

WEATHER  
CONTINUED COLD AND POSSIBLY FALLING TEMPERATURE TONIGHT. RAIN AND SLEET.

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NO. 17

## Chinese Invading South Korea

### Babson Forecasts For 1951

- RECORD NATIONAL INCOME
- LESS BUSINESS VOLUME
- FARM OUTLOOK GOOD
- INCREASED WAR PRODUCTION
- UNCERTAIN STOCK MARKET
- ANOTHER "KOREA" EPISODE
- RADICAL INFLATION
- MORE GOVERNMENT CONTROLS
- TAXES TO BE HIGHER
- MORE DEFICIT FINANCING
- REAL ESTATE DECLINE

By ROGER W. BABSON  
EXCLUSIVE TO THE DAILY RECORD

1. Excluding defense orders, the total business volume in 1951 will be less than that for 1950. However, National Income in 1951 will be the highest ever recorded, as war orders take the place of peace production and high prices prevail.

**MORE GOVERNMENT CONTROLS COMING**

2. The outstanding feature of 1951 will be the ever-increasing interference of the government in the lives of businessmen and consumers.

3. The Administration and its economic advisors are firmly convinced that radical inflation is about to break out next year. But the "brain trusters" are overlooking the fact that the boom is already old and that it was creaking badly when the Korean War broke out. War postponed the downturn which would have taken place much sooner. The date of the slide has only moved ahead.

4. Rushing to catch up on its neglected defense program, the Administration is anxious to shrink business volume to an unnecessary degree. Efforts at first will be along the line of tighter credit curbs, such as restrictions on mortgage and installment loans and increased bank reserve requirements.

5. As 1951 wears on, the effect of credit controls will cause a decline in legitimate business. Civilian production will decline more than armament production will increase. The public may then cry, "This is a government-made slump; let's get rid of the controls!"

6. If in 1951 it becomes evident that business is declining too fast as a result of government curbs, the planners at Washington may rush their patient into an oxygen tent.

**LABOR OUTLOOK WILL CONTINUE TIGHT**

7. Most labor groups will not be successful in getting a sixth round of wage increases in 1951. Although there may be more strikes in the first part of 1951, there will be fewer for the whole year as compared with 1950.

8. Tightness in the labor supply will be continued as the year wears on, particularly of highly-skilled workers.

9. The Taft-Hartley Law will not be repealed during 1951 but may be amended. The Administrators of the law will continue to wink at some of its clauses.

**COMMODITY PRICES WILL REMAIN FIRM**

10. Wholesale prices of many commodities will be marked by a mild decline in 1951 when compared with the price level for December 31, 1950. In some lines the drop may be quite steep from the high levels of late 1950. Retail prices for 1951, I do not now forecast.

11. The year 1951 should prove an excellent time to keep a tight grip on inventories. Commodity speculation for the rise will not pay in 1951. Furthermore, our expanding stockpile of strategic materials present a real price threat in the event of a peace scare. Such stockpiles could then act strongly as a depressant on prices.

12. The cost of living will remain high during 1951. This prediction recognized that living costs next year may be above the lower levels that existed during the first half of the year now closing.

**FARM OUTLOOK GOOD**

13. Farmers' income for 1951 should average no less than that for 1950. Since the trend in the first half of 1950 was down, this forecast is not so optimistic as it might otherwise seem, for there is likely to be a weakening of the farmers' income position during the latter part of 1951.

14. Barring crop failures, the total supply of food available should be larger in 1951 than for 1950, since the government will raise planting quotas as part of its attack on inflation. If the weather is extremely favorable, the government will be blamed for farm-price weakness during the latter part of 1951.

15. With prospects good for a rising supply of feed grains, meat should be more plentiful next year than in 1950. Prices for meat, however, will be held up by continued high National Income and by military needs.

**TAXES WILL BE HIGHER**

16. The burden of federal taxes, both corporate and personal, will be increased again in 1951. State and municipal taxes will remain high.

