# Key Base Planned At Guam

Program Disclosed To Extend Naval Installations West

Pearl Harbor, Oct 3.—(P)—A new United States navy policy in the Pacific calling for a strong Aleutian base near Sizeria and extension of its outposts 3.000 miles westward to Guam was announced today.

The policy was disclosed at a press conference by Adm. John Towers, commander of the Pacific fleet, who conferred only Monday with President Truran and high navy officials in Washington.

Towers declared that Guam, 3.318 miles west of here, would be turned into an outpost as strategically important as this Hawaii naval base—long the symbol of United States navy might in the Pacific.

Pacific Ring Flanned.

The admiral stid the new Pacific policy would be to ementrace permanent naval installations in Alaska, the Aleuthans, Hawaii and in the Markans which includes Guam.

This would include permanent facilities for surface warships as well as navy africares, "It is obvious." Towers said, "that we need a base further in the Pacific. Because of the movility and range of surface and air fleets it is necessary that we extend out Pacific outports beyond Pearl Harbor. Guam fills this need on it will be equally as incontant, but not so large, as Pearl Harbor."

# Justice Rutledge Blasts War Talk; No Conflict Seen

Durham, Oct. 2.—Deploring discussion of a way between the United States and Russia as "the most dangerous talk there has ever been," Associate Justice Wiley Blount Rutledge, Jr., of the United States Supreme Court, declared in a speech at Duke University last night that such a conflict "is not more inevitable than a war beewteen the colonies in 1785."

"We must," he asserted, "look hard, dirty facts in the face in order to avert war, which I don't believe anyone at the bottom of his heart wants. And yet that will be one of the hardest things for the American people to do."

Justice Rutledge delivered his address at a banquet on the campus marking the installation of a new chapter of Phi Alpha Delta, honorary legal fraternity, Ile was accompanied by J. Harry LeBrum, of Philadelphia, supreme justice of the fraternity, and Frank M. Ludwig, of Washington, D. C. supreme secretary and editor. The new chapter has been named the Wiley B. Rutledge Chapter. There are 16 chapter members. the British zone tonight or fomorrow by American military personnel, designed the installation of a new der of Phi Alpha Delta, honorlegal fraternity. He was accomed by J. Harry LeBrum, of indelphia, subreme justice of the mily, and Frank M. Ludwig, of lington, D. C. supreme secretanded the Wiley B. Rutrich Chapter. There are 16 chapnembers.

of. H. C. Gauger

Puits At U. N. C.;

Gets Private Job

liege Station, Raleigh, Oct. 2.—

the British zone tonight or fomorrow by American military personnel, defense counsel said tonight.

All three will be taken in Hamburg from whench Schacht will proceed to his home in Schleswig-Holtstein, counsel said.

The official of the Office of War Mobilization and Beconversion lold a reporter "there doctors' there whench is a reporter where doctors' the object of the statement of the former German financier would be provided with escort after his arrived and entire to the former German financier would be provided with escort after his arrived in Hamburg.

Fritzsche, former deputy propaganda minister, sent his wife to Hamburg yesterday and expressed hope she would be there when he arrived.

Anton Pfeiffer chief denazification of ficer for Bavaria, announced he had been instructed to give the had been instructed to give the protecting them from arrest by German denazification courts in the U.

Blege Station, Raleigh, Oct. 2.—

S. zone.

Pittsburgh, Oct. 3.—(P)—The lights of the nation's tenth largest city were flickering and faltering today as a power strike, which had an estimated 70,000 workers idle, went into its tenth day.

New hopes for an early settlement were held out as company and union mediators, after a joint conference late last night, met again today. Both they and the U. S. mediators who met with them, were decreised as being in a jovial most when the night meeting broke up.

NEW YORK COTTON.

New York. Oct 3.—(P)—Cotton futures opened 25 cents a bale lower to 80 cents higher. Roon prices were 65 cents to \$1.35 a bale higher. October 39.28, December 38.95 and March 38.51.

