

1957

"US, Infall Agency, Central"

Rep Sykes criticism	✓	May 28, 23:4
Dworkak " "	✓	Apr 4, 22:5

1958

AWD Mar 16, VI, p 17 not found

House bill on budget	✓	May 16, 14:1
Bridges demands review	✓	May 18, 24:1
Mora " "	✓	July 21, 2:6

AWD ✓ Oct 16, 7:1

THE NEW YORK TIMES, TUESDAY, MAY 28, 1957. 6937

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the original sender guarantees return postage—an increase from 3 to 4 cents, with the charge for each piece of mail enclosed in business reply envelopes from 1 cent to 2 cents.

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Insurance fees—Increases ranging from 5 to 10 cents on items valued above \$10.

C. O. D. service—An increase from 20 cents to 30 cents on items that must be delivered to a specified individual and no one else.

Certified mail—An increase in the service charge from 25 cents to 30 cents, with the return receipt raised from 7 to 10 cents. The charge for delivery to a specified person would be increased from 20 to 30 cents.

Special handling charges for parcel post—These now range from 15 to 25 cents and would be advanced to a range of 25 to 50 cents.

services were justified in asserting that the reductions would "badly hurt."

It seemed likely that there would be one or more roll-calls on amendments to restore individual defense appropriation items, although preliminary votes will be by teller and not recorded. The Administration's main hopes have been placed in the Senate.

In the Senate, Senator J. William Fulbright, Democrat of Arkansas, criticized what he called an improper attempt by the United States Information Agency to get a severe fund cut at least partly restored. He referred to new studies today quoting Abbey Washburn, deputy director of the U. S. I. A., as saying that Senate cuts would cripple the agency.

Two Republican Senators reported today that their mail was showing growing in public opinion toward President Eisenhower's budget, since his two speeches backing it.

Senator Frederick G. Payne of Maine said in a statement that his mail in the last two weeks backed the President 5 to 1.

The office of Senator Irving M. Ives of New York said that for the first time since the President offered his budget in January less than a majority of letter-writers were asking that it be cut.

C. I. A. Spending Questioned

WASHINGTON, May 27 (UP)—Representative Sikes said today that the Central Intelligence Agency was spending "hundreds of millions of dollars a year" with almost no control by Congress. "I question seriously that it is earning its keep," he declared. His remarks in the House gave one of the few recent clues to

Washington Proceedings

YESTERDAY
(May 27, 1957)

THE PRESIDENT

Had lunch with Chancellor Adenauer of West Germany. Met with National Security Council. Signed Post Office-Treasury appropriation. Nominated James M. Langley to be Ambassador to Pakistan.

THE SENATE

Completed Congressional action on appropriation for White House. Opened debate on \$2,850,000,000 Housing Bill. Adjourned at 7:08 P. M. Foreign Relations Committee heard special Ambassador Richards on his Middle East negotiations on Eisenhower Doctrine. Labor subcommittee heard Secretary of Labor Mitchell present revisions in Administration bill for policing pension funds.

THE HOUSE

Worker on Defense Appropriation Bill.

Adjourned at 4:45 P. M. Joint Atomic subcommittee heard witnesses on fall-out dangers.

Judiciary subcommittee opened hearings on Constitutional amendment to give President item veto power on appropriations.

DEPARTMENTS & AGENCIES

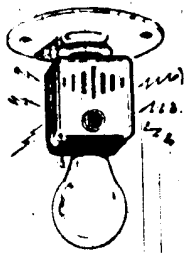
Housing Administrator Cole defended Administration's housing policy. Defense Department booklet said radiological warfare is automatic extension of nuclear bomb development.