17. There will be an excess profits tax in 1951. These excess profits taxes will be milder than those in force during World War II; but they will be inflationary and retard efficiency, economy and incentive.

18. There will be heavy pressure for increased federal "sales taxes" to discourage purchasing of luxury and certain nonessential goods. Congress will see the value of some such sales taxes as an inflation road block.

19. States and municipalities will again be under pressure to find adequate sources of revenue. Further increases in such taxes can be looked for next year with additional cities and/or states adopting sales taxes.

20. Despite renewed efforts to increase the long-term capital gains tax above the present 25 percent figure, rates will remain unchanged.

**DOMESTIC TRADE WILL BE LESS**

21. Credit curbs will cut into the demand for automobiles and house hold equipment. Completions of fewer dwellings will also act as a damper on furniture sales.

22. Falling demand for hard goods should mean a stabilization of the public's spending for food and lower-priced soft goods.

23. The trend forecast in No. 22, will mean a decline in department store volume, but I predict a rise in the sales of variety chains and of drug chains.

**FOREIGN TRADE OUTLOOK FAIR**

24. Barring new war developments, I look for continued shrinkage in (Continued On Page Seven)

### General Motors Unveils "Jet Plane On Wheels"

By NORMAN NICHOLSON  
UP Automotive Writer

DETROIT, Dec. 28.—(UP)—General Motors, an eye cooked on the future, took the wraps off its "Le Sabre" today, revealing the nearest thing to a jet plane on wheels.

"Swoosh" is about the best way to describe this three-foot high, two-seater sports convertible that rivals in styling some of Buck Rogers' best.

Harley J. Earl, vice president in charge of styling, said the car was purely experimental, custom-built "to find out whether some of our futuristic ideas would pay off on the road."

The model was revealed in full-size plaster form by the corporation's styling section.

Here are some of the ideas GM incorporated in the "Le Sabre," French for sabre, or streamlined sword.

**OVER 300 HORSEPOWER**

Engine: 10-to-one compression ratio V-8 type, with supercharger, which runs on a mixture of premium gas and methyl alcohol. Expected horsepower is more than 300, twice that of the most powerful auto now on the market.

Rear end: Twin tail fins in simulated jet style, which house air-

craft type, v-2 hit jet.

Rear end: Twin tail fins in simulated jet style, which house aircraft type 20-gallon rubberized tank for the two types of fuel.

Front end: Sleek futuristic design to swing around two close set headlights when the front lamps are turned on.

Construction: Heat-treated magnesium and aluminum alloys replace conventional steel for a low 3,000 pounds of automobile. GM points out these metals are much too expensive or use in ordinary cars.

Size: Body is 36-1/2 inches high, and 50 inches with the convertible top raised. Wheelbase is 115 inches, overall length 200 inches. Overall width is 76-1/2 inches. Ground clearance is six inches.

GM says the car, in development four years, will be a "laboratory on wheels" for testing new ideas its mechanical experts and stylists dream up.

**CAR OF FUTURE**

"This is the car of the future only in the sense that some of its design or mechanical features may appear some day in standard motor-cars," Earl said.

"Le Sabre is the advanced counterpart of an experimental car GM (Continued On Page Seven)

### McCarran Says Anti-Red Bill To Be Stronger

DEMOCRATIC LEADER SAYS ATTACK WILL STRENGTHEN BILL

By UNITED PRESS  
WASHINGTON, Dec. 28.—(UP)—Senator Pat McCarran, D., Nev., predicted today that the more his subversive control law attacked, "the stronger it will become."

McCarran said opponents of the law are "unwary and uninformed" and fooled by Communist propaganda. He had no comment on a new national organization fighting for repeal of the act.

"But so much has been put out by enemies of the law in the way of misleading statements and false information," he said, "that it is not surprising to find men of high intentions and good purposes enrolling themselves in groups which later they will regret."

