

## Communist And Chinese Forces Unite

### Agreement Signed By Two Factions; Reduction Planned

Chong-king, Feb. 25.—(AP)—An agreement merging Central Government and Communist forces into one national Chinese army was signed today at a ceremony witnessed by General George Marshall, special United States envoy and adviser to this nation's army reorganization committee.

The agreement provides for reduction of Government forces to 50 divisions within 18 months. The Communist headquarters at Peiping, which is implementing the terms in China's civil war, is charged with supervising terms of the reorganization.

Signing the document were General Chang Chih-chung, for the Government, and General Chou En-lai, Communist official.

The reorganization program was formulated at a special military conference at Nanking.

## Kaiser Will Talk on OPA Continuance

Washington, Feb. 25.—(AP)—The second week of OPA's battle for survival opened today before the House Banking Committee.

Prime interest, however, shifted to later in the week and the scheduled appearance of Henry Kaiser, industrialist who recently entered the automobile field.

Chairman Spence (D) of Kentucky told reporters Kaiser will appear Thursday, adding "I understand he is for the continuance of OPA."

Last week's hearings led to a long distance clash between Chester Bowles, new economic stabilizer, and Henry Ford II, head of one of the country's oldest auto firms.

Ford, in telegrams to the committee, challenged some of Bowles' testimony about a Ford boost last year for a 55 per cent rise in car prices. He also said OPA pricing had caused some of Ford's plants manufacturers to close down.

## PERSONNEL DROPPED RAPIDLY AT CAMPS

Atlanta, Ga., Feb. 25.—Operating personnel, military and civilian, at Army Service Forces installation, in the seven southeastern states was reduced by 40,692 in the four months period ending January 31, 1946, according to a report released today by Headquarters, Fourth Service Command.

The report shows that on September 30, 1945, a total of 123,337 military and civilian men and women were employed in this command and that on January 31 the number had been sliced to 82,645.

More than 30,000 of this number represented the cut in military personnel with about 10,000 being the reduction in civilian employees.

The general program of personnel reduction wherever possible as an economy measure, as well as the closing of some installations was outlined in the report as the reason for this drop of nearly one third.

During the same period the number of German prisoners of war working at Army ASF installations, was reduced by 8,554. On January 31 there were 7,571 PWs working at the installations as against 16,425 on September 30, 1945, the report sets out.

## Housewives Urged To Hold On To Ration Book Four

Raleigh, Feb. 25.—Housewives were advised today by the Office of Price Administration to retain in their possession War Ration Book 4, now used only to obtain sugar.

Although the currently valid sugar stamp 39 is the last stamp in War Ration Book 4, that is specifically labeled for purchases of sugar, spare stamps in that book will be designated as sugar stamps from time to time. For this reason, War Ration Book 4 should be retained even after Sugar Stamp 39 has been used, OPA emphasized.

Sugar Stamp 40 was used for the 1944 home canning program, OPA explained.

## WEATHER FOR NORTH CAROLINA.

Fair and little warmer tonight. Tuesday partly cloudy and warmer.

## STARTS NEW MODE IN DIPLOMACY



AS IF THE PICTURE WERE POSED FOR THE PURPOSE, this shows the new U. S. Ambassador to Russia in his reported character as a man who can talk bluntly but effectively. It reveals Gen. Walter Bedell Smith (right) talking with Maj. Gen. Ilya Sarayev of the Russian Embassy in Washington, at a New York banquet that celebrated Washington's Birthday and Red Army Day in one. Gen. Smith has been quoted as saying that the Russians expect us, of course, to drive hard bargains. (International)

## New Aspects Seen In Pauley's Nomination

### Social Security Program Up For Study By House

Washington, Feb. 25.—(AP)—A big segment of the nation's social security machinery came under congressional eyes today for a possible overhaul job.

The House Ways and Means Committee opened hearings on the old age and survivors' insurance phase of the program designed as a bulwark against poverty.