SUPREME COURT

Granted new trials to Henry Grunewald and others in tax fix case. Upheld an income tax evasion case similar to that of Gambler Frank Costello. Agreed to review contempt judgment of Alabama court against N. A. A. C. P. SCHEDULED FOR TODAY (May 28, 1957) House and Senate meet at noon.

the scope of operations by the super-secret C. I. A. Its annual appropriations are not made public. Its employment figures and almost its entire operations are kept secret. Mr. Sikes' comments raised the possibility that the agency's funds were hidden in the Army's appropriations. "I am disturbed about the cost of C. I. A.," Representative Sikes told the House. "We spend hun-

dreds of millions of dollars a year on this organization. It has almost no screening or control from Congress, and that in itself is an invitation to excessive spending and to empire-building." The agency was created after World War II to consolidate overseas intelligence and espionage work. It was set up under a law exempting the agency from most of the usual controls on spending.



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BEAUME URGES CITY CUT CAPITAL COSTS

Continued From Page 1

sations in the capital budget, \$200,000,000 would be new funds and \$15,000,000 would be reserved for budget amendments to Dec. 31, 1957.

The Mayor was warned by Mr. Beame of "a difficult problem" faced by the city in the financing of its next expense budget for the fiscal year beginning July 1, 1958.

The Budget Director predicted sizable rises in mandatory costs all along the line—for salaries, pensions, tax deficiency and health insurance payments. He also foresaw demands for expanded services. Against these higher costs he asserted that the city "unfortunately" could not look for comparable increases in its revenues.

The capital budget, set up on a calendar year basis, is a set of allocations for public improvements. The expense budget, financed by real estate taxes and miscellaneous revenues, is set up on a July 1-June 30 fiscal-year basis. In general, it covers the costs of operating the city.

The city's authority to incur debt for new public improvements under the capital budget is limited in general to 10 per cent of the most recent five-year average of full valuations of taxable real estate and an additional 2 per cent specifically for low-rent housing.

Projects Exempt From Limit

Spending of funds exempt from the debt limit is permitted for a variety of specific transit, pollution control, hospital, education and water supply purposes. As of last July 1 the city had \$1,655,518,074 in exempt funds. The \$175,107,662 transit balance is included in this amount. The city's non-exempt indebtedness totaled \$1,924,750,355.

Mr. Beame concurred with Controller Gerosa that debt to be incurred within the constitutional limitation from 1959 through 1963 might not exceed \$371,500,000. The city departments have asked for \$1,937,207,523 for their capital programs through 1963. Of this, \$1,726,680,981 would be within the debt limit.

The Budget Director included



REPORTS ON BUDGET: Abraham Beame, Budget Director, gave his impressions of the capital budget to Mayor Wagner.

In his report a chart to show that the city's capital appropriations had totaled \$1,570,000,000 so far during Mayor Wagner's Administration, which began Jan. 1, 1955.

Request for Transit Funds. Last week Charles L. Patterson, chairman of the Transit Authority, urged the City Planning Commission to authorize \$134,177,350 in new funds and \$72,911,893 in carry-over funds for rapid transit capital improvements in 1958.

Included in the request was \$10,112,000 toward the \$79,924,850 program of rehabilitating the city's three power plants. The city has spent about \$150,000,000 to date on modernizing the plants.

Special committees appointed by Mayor Wagner are studying proposals to sell the power plants to Consolidated Edison and to displace the bus lines the authority operates.

Gov. Edinger has offered to buy the plants for \$300,000,000, and to sell the city power needed to operate the subways. The Transit Authority opposes selling the plants. Since the end of World War II, Mr. Beame reported, the city has appropriated or allo-

ated \$750,000,000 for the construction of 245 school projects. "This gigantic program of educational construction is unmatched anywhere in the world and has not been in vain," the Budget Director declared.

Mr. Beame reported that the city would have to include \$22,000,000 a year in its capital budgets to achieve its schedule of sewage disposal plant construction through 1964.

MERGER OF UNIONS PUT OFF IN ILLINOIS

Special to The New York Times. CHICAGO, Sept. 3—Delegates to the separate conventions of the state American Federation of Labor and Congress of Industrial Organizations were told at an afternoon meeting here today that the merger of the two groups, scheduled for today, had been postponed.

