—George S. Messersmith, American Ambassador to Argentina, arrived here today for a reported showdown on United States policy in South America, and met by a large delegation—mostly Argentines.

Oscar Ivanissevich, Argentine Ambassador to this Government, headed a large group of officials from his embassy, and issued a statement stressing that Messersmith is well liked in Buenos Aires.

MINOR STATE OFFICIALS. The State Department was represented by two minor officials, which was said to be standard practice for the return of an Ambassador.

Stepping from the airplane which had brought him here, Messersmith said he would be staying in his apartment in Buenos Aires.

The Ambassador was ordered here by Secretary of State James F. Byrnes to confer. Although Byrnes emphasized that the manner in which Argentina had, or had not, lived up to her promises to get rid of Nazi influences, was not up for discussion, it was reliably reported that the whole question of American policy toward the regime of Juan D. Peron would come under review.

OPPOSES BRADEN'S VIEW

Messersmith is said to be on opposite sides of the fence from Assistant Secretary Spruille Braden on methods of dealing with Peron. Braden made no secret of his opposition to Peron, and sponsored release of a "blue book" which charged ties between Peron supporters and Nazi Germany.

No date has been set for the conference between Byrnes and Messersmith. The Secretary will leave tomorrow to spend Christmas at Aiken, N. C., and has not decided when to return. Messersmith is going to spend the day with relatives in Wilmington, Del.

Diplomatic sources have speculated that Byrnes may have to choose between Braden and Messersmith, and in the latter event, the Ambassador may be sent to another post.

Pope Sends Aid To Quake Victims

VATICAN CITY, Dec. 23 (UP).—Pope Pius today instructed the Apostolic Delegate to Japan to distribute a large sum of money among earthquake victims. He also sent expressions of sympathy to the Japanese Government.

It Should Be Told Endless Stream of Nazi Gold Used to Spread Hate in U. S.

By O. John Rogge. Continued From First Page. In a suburb of Kansas City," it said he was seeking out the Roman Catholic Egyptians in this country "to see that they remained true to their faith and to remind them of the sufferings of their homeland."

This story was created out of whole cloth. We discovered the booklet was a translation of "England's Gewaltpolitik Am Nile," by Paul Schmitz, of the German Information Office. Quite a number like this were published.

Viereck built up a mailing list of hundreds of thousands of names for his Nazi masters. A Federal Grand Jury heard testimony that he got 100,000 of the names from George Hill, secretary to their Congressman in Hampton, Va. Other names also came from members of Congress.

Witnesses at Viereck's trial told how he had the run of the offices of Fish and Senator Ernest Lundeen, of Minnesota.

VIERECK claimed his income came from his foreign correspondence for the "Muenchner Neueste Nachrichten," a paper with less than 10,000 circulation. In the report of the accountants, the files of the German Foreign Office describe him as "the most valuable liaison agent" of the Reich in America. Many of the German officials we quizzed admitted that the "correspondent" job was purely a front cover payment of money by their Foreign Office.

In retrospect it is strange that we should have been fooled by Viereck. All the things he did for the Nazis he did a generation earlier for the Imperial German Government. In 1913 he wrote "Spreading Germs of Hate," a book telling us about that first tour of duty.

(Continued Tomorrow)