The first witness, Arthur Altmeyer, chairman of the social security board, was expected to recommend broadening of retirement benefits and extension of their coverage to an additional 20,000,000 workers.

## Argentina's Vote Count To Be Slow

Buenos Aires, Feb. 25.—(AP)—Opposing political leaders expressed satisfaction today with the orderly conduct of yesterday's presidential election and indicated they would regard the outcome as a true expression of the will of the Argentine people.

Both sides voiced confidence of victory, but it appeared that it might be 20 or 40 days before the nation learns whether her next president will be Col. Juan Peron, "Iron Man" candidate of the labor party, or Jose Tamborini, representing the Democratic Union.

Under Argentine law, all ballot boxes must be taken to provincial capitals for tabulation of the vote. Because of the distances involved, poor transportation, and time required to count the paper ballots, an early indication of the outcome is unlikely—barring a veritable landslide.

## Futures Are Higher 85 Cents at Noon

New York, Feb. 25.—(AP)—Cotton futures opened five cents a bale lower to \$1.05 higher.

Noon prices were five cents a bale lower to 85 cents higher. March 26.51, May 26.52, July 26.50.

	Cv	Oven
March	26.52	26.51
May	26.52	26.45
July	26.42	26.45
October	26.38	26.47
December	26.28	26.40
March (1946)	26.25	26.41
	26.21	26.42

## Diplomats Have Papal Audience

Vatican City, Feb. 25.—(AP)—A Papal audience for diplomatic representatives to the Vatican was held today as ceremonies connected with the creation of 32 new cardinals entered their second week.

## WERMUTH MARRIAGE ANNULMENT SOUGHT

New York, Feb. 25.—(AP)—The Philippine court today issued a summons to Major Arthur Wermuth to answer within 90 days the complaint by Olivia Oswald that he was allegedly married when in December, 1941, he allegedly married her.

Miss Oswald made the charge in filing for an annulment. Wermuth has denied the marriage.

## Bombay Is Quiet After Navy Riots

### Students Plan Demonstration; Peace Is Made

Bombay, Feb. 26.—(AP)—Reinforced British troops took unusual precautions today to make certain that a scheduled demonstration by students would not cause a new outbreak of violence in riot-torn Bombay, where an uneasy peace was effected yesterday after nearly a week of street fighting.

Despite advice from the Congress Party and the Bombay Student Congress to cancel the demonstration, students insisted they would protest the use of British military forces against mutineers of the Royal Indian Navy.

Meanwhile, police said that Bombay had experienced its first quiet night since last Monday, when the first scores of Indian sailors went on strike because of alleged discrimination against them by the British.

## Senate Farm Bloc Favors Lunch Plan

Washington, Feb. 25.—(AP)—The powerful Senate farm bloc lined up today behind a \$15,000,000-a-year school lunch program, more than double the amount voted by the House last week.

Senators Ellender (D) of Louisiana and Russell (D) of Georgia said they will seek action tomorrow on a measure already passed by the Senate Agriculture Committee.

They said Senators Bankhead (D) of Alabama, Aiken (R) of Vermont, and Thomas (D) of Oklahoma, told newsmen there is no doubt about Senate approval although there may be some opposition from economy advocates.

## Rep. Snyder Dies; Kerr Next In Line For Committee Job

Pittsburgh, Feb. 25.—(AP)—Representative Buell Snyder (D), of Pennsylvania, who during the war handled many large arm funds bills as chairman of the House Appropriations Committee, died unexpectedly today.

The legislator's body was returned to Perryopolis, Pa., his home district, which he represented in Congress for 13 years.

Representative John H. Kerr, North Carolina Democrat, is next in line for the chairmanship on the basis of seniority.

## Auto Firm, Union Continue Sessions

Detroit, Feb. 25.—(AP)—General Motors and the CIO United Auto Workers resumed their strike settlement negotiations today with G. M. President C. E. Wilson again absent. It was the fourth consecutive session Wilson has missed.