The postponement came after a meeting between top officers of the two groups and two special representatives of George Meany, national A. F. L.-C. I. O. president.

Mr. Meany's representatives were Peter J. McGavin and Eugene F. Moats, both of Washington.

Joseph Germano, president of the Illinois State Industrial Union, the C. I. O. group, emerged from the joint session and said: "There is no merger."

He said one point of disagreement stemmed from the refusal of the Illinois State Federation of Labor to agree to appointment of an Illinois C. I. O. officer as executive vice president of the merged group, despite C. I. O. acceptance of A. F. L. leaders for the posts of president and secretary-treasurer.

Another point at issue, he said, was the A. F. L.'s refusal to incorporate the national C. I. O. ethical practice code into the proposed constitution for the merged organization.

C.I.A. Budget Secrecy Hit. WASHINGTON, Sept. 3 (AP)—Senator Henry C. Dworshak, Republican of Idaho, asked today that some of the secrecy be stripped from the Central Intelligence Agency in order to fit it into the current Government economy drive. At present neither Congress nor the public is told exactly how much money the agency spends, how it spends it, or how many persons it employs.

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FUND BILL PASSED AFTER C. I. A. FIGHT

Agency Scored Over Nixon Trip as House Votes 570 Million to State, Justice

By ALLEN DRURY
Special to The New York Times.
WASHINGTON, May 15—The House of Representatives passed a \$570,722,613 State-Justice appropriations bill today. It acted after a squabble over whether the Central Intelligence Agency had given sufficient warning of the troubles Vice President Richard M. Nixon might encounter in Latin America.

Earlier, the House defeated a Southern attempt to cut funds for the new civil-rights division of the Justice Department.

By voice vote, it agreed to raise the salary of Joseph M. Swing, Immigration Commissioner, a target of frequent Congressional criticism, from \$17,500 to \$20,000 a year.

The argument over the C. I. A. was started by Representative Prince Preston, Democrat of Georgia, a member of the Appropriations Committee. He said it was a shame that the agency had not known in advance that violence might develop during the Nixon tour.

Noting that Congress annually appropriated "an unbelievable" amount of money to the agency without receiving an accounting, he said he wondered whether Congress was getting its money's worth.

Hidden Appropriations

The intelligence agency's appropriations are hidden in those for other arms of the Government. It has withstood Congressional attempts to require the sort of accounting to which other agencies are subjected. Only a few members of the House and Senate Appropriations and Armed Services Committees are given general briefings on its operations.

Representative John F. Taber, ranking Republican on the Appropriations body, defended the C. I. A. The upstate New Yorker said it had furnished adequate warnings on anti-United States feelings in Latin America to the State Department in advance of Mr. Nixon's departure.

The appropriations bill, \$18,492,398 below budget estimates, included the following:

- State Department—\$192,859,353.
- Department of Justice—\$229,410,000.
- The Judiciary—\$40,703,260.
- Information Agency—\$101,750,000.
- International cultural exchange and trade fair participation funds appropriated to the President—\$6,000,000.

3 JETS TO FORM 'POOL'

Hagerty Takes an Exception to Headline on Purchase

Special to The New York Times.
WASHINGTON, May 15—James C. Ha

Greyhound Corporation Offers Plan for Bus Terminal



This is the design of building proposed by the bus line for construction on Eighth Avenue between Thirty-third and Thirty-fourth Streets. The architect is W. S. Arrasmith.

GREYHOUND SEEKS 10 MILLION DEPOT

Continued From Page 1

dated bus terminal west of Eighth Avenue between Forty-third and Forty-fourth Streets, immediately challenged the Greyhound application.

The authority said in a letter to Mayor Wagner that the 1947 policy statement constituted a "solemn pledge" on the city's part. Without the pledge, the authority said, it would not have built its own \$24,000,000 terminal.