#### ELSEWHERE IN CONGRESS

**Air raid shelters**—A joint committee, trying to iron out conflicts between House and Senate versions of the administration's \$3,100,000,000 civil defense bill, agreed tentatively to authorize federal loans to build atomic air raid shelters which also can serve as garages and subways.

**Sabbath—Rep. Adolph J. Sabath, D., Ill.**, set a new record for continuous Congressional service. The 84-year-old dean of the house has been in congress for 43 years, nine months and 25 days, topping by one day the record set by former Sen. Justin S. Morrill of Vermont, who died in 1898.

**Kerr-Acheson**—Sen. Robert S. Kerr, D., Okla., urged the nation to support Secretary of State Dean Acheson who, he said, is doing his best "working for peace, if it can be had, or to win the war if it is forced upon us." Kerr said "it is to the best interests of all Americans to help our secretary of State to be as strong as possible instead of as weak as his critics can make him."

### Draft Board Seeking 11

Eleven registrants were cited as delinquent Thursday by the Harnett County Draft Board.

Local Board No. 44 in Lillington pointed out that those delinquent registrants are liable to prosecution under the Selective Service and Training Act of 1948 for not complying with that law.

Anyone having information regarding the men should notify them to report immediately to the local board, according to the announcement.

The missing registrants are: David Calvin Gilmore, Dunn, Rt. 4; Louis Harden Smith, Varina, Rt. 1; Lester Olen Hobson, 301 S. Magnolia Ave., Dunn; and James Benjamin Mercer, 301 Magnolia Ave., all white.

Early Womack, general delivery, Broadway; James P. Green, Apex, Rt. 1; James Edward Clegg, Dunn, Rt. 5; Lutton Brown Tolson, P. O. Box 704, Dunn; George Archie Malloy, Dunn, Rt. 3; Thomas James Fairley, Jr., 605 E. Edgerton St., Dunn; and William Oscar McPherson, general delivery, Varina, all Negroes.

### Ernest Fox, 4, Died Last Night

Ernest William (Joe) Fox, Jr., four-year-old son of Chief Petty Officer and Mrs. Ernest W. Fox Sr., died Wednesday night in Dunn Hospital. He had been ill with pneumonia for two days.

The body will be taken to Mooreboro, near Shelby, N. C., where funeral services will be held Saturday afternoon from the Sandy Run Baptist Church. Burial will be in the church cemetery.

He is survived by his parents and one brother, Gerald, Fox, all of Dunn; his grandparents, Mr. and Mrs. W. E. Fox of Lawndale, N. C.

### Sign Of The Times--Uniforms Back



**SOBER NOTE AT SORORITY DANCE**—Last night was a gala one for members of the Delta Theta Delta Sorority of Dunn and their escorts. The sorority members entertained their boy friends at their annual holiday dance. Seven of the young men came wearing the new Air Corps uniforms. As a Record Photographer snapped this picture, one of them remarked: "It may be many a year before this group gets together again," and after a pause he added, "If we ever do." The service men, left to right, are: Bobby Johnson, Sonny Draughon, O'Dell Faircloth, Lt. I. R. Williams, Jr., Lexie Nordan, Ed Hinson and Angus Monds. Seated in front of them are: Mrs. William Jernigan, Betty Cathey, Sara Frances Thomas, Rogie Tyler, the sorority president, and Becky Lee. All of the boys are in the Air Corps. From some far off air base somewhere in the world, they'll probably recall many times the fine time they had at the sorority dance of 1950. (Daily Record Photo by T. M. Stewart.)

### Patrol Cites Road Dangers To Motorists

With winter rain turning to ice on Harnett's highways, Opl. William O'Daniel of the State Highway Patrol warned motorists Thursday to drive only in emergencies—and then with extreme caution.

"This part of the State is in the heavy rain and ice area," he stated Thursday. "Driving on the highways, and especially on bridges, is dangerous."