# Balhead Island Proposed As Home For U. N. Council



LONELY BALHEAD ISLAND (above) at the mobecn proposed as a permanent home for the United Nations Council by Senator J. W. Bailey of North Carolina. Balhead, some times known as Smith Island, is semi-tropical. It is inhabited only by the lighthouse keeper, a few Coast Guardsmen and a let of wild hogs. (AP Photo).

# Reconversion Boss Fears New Price Rises Would Cut Demand

# Freed Nazis Administration Get Escort To Hamburg

Three To Procede To British Zone; Passage Assured

acquitted by the International Mili-tary Tribunal will be escorted to the British zone tonight or tomorrow

Just a week ago Mr. Truman fore-cast there will be more and better meat "in the near future."

# Signals Crossed On Meat Crisis

mini tration apparently got its sig-nals crossed today on when the meat

Reconversion Director John R. Steelman, in his quarterly report to resident Truman and Congress says

Nuernberg. Oct. 3. (45 Franz)
VonFapen, Hans Fritzsche, and Hialmar Schneht, the three Nazi leaders are utility to the horizontal true of meat."

"We are plagued with shortages of order types of food, and for some items the shortages will be come worse this winter. This is especially true of meat."

THE "TRUCULENT TURTLE" comes down from its record-breaking distance flight at Columbus, Ohio, after flying non-stop from Perth, Australia, a distance of 11,828 miles in fifty-five hours and seventeen minutes. The twin-engined plane carried a crew of four and a nine-menths-old kangaroo. The Navy plane originally had intended flying to Machington D. C. (International Soundabete)

Inflation Feared

By Steclman In

Quarterly Report

Washington, Oct. 3.—(P)—Reconversion Director John R. Steelman said today a "further rapid price rise" might stifle demand for goods and "precipitate an early and severe price collapse, with serious economic and social consequences."

Long Range Problem.

# No Immediate Danger Of War, Byrnes Says; Trieste Issue Solved

# Western Nations Win Bitter Row; New Spat Brews

Paris, Oct. 3.- (A) - The United States was rebuffed seven to five, by a peace conference commission today in an attempt to slash \$100,-000,000 from Hungarian reparations a Russia and two other Slav coun-

o Russia and two other Slav countries, after a Soviet dategate assains the proposal as an "amid-active state."

United States State Department Representative Willard Thorp who said he presented the amendment in an attempt to save Hungary's economy from collapse, also sought to cut \$100,000,000 from the reparations to be paid by Finland.

The principle of the proposed in the long and bitter fight over Tressein the Italian political and territorial commission.

Four Packs U. S. Plan.

Four Eacks U. S. Plan.
Only Australia, Canada, New
Zealand and South Africa supported the United States move to reduce Hungary's payments to Russia, Czechoslovakia and Yugoslavia
from \$300,000,000 to \$200,000,000.
The commission adopted the Russian-backed provision under which
Russia is to get two thirds of this
total, Yugoslavia \$70,000,000 and
Czechoslovakia \$30,000,000.
Britain and France, holding they

Czechoslovakia \$30,000,000.

Britain and France, holding they were bound by big four commitments, voted with Russia and the Slav countries against the proposal. Greece and India abstained.

Delegates of Russia and the five Slavic states had fought doggedly all through the night against a French compromise proposal for establishment for a new free state of Trieste to be governed by the United Nations Security Council, but went down to defeat 14 to 6.

25 Votes Taken.

and social consequences."

Steelman also spoke out bluntly against a general round of "large" wage increases at this time.

He said these could benefit "only special groups", and in general would do so "at the expense of fellow workers throughout the nation."

Declaring that the national economy is simultaneously in a position "of great promise and of great danger," Steelman set forth "two great problems" which he said America faces: 25 Votes Taken.

In a series of 25 votes taken on the 700 words of the French compromise on Trieste, the 20-nation Italian political and territorial commission split consistently. It to 6, as delegates, goaded by Commission Chairman Lief Egeland of South Africa—hacked away steadily at the task before them in a session lasting from 9:30 last night until almost dawn.

