

Immediate Action On German Merger Blocked By Russia

Molotov Seeks Time To Study Future Of Wealthy Saar Basin

Paris, July 12.—(AP)—Secretary of State James Byrnes said in a statement on German reparations today that the Russians have received directly or indirectly \$14,000,000 in territory and equipment. The Russian chargé, Foreign Minister V. M. Molotov, demanded \$10,000,000,000 in reparations of Germany earlier this week. Byrnes acknowledged that an accurate evaluation was difficult but said the detachment of eastern Germany, including Silesia, as decided at the Potsdam conference, placed \$14,000,000 worth of German property under Soviet control.

Paris, July 12.—(AP)—Russia blocked steps for an immediate economic unification of Germany at the foreign ministers council meeting today by asking for time to study the future of the industrial Saar basin, an American source said.

Secretary of State James Byrnes proposed that the Berlin control council of the United States, Russia and France be instructed to set up the machinery for such a merger. The proposal was tabled, perhaps for further discussion at the afternoon session.

An American informant said Byrnes made this new proposal after President-Foreign Minister Georges Bidault of France said in a conciliatory statement that the Saar should be excluded from such a unification and be incorporated fully in the French economy. The Saar with its rich coal deposits complements economically the iron deposit of adjoining French Alsace-Lorraine.

U. S. Ready To Proceed
Byrnes yesterday had told his colleagues that the U. S. was ready to proceed with an economic merger of the occupation zone.

A British informant said the morning meeting was "completely inconclusive," although British Foreign Secretary Ernest Bevin discussed Byrnes' new unification proposal in favorable terms and said his government would study it urgently.

After Byrnes' new plan was tabled, the American suggested that the session discuss Austria. Foreign Minister V. M. Molotov of Russia suggested that deputies be instructed to begin work on an Austrian treaty after they have finished the drafts of accords with defeated Axis nations.

Constellation Type Planes Grounded After Bad Crash

Washington, July 12.—(AP)—On orders from the Civil Aeronautics Administration, United States airlines withdrew Lockheed "Constellation" airliners from service today pending an inquiry by the CAA and the Lockheed Aircraft Co. into a fatal crash of one of the giant craft at Reading, Penn. yesterday in which five persons were killed.

The British Overseas Airways Corp., at CAA's request, also cancelled Constellation flights on its trans-Atlantic routes. The CAA action presumably meant suspension of its Atlantic service since it has no other planes for the London-New York route.

BETSY ROSSES OF THE PHILIPPINES



PRESIDENT MANUEL ROXAS of the Philippines looks on as his wife and the wife of a former Philippine President put the finishing touches on an American flag that flew over the Independence Day ceremonies at Manila when the new Republic was born on July 4. Later the flag was sent to the United States to be presented to President Truman. Pictured are (l. to r.): Mrs. Manuel Quezon, widow of a former president; President Roxas; and Mrs. Roxas. (International Soundphoto)

Army Seeks To Hike Top Draft Age

Would Accept Men Up To 34 Years For Active Duty

Washington, July 12.—(AP)—The Army has recommended to President Truman that the top draft age be boosted from 29 to 34 years when induction calls are resumed in September.

Few, if any, men over 26 have been drafted since V-J day last August. The War Department's recommendation was disclosed today by an official completely familiar with it after the American Council on Education heard an assertion last night that selective service expects to "scrape the bottom of the manpower barrel as it's never been scraped before" by next March.

Irwin Makes Assertion.

The declaration came from Col. George A. Irwin, chief of the demobilization division of selective service, who mentioned only incidentally in the course of his informal address that the army does not want any men over 35.

Heretofore, the army has been reluctant to take men over 25, although while the stop-gap draft extension law was in effect from May 15 to June 30 men through 29 were being processed for induction.

Informed of Irwin's new age reference, the official who asked not to be quoted by name said the change of army mind came about because the current draft act bans induction of 18-year-olds, about 25,000 of whom made up the bulk of draft calls in recent months.