He added a note of caution for persons who intend to take holiday trips during the New Year's week-end. Corporal O'Daniel pointed out that Harnett's list of highway fatalities now totals 12, which is three below the 1949 mark, and urged that holiday motorists try to keep that figure from rising.

Harnett has fared somewhat better than the rest of the State in regards to highway fatalities, according to figures compiled by the State Department of Motor Vehicles. The State total stood Thursday morning at 968 deaths on the highways, compared with 841 for 1949. Harnett has 12 fatalities on the public roads, though, against 15 for the (Continued On Page Seven)

### Chinese-Russian Split Is Predicted

WASHINGTON, Dec. 28.—(UP)—Government strategists believe Red China's military campaign in Korea may bring an eventual split between China and Russia over which Communist nation shall be the supreme power in Asia.

This possibility was reported today by informants who are assessing events in Korea for signs of Moscow-Peking cooperation or disension.

The analysis is part of a continuing survey to provide the framework for long range U. S. policy in Asia. Conclusions may not be available for a long time.

Experts are making no firm predictions. But they are intrigued by chances that seeds of dispute have been planted in recent weeks.

Initial hints that Russia and China may not see eye-to-eye on their future roles in Asia were noted in late November when the Chinese Reds moved into Korea and Gen. Wu Hsiu-Chuan, their foreign minister, addressed the United Nations' security council. Experts feel that Wu almost stated openly China's dreams of being the dominant Asian power.

**CHINESE AMBITIOUS**

Estimates in official quarters are that the Chinese might use a (Continued On Page 3)

## BULLETINS

TOKYO, Friday, Dec. 29.—(UP)—The main body of U. S. 8th Army forces completed its withdrawal behind the Imjin River line 21 miles northwest of Seoul Thursday while allied warplanes hit back at the Chinese Reds.

BIRMINGHAM, Ala., Dec. 28.—(UP)—Mayor Cooper Green said today that guards will be stationed soon around city reservoirs to protect Birmingham from any saboteurs who might contaminate the drinking water.

TOKYO, Dec. 28.—(UP)—Red China has thrown two of its five field armies into the Korean War and appropriated \$8,000,000,000 for military purposes in 1951, Gen. Douglas MacArthur's headquarters reported today.

WASHINGTON, Dec. 28.—(UP)—The Army has asked that 80,000 young men be drafted during the month of March, the Defense Department said today. The March call brings the total Army request since the beginning of the Korean fighting to a total of 450,000.

ROCHDALE, England, Dec. 28.—(UP)—Thirty-Six spinners at the Marland textile mill quit work and went home today when the thermometer reading fell from 70 to 69 (Continued On Page Seven)

### Ice And Sleet Blanket State

Sleet and freezing rain laid a dangerous sheath of ice over the Carolinas today, turning highways into near-impassable hazards, cancelling airline service, disrupting bus service and slowing Carolinians to a slow, skittish walk.

The icy conditions came from a double layer of air... one frigid, the other warm... the Weather Bureau explained.

Cold Canadian air which swept southward over the Carolinas early yesterday laid a low blanket over the Carolinas only a few thousand feet deep. Above that cold air was warm, moist air flowing up from the Gulf of Mexico.

The weather bureau said the precipitation came from the high, warm air. As it passes through the cold band it freezes into sleet or freezes after it hits the ground.

**NORTHEAST UNICED**

About the only area of North Carolina free of the ice blanket at mid-morning was the extreme Northeast section, but the ice was sweeping northward.

The Highway Patrol reported that worst conditions were in the central Carolinas, but the ice blanket was reported as far south and east as Charleston, S. C.

The patrol advised "extreme caution" (Continued On Page Two)

### Lee Daniel Ennis Buried Here Today

Funeral services were held this afternoon at 3 o'clock in the First Baptist Church here for Lee Daniel Ennis, 74, one of Dunn's oldest and best known citizens. He died at his home here Tuesday night. He had been in ill health for sometime and critically ill since Sunday.