The approved statute for the coverage of the state of the possibility of survivers was very respective to the state of the possibility of survivers was very respective to the state of the state o For the long range, to "maintain ar economy at full production and

For the long range, to "maintain our economy at full production and full employment.

In the meantime, to "prevent runsiway inflation."

"If prices acep on rising and presipitate a waze-price spiral, business and agriculture will find themselves priced out of the market and into a depression." Steelman asserted in his quarterly report to President Truman and Congress.

He added that if on the other

# The Queen's Taste



REFUSING to follow the staid pat-tern set by Dowager Queen Mary for wearing hats that were in fash-ion at the turn of the century, Queen Elizabeth prefers the cur-rent trend. Pictured in London, the Queen wears a chic number swartly trimmed. (International)

# 39 Persons On Airliner Feared Dead TrumanSays

American Overseas Plane Crashes In Newfoundland Area

New York, Oct. 3 .- (A)-An Amer-

# Admits Conflict Of Viewpoints Now Is Serious

Paris, Oct. 3.— (P Secretary of State James Bynn's declared today that "the conflict of viewpoints among the Allies" is serious, but ne cehoed a recent statement by Prime Minister Joseph Stalin that there is no immediate danger of wer.

Byrnes spoke at a lancheen of the American Club in Paris.

"After every great war which has been wen by the confined efforts of many nations; there has been a conflict among the allies in the making of peace," Beynes said in his address.

"It would be folly to deny the seriousness of the conflict in viewpoints among the Allies after this war,"

"To ignore that conflict or mini-

riousness of the conflict in viewpoints among the Allies after this
war,"

"To ignore that conflict or minimize its seriousness will not solve
the conflict nor help us along the
road to peace."

"To exaggerate that conflict and
its seriousness, on the other hand,
only makes more difficult the solution of the conflict.

"I concur most heartily in the
view recently expressed by Generalissimo Stalin that there is noimmediate danger of war. I hope
that his statement will put an end
to the unwarranted charges that any
nation or group of nations is seeking to encircle the Soviet Union, or
that the responsible leaders of the
Soviet Union so believe."

# **Budget Will** Be In Black

# President Predicts No Deficit By End Of Fiscal Period

wilderness of western New oundland early today in what may be the greatest tragedy in the history of American commercial aviation.

The coast guard reported that the possibility of survivers was very remote.

The four engine DC-1, en route from New York to Eerlin, crashed 10 minutes after it left Stephenville, Newfoundland, at 3:21 a. m.

It was the accord plane tragedy in the Newfoundland wilds in two weeks. On Sent, 15 a Belgian Sabena airliner crashed near Gander, killing 27 of the 44 aboard.

Stephenville is on the west coast of Newfoundland, 221 miles from New York, and 225 miles west of Gander.

Wreckage Found Ablaze.

First reports from relatives of the parsengers indicated some of the women and children were en route to Germany to join their hubbands. At Gander, officials of the airline said rescue planes which thew ever the area reported the wreckage still was burning four hours after the crash and that it was unlikely anyone aboard was alive.

The big plane, a Exymaster, anashed into a hillside 10 miles from Harmon Field, at Stephenville, where it had refueled because the Garder airport was closed in with rain and log.

The ceiling at Harmen Field was 5,060 feet and visibility 10 miles.

# Information of the street of t

were any of this institution to thank the many alumni, friends and State authorities whose generosity and support his made possible the won-ierful expansion of the college during the past 37 years we shall continue to grow in spirit and in numbers.

Market Attempts

To Extend Gains

New York, Oct. 3.—(P)—The Stock market today tried to extend its recovery but only a smattering of favorites succeeding while many leaders backed into lesing ground.

Resistance was displayed by American Smeling, Air Reduction, Hiram Walker, and Norfolk and Western Losses were recorded for American Telephone, U. S. Steel, Montgomery Ward and General Motors.

Bonds were mixed.

Fort McPherson, Ga., Oct. 3.—Fort McPherson, Ga.