It contended, too, that the present city administration had made a similar pledge in asking the authority to build a new uptown bus terminal in Washington Heights at the New York end of the George Washington Bridge. The letter said:

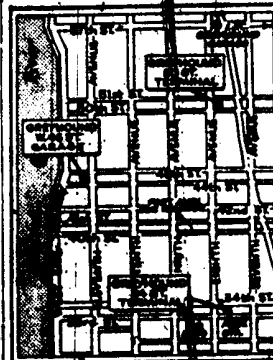
"Needless to say, the Commissioners of the Port Authority could not possibly proceed with the expenditure now of large sums of public funds for the Washington Heights bus terminal if Greyhound were ever successful in persuading the Planning Commission or the Board of Estimate to disregard the 1947 pledge."

Shortly after receiving the letter, signed by all ten members of the authority, Mayor Wagner said he would propose it for discussion at the next executive session of the board of Estimate. One is slated for next Wednesday.

In filing its application, Greyhound said the proposed terminal would relieve traffic congestion in midtown Manhattan, give better service to the 2,500,000 passengers who use the line's facilities here each year and help rehabilitate a rundown business section.

Wanted Close 50th St. Depot
The company proposed to close its Fifty-fifth Street terminal and garages at 612 West Forty-fifth Street, Manhattan, and 1212 Forty-third Avenue, Long Island City, Queens, if it is authorized to proceed.

Passenger operations would be consolidated on the ground



The New York Times May 16, 1958
Greyhound's Thirty-fourth Street terminal, planned for replacement; Fifty-fifth Street station and garages on Forty-fifth Street and in Long Island City (arrow) that would then be given up.

other than the ones it now has to use its facilities.

The present non-associated carriers using Greyhound terminals are: Asbury Park-New York Transit Corporation; Edwards Motor Transit Company, which runs through northern Pennsylvania to Cleveland; Grayline Tours of New York, a sight-seeing company; Arrow Lines, running to Hartford, Conn., and Warwick-Greenwood Stages, servicing the Catskills.

Mr. Genet and a Greyhound lawyer, Harold J. Drescher, said the proposed terminal was likely to give the city more than \$500,000 a year in taxes, compared with the \$140,000 the Port Authority pays in lieu of taxes on its terminal.

The new terminal site would run 550 feet east from Eighth Avenue along Thirty-fourth Street and 540 feet east on Thirty-third Street. The company's present terminal runs from Thirty-third to Thirty-fourth in the middle of the block.

The Greyhound officials denied the authority's contention that their plan was "basically the same as those turned down by the city at least eight times in the past ten years." They maintained that there had been "informal presentations to the

BUDGET HEAD ASKS SPENDING CAUTION

Continued From Page 1

000,000 in the fourth quarter, as the recession got under way.

The report said that "data so far point to a substantial further drop in profits since the first of the year."

President Eisenhower met again today with his new economic advisory group. It is made up of the Secretary of the Treasury, the chairman of the Federal Reserve Board, the chairman of the Council of Economic Advisors and the White House economic assistant.

The Federal Reserve Board reported today that department store sales were off again in the second week in May, compared with a year earlier. The year-to-year decline was 4 per cent in the week ended May 10, following an 8 per cent drop in the previous week.

Meanwhile, the Association of American Railroads reported that freight loadings in the week ended May 10 were up four-tenths of 1 per cent from the previous week but down 26 per cent from the corresponding week of 1957.

Talks With Britain Planned

LONDON, May 15 (AP)—Britain has sent its chief economic adviser to Washington for talks on the United States recession, official sources said today.

Sir Robert Hall, the economist, and Sir Leslie Rowan, a senior official of the British Treasury, are expected to sound out American officials on joint moves to avert international repercussions from the United States economic situation.

Auto Output Rises

DETROIT, May 15 (AP)—The nation's car factories will build 86,600 cars this week, highest volume in six weeks, Automotive News reported today. The total will compare with 78,506 assemblies last week and 127,590 in the like 1957 week.