Mr. Ennis, a native of neighboring Johnson County, came to Dunn at the age of 17 and had resided here since.

He was a retired merchant. For many years, he operated a bicycle sales and repair shop, but retired from business about 30 years ago because of his health.

Mr. Ennis was active in the Democratic party and had held a number of positions with the Democratic Executive Committee in Harnett.

At the time of his death, Mr. Ennis was the oldest member of the First Baptist Church. He joined the church more than 50 years ago.

Mr. and Mrs. Ennis celebrated (Continued On Page Seven)

### McArthur Says UN Can Soon Strike Enemy

REDS ARE REPORTED INVADING IN GREAT FORCE, UNOPPOSED

TOKYO, Dec. 28.—(UP)—Elements of Gen. Lin Piao's crack 4th Chinese Communist Field Army were reported invading South Korea in force and unopposed, today for an all-out assault on American-defended Seoul.

Gen. Douglas MacArthur's headquarters said the entire 4th field army of 171,000 men would be in a position to strike at Seoul any time after Jan. 1 and may attack in lesser strength of one or more Army Corps even sooner.

Red Troops tentatively identified as from the 4th Field Army Already have occupied abandoned Kaesong and Chujon, two miles south of the old North Korean border, and pushed on in force another two miles to within 33 miles northwest of Seoul an 8th Army spokesman reported.

A Chinese platoon also was reported across the Imjin river near Korangpo, 15 miles east of Kaesong, a mile south of the border and 27 miles northwest of Seoul.

The 8th army spokesman said the Chinese march across the 38th parallel was unopposed. Kaesong, Chujon and Korangpo were abandoned by the U. S. 8th Army in its withdrawal to the new defense line guarding Seoul.

**NORMAL BUILD-UP**

The apparent Chinese crossing of the 38th parallel was not regarded as the actual start of the offensive against Seoul. Rather, it was believed part of the normal Chinese buildup for the offensive.

Farther east, other Communist forces believed North Korea occupied the abandoned Central Korean town of Chogyo and Oron, two to four miles south of the 38th parallel, and skirmished with United Nations Patrols as much as 17 miles below the frontier.

In the air, three F-80 Shooting Star fighter pilots probably destroyed (Continued On Page Seven)

### Wood To Head Benson Lodge

Relief Lodge 431, AF and EM, Benson, plans a banquet meeting and installation of officers at the Benson High School library, at 7 p. m. next Wednesday.

The Rev. Harold Glenn Cutrell, pastor of the First Methodist Church of Maxton, will be the principal speaker. Installation officer will be J. F. Lynch, district deputy grand master of Erwin.

**OTHER OFFICERS**

The following officers, elected, at a meeting Dec. 1, will be installed: P. B. Wood, Jr., worshipful master; C. M. Lee, senior warden; G. H. Ellis, junior warden; J. R. Farmer, treasurer; and Julian Godwin, secretary.

Appointed officers who will be installed at the meeting are Shelton Benson, senior deacon; Charles Turlington, junior deacon; Donald Parrish and Glenn Brady, stewards; G. D. Mangum, tiler; W. J. Barefoot, chaplain; and Alonzo Parrish Jr., marshal.

### Woman Facing Court Charges

Following a minor accident early this week, charges of hit-and-run driving have been brought against Mrs. Pauline Hamilton of Dunn. A hearing on the case has been scheduled in Recorder's Court at Lillington Tuesday.

The accident, in which only minor damage was done, occurred Tuesday on the rural by-pass connecting highways 82 and 421, according to the State Highway Patrol. Mrs. Hamilton is alleged to have struck a 1950 Chevrolet driven by Mack Barefoot of Dunn, while driving her 1937 Chevrolet sedan, and continued on her way.

L. D. ENNIS