PENNY FOR SUCKER? THREE FOR 10 NOW

New York, July 12.—Youngsters at a settlement house have received a graphic lesson in contemporary economics. Given pennies to go to a neighborhood store to buy lollipops, the children returned with their pennies still clutched in their hands. The man at the store told them lollipops now are three for a dime, they said.

Hughes Tells Reason For Plane Crash

Flier Says Right Rear Propeller Reversed Pitch

Los Angeles, July 12.—(AP)—His battle for life suddenly weakening, Howard Hughes, 41, declared his doctors in his bedside last night and whispered a halting story of the cause of his fiery crash Sunday in an experimental army plane.

"I want you to give this message to the army. The accident was caused by the rear half of the right propeller," the millionaire maker of planes and movies told Dr. Berne R. Mason.

"I don't want this to happen to anybody else."

Blades Reversed Pitch.
Explaining carefully that the rear set of propeller blades on the right engine of his twin-engine plane had suddenly reversed pitch during the first test hop, Hughes said:

"It felt as if some giant had the right wing of the plane in his hand and was pushing it back and down. Tell the army to look in the wreckage to find the rear half of the right propeller and find out what went wrong."

Hughes gave his message to Dr. Mason after asking, "am I going to live?" and hearing the doctor reply: "I don't know."

Tobacco Farmers Voting Today On Marketing Quotas

Atlanta, July 12.—(AP)—Fluorced tobacco farmers in six Southern states—Florida, Alabama, Georgia, South Carolina, North Carolina, and Virginia—voted today to determine whether federal marketing quotas will be continued.

Balloting was on the question of retaining quotas for the 1947-48-49 crop or the 1947 crop alone, or whether the growers are opposed to the continued quotas.

WHITE LAKE HOTEL.
Elizabethtown, July 12.—W. M. and Lawrence Corbett, operators of Crystal beach, White lake, announced today that they are planning the construction of a 150-room brick hotel, and an 18-hole golf course at the summer resort as soon as building materials become more plentiful.

Atomic Plan Of Australia Is Doomed

New York, July 12.—(AP)—Australian proposals for an autonomous world atomic control agency which would maintain only one ultimate link with the United Nations Security Council apparently was doomed today under the threat of a veto by Russia when and if it reaches the council.

Russian Delegate Andrei Gromyko's flat opposition and his reluctant refusal to surrender the veto on atomic matters were made known as Australian Foreign Minister H. V. Ewart, prepared to lay his program before the 12-nation United Nations atomic working committee.

Ewart's report, winding up the first phase of atomic discussions, covered the five meetings of a special six-nation atomic sub-committee. After the sub-committee's final meeting, an authoritative source said, Gromyko had insisted in secret sessions that Russia would stand only for atomic control under Security Council administration without alteration of the veto right of the big five permanent members.

Stocks Generally Take New Drops

New York, July 12.—(AP)—Most stock market customers deserted the buying side today and issues generally reached for lower levels. Prominent on the slide were Lockheed, Douglas Aircraft, U. S. Steel, U. S. Rubber, Montgomery Ward and duPont.

Equitable Office Building was an exception with the modest advance and was one of the liveliest sprinters.

Bonds were uneven, as were commodities.

WILSON BIOGRAPHER, R. S. BAKER, DIES

Amherst, Mass., July 12.—(AP)—Ray Stannard Baker, biographer of Woodrow Wilson, died today at his home. He was 76. Baker had been suffering from a heart ailment for some time. His brother, Dr. Hugh Baker, president of State College, said he died at 2 a. m. EST.