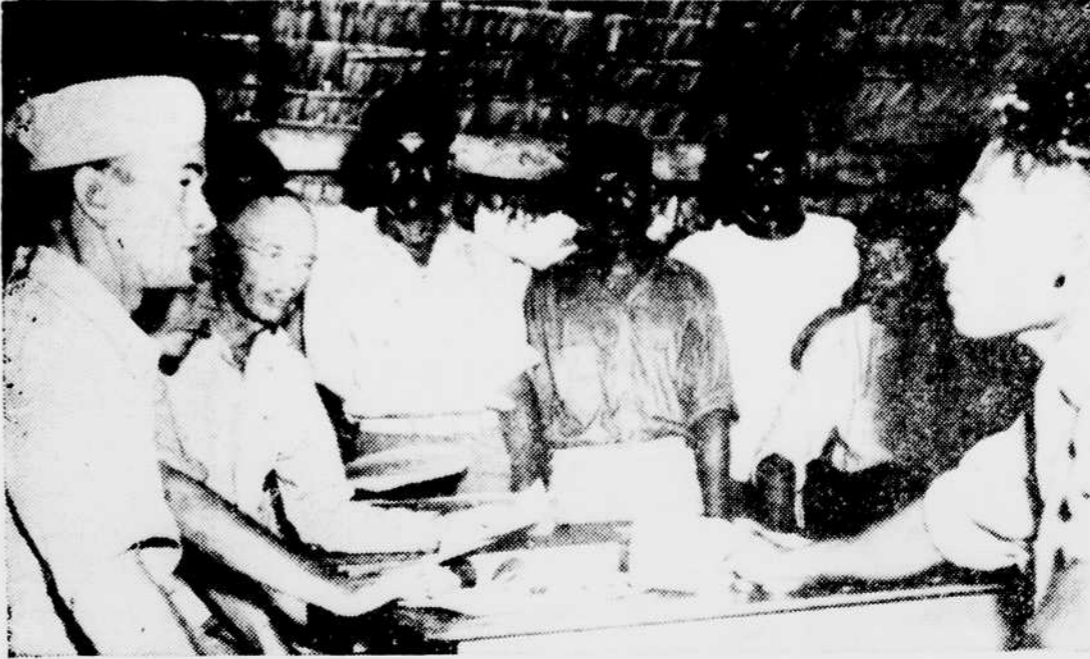
R. J. Thomas, UAW president, said before entering the meeting that he had no objection to leaving the conferences to Washington as proposed by Senator Pepper (D) of Florida. "If the President wants them there," Pepper said here that he planned to ask President Truman to call the disputants to the White House.

## Market Takes Another Drop

New York, Feb. 25.—(AP)—Leading stocks broke one to more than four points in today's market with steel, motors, rails and many industrial "blue chips" under pressure.

Bethlehem, Southern Pacific, General Motors, Chrysler, Eastman Kodak and Allied Chemical.

## PLAN 'MOVING DAY' FOR BIKINI ATOLL NATIVES



THEY DON'T WANT TO BE THERE when the atomic bomb hits, a few weeks hence, so the 161 natives on Bikini Atoll in the Marshalls are cooperating with the U. S. Navy to be somewhere else. At a conference (above) on the spot, Cmdr. H. W. Grieve, Lt. Frey and Lt. Cmdr. Meyer (all in left foreground) talk things over with Juda, the local Atap chief, while some natives listen. Army-Navy Task Force photo. (International)

## Mayor Of New York Seeking To Avert Transport Tie-Up

### Strike Scheduled To Start After Midnight Tuesday

By The Associated Press

Mayor William O'Dwyer of New York has appealed to CIO President Philip Murray to use his "position and influence" to avert a tie-up of New York's subways, street cars, and buses.

The mayor's telegram to Murray today said a strike of CIO Transport Workers, threatened to start after Tuesday midnight, would result in "grave injury" to the city's welfare and "the cause of organized labor."