AUTO UNION ORDERS

U. S. AGS TO LIMIT STATE OIL RIGHTS

Continued From Page 1

ernment has ever filed in the Supreme Court, according to Justice Department officials.

The source of the legal dispute is the Submerged Lands Act of 1953. The law gave the Gulf states all rights to minerals under adjoining seas to a distance of three miles from shore or to the states' "historic boundaries," whichever was farther.

Texas and the others in the suit — Mississippi, Alabama, Louisiana and Florida—contend that their boundaries were fixed at three marine leagues or more when they entered the Union. A marine league is 3.45 miles.

The Government's brief makes the central point that the United States has always regarded three miles as the limit of national sovereignty at sea under international law. Hence, it argues, any state coming into the Union had to conform to that boundary.

"Manifestly," the brief says, "state boundaries cannot extend beyond the national boundary."

"By annexing Texas the United States certainly did not commit itself to relinquish what has been a fundamental cornerstone of its world policy throughout its history, vital alike to its commercial, fishing and defensive interests, and to substitute a policy dictated by the late Republic of Texas."

"So to hold would mean in effect that Texas was not annexed to the United States, but that the United States was annexed to Texas."

Another major point in the brief is that the definition of the national boundary "is a political matter in the field of foreign affairs."

For this reason, the Justice Department argues, courts must accept the definition made by the "political branches of the Government." The brief says the State Department has made the authoritative decision on the seaward boundary—three miles.

The brief takes specific note of the fact that President Eisenhower in his 1953 campaign "expressed the opinion that the Texas boundary was three leagues from the coast."

To support that view, the brief says, the Justice Department asked Congress in 1953 to draw a line on a map specifically giving Texas rights out to three leagues. This would have affected only mineral rights, not the "boundary" of national sovereignty, it declared.

But instead Congress decided "to limit all states to their boundaries as they actually were."

The Government's suit asks the Supreme Court to make the five states pay over all royalties collected from oil production beyond the three-mile limit since 1950. The amount is now close to \$100,000,000.

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Iran Is Calm Despite the Revolt in Iraq

WAR GAMES FAIL TO SHAKE TORPOR

Observers Believe the Shah Is in Complete Control—U. S. Action Is Hailed

Continued From Page 1

forced the Shah to flee Iran briefly in 1953. is still alive but the masses seem to have forgotten him. There is acute dissatisfaction among the intellectual elite who decry a government in which all major decisions are made by the Shah. But this element is neither organized nor capable of mobilizing much force. The Tudeh (Communist) party has been effectively shattered by the security forces.

Efficient Secret Police

Iranians say that the Savak (secret police) is so efficient that a conspiracy in the army similar to the one that overthrew King Faisal of Iraq would be unthinkable here.

The Iraqi coup did not come as a complete surprise to Iran. Iranians have long regarded Iraq as the weak link in the Baghdad pact powers. However, the suddenness and brutality of the revolt did shock the government and foreign observers said that for a few days there was "real nervousness" over the threatened spread of Nasserism to the Persian Gulf.

But the landing of United States troops in Lebanon restored morale, they said.

Probably nowhere else in the Middle East has the United States intervention evoked such unrestrained approval as in Iran, the observers say. Iranians felt that without the Anglo-American countermoves, revolts would have toppled Lebanon and Jordan within a week and that the Persian Gulf sheikdoms would have succumbed in a matter of months.

Some intellectuals protested the intervention, charging that the United States was attempting forcible repression of Arab nationalism. But the wider reaction took little note of the moral aspects of the move and seemed inspired mainly by a feeling of relief that the United States, as a diplomat said, "was not afraid of the Soviet Union and that it would take steps to save the Middle East."

Enthusiastic Greeting

Western diplomats also were gratified by the enthusiastic greeting that the Shah received from crowds estimated at more than 200,000 Thursday on his return from the Baghdad Pact conference in Ankara.