Local Units Join Retirement System

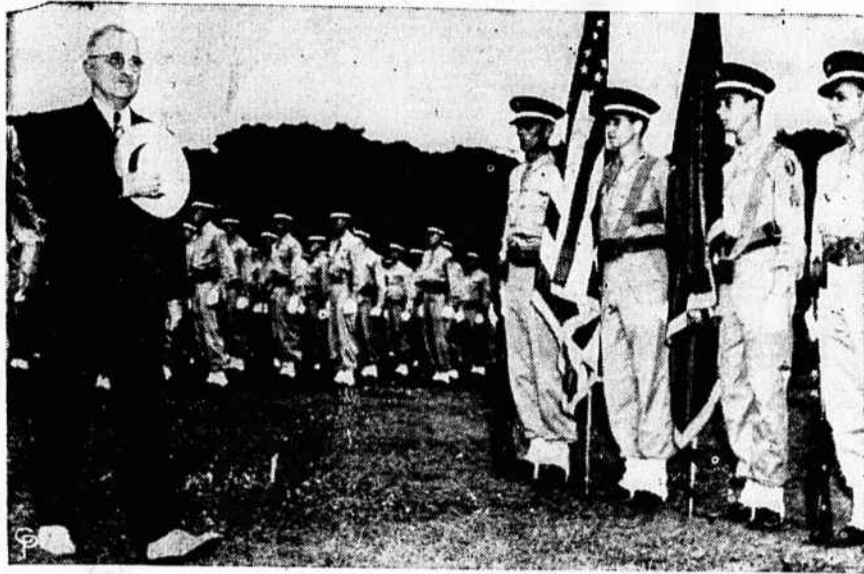
BY LYNN NISBET, Daily Dispatch Bureau

Raleigh, July 12.—Approximately 25 municipalities have so far joined the N. C. Local Government Employees Retirement System, set up by the 1941 general assembly for state administration of the various local units. The local system is administered by the same board as the regular teachers and state employees system with the addition of a city mayor and a county commissioner, and is under direct supervision of Nathan Yelton, executive secretary to both boards.

A large part of Yelton's time now is devoted to explaining the system to local governmental boards which

Senate Committee Calls May

PRESIDENT TRUMAN REVIEWS M.P. BATTALION



TAKING AN HOUR OFF from official duties, President Harry S. Truman reviews the Military Police battalion of the Washington, D. C., Military District. The President is shown walking past the Color Guard on the lawn that stretches between the White House and the Washington Monument. (International Soundphoto)

House Group Head Asked For Details

Washington, July 12.—(AP)—The Senate War Investigating Committee today formally invited Rep. Andrew L. May (D) of Kentucky to testify publicly in its munitions inquiry. May declined to say whether he would comply.

The committee made public a letter which said that May's secret testimony June 4 "did not furnish the full, complete and accurate facts" as to May's activities in connection with a chain of Illinois munitions makers.

May told reporters: "I have received the letter and will answer it in due course." He refused to say more or to indicate when he might make his reply.

Inquiry Resumed.
Chairman Mead (D) of New York read the letter of invitation as the committee resumed its inquiry into the affairs of the combine promoted by Henry Garsson, one-time internal revenue agent.

Senator Ferguson (R) of Michigan termed the letter to the chairman of the House Military Committee "only the first step" toward getting May's testimony on the record. He added that the second step — presumably if May declines to appear — "should be a subpoena."

Garsson said he was "rarin' to go," to present his case. "I am ready to say a lot of things," the ex-internal revenue agent told newsmen after hearing Mead describe testimony thus far as beyond the pen of "the most imaginative writer of fiction."

Garsson waited much of yesterday afternoon while the committee questioned Albert Jacobson, who rose from a \$1,629 a year War Department job as clerk-typist to consultant in the legal branch of the chemical warfare service at \$9,975 a year.

Jacobson told the committee his duties included review of millions of dollars of advance payments to Garsson's munitions combine. He also testified that Chairman May had recommended that he be reinstated to the District of Columbia bar from which he had resigned under "pressure."