Referring to the union's main demand, O'Dwyer declared "we cannot and will not recognize any organization as sole and exclusive bargaining agent for all civil service employees." He notified the TWU that the State law forbids such recognition.

O'Dwyer said he considered a wage increase asked by the union "just cause."

New York was not the only city that had labor troubles.

Detroit's bread and milk supplies were threatened by strikes.

Pittsburgh's second power strike in two weeks is set for 12:01 a. m. Tuesday.

## North Carolina Given Top Spot In Cage Tourney

Raleigh, Feb. 25.—(AP)—North Carolina's top seeded White Phantoms were installed as early favorites today to win the 1946 Southern Conference basketball tournament beginning Thursday and thereby retain the title they won last year.

The Tar Heels, with a season's record of 26 wins against only three defeats—including 13 wins and one loss within the conference—easily headed the list of 18 selected yesterday for the annual tournament.

On the basis of comparative strength, Duke's Blue Devils won the No. 2 position—only other seeded spot in the event with its conference record of 12 triumphs and two set-backs.

## Army Courts For Hawaii Held Invalid

Washington, Feb. 25.—(AP)—The Supreme Court ruled today six to two that military courts established under martial law in Hawaii after the Pearl Harbor attack lacked authority to try civilians.

The court ruled on appeals by two civilians who were sentenced by military courts to prison terms. It held that both are now entitled to be released from custody.

One of the civilians was a ship-fitter employed at the Pearl Harbor navy yard. He was accused of assaulting two marines, in violation of a general order issued by the military governor of Hawaii.

The other civilian, a stock broker, was accused of embezzling funds of a customer, in violation of a 1935 law of the territory.

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## Truman Asserts Hitler's Crimes To Be Punished

Washington, Feb. 25.—(AP)—President Truman declared today that the crimes by which 5,700,000 perished under Hitler will be answered in justice.

He made his statement to a delegation from the United Jewish Appeal in connection with a campaign to raise \$100,000,000 to relieve suffering among members of the race.

## FARMERS FACING FEED SHORTAGE

Raleigh, Feb. 25.—Assistant Agriculture Commissioner D. S. Coltrane estimates that poultry production in North Carolina this year will be cut from 25 to 40 per cent as the result of the scarcity of grain and protein feeds.

"Feed manufacturers are finding it extremely difficult to purchase corn, wheat, oats and barley," said Coltrane, adding that "they consider themselves very fortunate when they can obtain a car of oats."

The Feed Division of the U. S. Department of Agriculture informed Coltrane that North Carolina is being allotted 916 tons of protein meal.

"Although we are naturally pleased to receive this meal, it is not more than 25 per cent of the amount we were obtaining at this time last year," said Coltrane.

## Nazis Feted At Party In Philadelphia

### Warship's Crew Have Wine, Women And Much Song

Philadelphia, Feb. 25.—(AP)—Approximately 200 German sailors, members of the crew of the Nazi heavy cruiser Prinz Eugen, were to leave for New York today to board ships for Germany after a throng of "friends, relatives and pro-Germans" held a gala farewell party, the Philadelphia Record said today.

In a front page story, the newspaper reported "as far as liquor, food, other delicacies and comradeship went, the spectacle aboard the German warship was as fitting a farewell party as any previous voyage party in the United States."

"Despite heavy yard regulations," the paper said, "liquor flowed on the Nazi vessel. Flash-faced groups of Germans and Americans raised their voices in German beer ball songs. And in corners girls held hands with the German sailors."

The Navy Yard, the paper asserted, was "thrown wide open" for the German sailors. Far from their actual status of "detained enemy personnel" the crew members appeared as conquering heroes or prodigal sons.

## Davenport Takes Stand

Greenville, Feb. 25.—(AP)—The State continued its cross-examination of Roderick Davenport today as the trial of the former New Bern loans broker, charged with conspiracy to defraud and fraud by false pretense, entered its fourth week at a special term of Pitt county superior court.