Although this outpouring had been stimulated in part by loud-speaker trucks that drove through Teheran streets Thursday morning urging attendance along the Shah's route from the airport, observers indicated that

LEBANON AIDE SEES HOPE OF U.S. LEAVING

Dr. Karim Azkoul, Lebanon's chief representative to the United Nations, foresaw a hope yesterday that United States troops might be withdrawn from his country "within a few weeks."

The hope was made contingent on what happened to the Japanese compromise resolution in the Security Council today. Dr. Azkoul indicated his approval of the resolution. If adopted, he said, it might enable United Nations forces to replace the troops in "a few days or a few weeks."

The Lebanese representative said in an interview that he would make a detailed report to the Security Council today on armed infiltration and the smuggling of weapons into Lebanon.

Dr. Azkoul said his statement would emphasize the number of "arms smuggled in since the United Nations observer group" had set up its patrol in his country. He declined to give figures, in advance.

His report, based on data from Lebanese Government intelligence and other sources, will set forth, he said, "what the United Nations observers haven't been able to see."

Dr. Azkoul estimated that between 25 and 30 per cent of about 10,000 armed rebels were non-Lebanese. Against these forces, he said, the Government of President Samih Chamoun has an army of 10,000 and about 3,000 policemen. United States forces in Lebanon total about 10,000.

SYRIANS BOLSTER BORDER POSITIONS

Travelers Report Troops on the Heights Commanding Damascus-Beirut Road

BEIRUT, Lebanon, July 20 (UPI)—Travelers arriving in Lebanon from Damascus today reported that Syrian troops were digging in and strengthening positions close to the Lebanese border.

The travelers said military preparations were progressing on both sides of the Beirut-Damascus highway from the Syrian border fifteen miles into Syrian territory.

All strategic points on the heights commanding the vital highway were occupied by Syrian troops, the travelers said.

Some concentrations were reported to be large and easily spotted from the road. Others were being camouflaged.

Considerable digging was in evidence along the road itself, apparently for tank traps or land-mine fields.

Military traffic was heavy on the road. Checkpoints were established close to the Lebanese frontier.

United States Navy planes backing up the American Marine and Army forces in the revolt-torn city of Beirut were flying reconnaissance missions near the border.

There were reports yesterday that Soviet M. I. G. jet fighters had landed at Damascus. These reports could not be confirmed, and United States Embassy officials in Beirut, tended to discount them.

C. I. A. OVERHAULING DEMANDED BY MORSE

WASHINGTON, July 20 (AP)—Senator Wayne Morse, Democrat of Oregon, said today that the Central Intelligence Agency had failed to call the turn on the overthrow of Iraq's pro-Western government. He urged a thorough overhauling of the agency.

Senator Morse, a member of the Foreign Relations Committee, said "our intelligence was just plain lousy—they didn't know what was going on." He gave his views in a transcribed radio program.

A frequent critic of Administration foreign policy, Mr. Morse said he was shocked at how bad the agency, headed by Allen W. Dulles, brother of Secretary of State Dulles, looked in the matter.

The Senator also said he was shocked that President Eisenhower had not informed Congressional leaders at a White House conference last Monday that he already had ordered United States Marines "on their way to the area of Lebanon." He said Congress should have been consulted in advance of that decision.

Defense chief urges vigilance on Soviet forces. Page 10
Norstad declares West still holds balance of power. Page 12
European Common Market plans wait on de Gaulle. Page 13
Dr. Eisenhower starts difficult phase of tour. Page 14
Bogota is tense as new Congress convenes. Page 14
Domestic Japanese airlines serving 21 cities. Page 40

Government and Politics

The Senate hopes to complete action this week on the Reciprocal trade renewal bill, in a form acceptable to the Administration. The House is expected to continue its investigation of Sherman Adams and his reported intervention on behalf of a New Hampshire textile mill in a dispute with the Army. [1:1.]