Loan To Britain Is Coupled To Red Influence

Washington, July 12.—(AP)—House Democratic Leader McCormack said today the British loan presents the issue of whether the United States will take "our necessary role in world affairs" or leave "practically all of the other nations of the world, against their will and desire, subject to the influence, gravity and orbit of the Soviet Union."

Pleading of House approval of the Senate-passed \$3,750,000,000 credit, the leader said "whether or not we like it, the fact remains that practically all the countries of the world are looking to either Washington or Moscow. And every country in the world is watching the House vote," scheduled for tomorrow.

WEATHER

FOR NORTH CAROLINA. Partly cloudy and hot tonight; scattered showers in north portion tonight. Saturday, partly cloudy and a little cooler.

Jap Trial Portia



TAKING an active part in the prosecution of war criminals in Tokyo is Grace K. Llewellyn of New York, the only woman to appear before the International War Tribunal to present evidence against the defendants. The modern "Portia" is on the staff of Chief U. S. Prosecutor J. B. Keenan. (International)

Ice Cream Prices Expected To Rise

Raleigh, July 12.—(AP)—Increased retail prices for ice cream—to be felt generally in the state by Monday—were predicted today by L. L. Ray, executive vice president of the North Carolina Dairy Products Association.

Ray cited the loss of a government feed subsidy to dairy farmers and resultant higher prices for sweet cream as the reason for the boost.

Republicans Behind Campaign To Force Exemption On Goods

Washington, July 12.—(AP)—A power drive to clinch price control exemptions for meats, milk, and sundry other items gathered speed today as the Senate nudged an OPA revival bill toward passage.

Republicans got behind the new campaign after barely failing to rip from the measure provisions which Senator Taft (R) of Ohio said would prevent manufacturers from getting needed price increases.

The GOP objective was to compel the House to vote specifically on the various de-controls already ordered by the Senate. Administration leaders were worried over the outcome. They conceded privately that the House might go along and that President Truman might feel compelled to toss out a veto.

Taft Tells Strategy.
This is the strategy, as outlined by Taft to a reporter.

Once the Senate passes the measure to bring OPA back to life in slimmer form, the bill will have to go to a conference committee so differences with the House can be straightened out.

So far the House has passed only a bill to continue OPA until July 20 in its pre-death form.

However, instructions are being drafted—and the Senate will be asked to approve them — telling the Senate conferees to stand pat on amendments outlawing any future price controls on meats, poultry, milk, petroleum, cotton seed, soy beans, and their products.

Verdict Will Be Given Monday In Mihailovic Trial

Belgrade, July 12.—(AP)—The president of the war crimes court, trying General Draza Mihailovic and 23 co-defendants announced today that the verdict will be delivered at 9 a. m. Monday (2 a. m. EST). Final speeches on behalf of the defendants were completed early today.

New York Cotton

New York, July 12.—(AP)—Cotton futures opened 75 cents a bale 1 \$1.15 lower. Noon prices were 20 to 80 cents a bale lower. July 33.65, October 33.89 and December 34.06.

Star Weds Bellhop



AFTER ANNOUNCING that they were married on July 1 in Riverside, Calif., Gladys George, 42, blonde stage and screen actress, and her husband, Kenneth C. Bradley, 27, hotel bellhop, leave the hotel in Los Angeles where the groom worked and where the couple is staying. It's the fourth marriage for the blonde star. (International)

Moscow Writer Talks To Truman

Washington, July 12.—(AP)—Brooks Atkinson, New York Times correspondent in Moscow for ten months, conferred with President Truman today.

Except to say that Mr. Truman asked him to come to Washington, Atkinson declined to discuss his talk with the President.

TAKES SHORT CUT TO HAIR PRIZE



BEING DECLARED WINNER of a prize for the "shortest pigtail" at the Sullivan Street Playground, New York, seemed to distress Hannah Harkavy, aged 22 months, after she looked at the 9-inch braid of Diana Ferrari, 6, who had the longest pigtails entered in the contest. (International)