Solicitor D. M. Clark introduced out of order a number of records and memoranda purportedly dealing with certain transactions of the erstwhile "big apple" loan business which Davenport operated.

Davenport was unable to identify daily report books which the State claims were sent to his New Bern headquarters from branch offices. He previously had said that his claim of solvency was based on daily reports to his office.

The state also introduced evidence in which Davenport listed "depositors," the amount they put into his loans business and the amount of interest to be mailed to them weekly.

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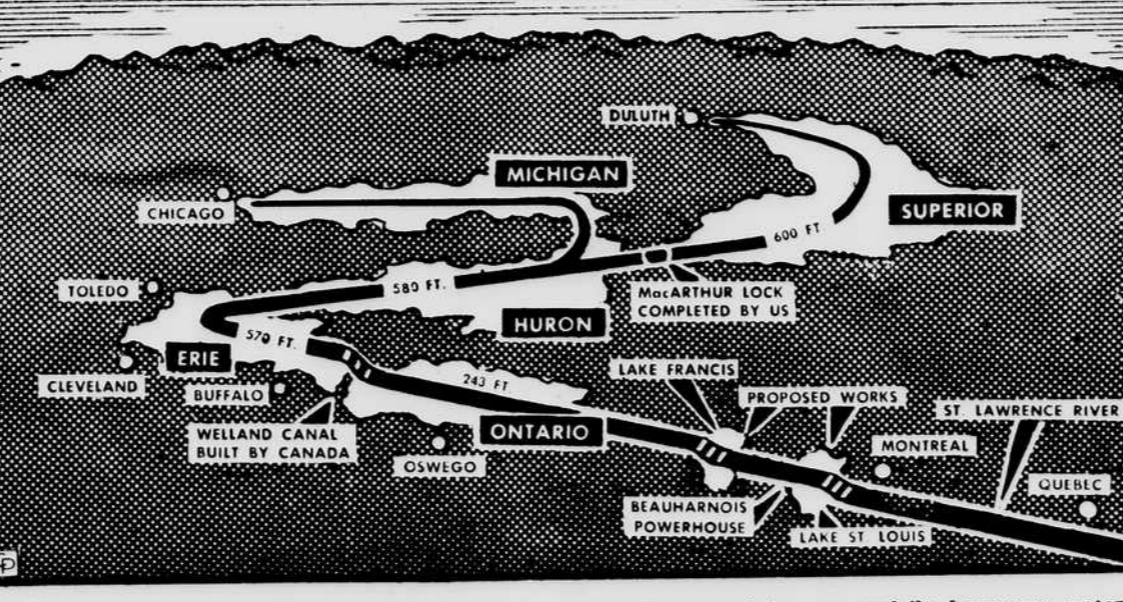
## Eccles Opposes Price Increases

Washington, Feb. 25.—(AP)—Marriner S. Eccles, Federal Reserve System chairman, said today wage increases can be justified "only by paying them out of a increased production" of goods and services.

Appearing before the House Banking Committee, Eccles disagreed with the position of the National Association of Manufacturers that OPA price ceilings could be lifted at this time and prices, through increased production, would soon find their level.

"It is like arguing against vaccination, that it is better to chance getting cured from smallpox than to take precautions," he said.

## ST. LAWRENCE SEAWAY AGAIN BEFORE CONGRESS



TAKEN FROM OFFICIAL GOVERNMENT DRAWINGS, the above diagram of the proposed St. Lawrence waterways and power project shows the overall waterway and the location of proposed new works as well as canals, locks, dams and power stations. A Senate committee is now studying revised figures on the cost which indicate that the United States would have to pay \$57,000,000 more than at first estimated. Canada's share is \$277,000,000. The joint enterprise would open the midwest to ocean shipping and provide about 13,000,000,000 kilowatt hours of electricity annually to the northern section of the country. (International)