L. Juddon Morhouse, Republican state chairman, threw his support to Mrs. May Proctor Davis in the battle for control of the New York County Republican Committee. [1:1.]

Ransom notes on people and events in Washington. Page 15

General

A survey showed that the city was in effect subsidizing slum housing through the more than \$45,000,000 a year it pays for the rent bills of welfare clients. [1:3.]

Anti-bias laid to faulty guidance device. Page 10

Cincinnati Post purchases rival Times-Star. Page 14

Fund for Republic to study American freedoms. Page 23

\$438,000 asked to widen Brooklyn route. Page 23

City gets seventy complaints on housing bias. Page 23

Ford Fund grants \$1,440,000 for delinquency study. Page 28

Ridgefield youths pick up discarded beer cans. Page 23

Congress to consider Ringwood mine problem. Page 23

Boy, 10, absorbs sciences plus TV classics fore. Page 23

Skin divers fail to find 187-year-old wreck. Page 40

Harlem fire set by boy kills child. Page 42

Industry and Labor

Eight thousand cap makers may strike tomorrow. Page 22

New "general staff" set up for dress union. Page 22

Pit dug near Hudson River for nuclear plant. Page 23

Ship charter rates up in Middle East reaction. Page 40

Religion

Several sermons deal with Lebanon crisis. Page 24

Business dishonesty hit at St. Patrick's. Page 24

Amusements and

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AGENCY DEFENDED BY ALLEN DULLES

Intelligence Service Chief Says Record Is Better Than Public Realizes

Allen W. Dulles, director of the Central Intelligence Agency, defended it yesterday against criticism that it had failed to alert Washington about the impending Suez and Iraqi crises. "Sometimes—not always—our record is much better than the press would have you believe," he explained. "We are far from perfect but we are improving."

An advance press release of Mr. Dulles' text, issued by his office, read that his agency's record was sometimes much better than "we can publicly advertise." He omitted these four words from his delivery and substituted the foregoing reference to the press.

Mr. Dulles spoke at the twenty-fifth anniversary meeting of the Practicing Law Institute in the auditorium of the Association of the Bar of the City of New York.

"We have to be willing to take a good bit of ribbing from the public and the press," he said, describing the problems of his agency.

With Agency Since 1950

Mr. Dulles, who has been connected with the agency since 1950, when Harry S. Truman was President, said that under the Eisenhower Administration the agency had a "real chance to sell our wares" and its reports were not "pigeonholed."

"Comprehensive intelligence reports reach the highest levels of government and are given careful consideration," he went on. "We have the opportunity to present our view of developing events to those who have the responsibility for making the policy to deal with them. I also make a weekly oral report to the National Security Council."

"If I don't report a coup coming in Iraq the blame is on me. If I report it and nothing is done the blame is on the policy committee."

He said the agency estimated that the Communists would not voluntarily run the risk of general war, but "we have to weigh the dangers of miscalculations and misinterpretations—the danger of war by accident rather than calculation."

Mr. Dulles said the United States led the Soviet Union in "over-all military capabilities," though he conceded there was no room for complacency.

Reds' Resort to War Doubted

He said the intelligence agency had "every evidence" that the Soviet and Chinese Communists, while building up their military power, would seek their "proclaimed aim of world domination" by means "short of war, even local war."

The Communists will attack the free world on two major fronts—economic warfare and subversion, he predicted.

Mr. Dulles said the peoples of the Soviet



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"Comprehensive intelligence reports reach the highest levels of government and are given careful consideration," he went on. "We have the opportunity to present our view of developing events to those who have the responsibility for making the policy to deal with them. I also make a weekly oral report to the National Security Council."

"If I don't report a coup coming in Iraq the blame is on me. If I report it and nothing is done the blame is on the policy committee."

He said the agency estimated that the Communists would not voluntarily run the risk of general war, but "we have to weigh the dangers of miscalculations and misinterpretations — the danger of war by accident rather than calculation."

Mr. Dulles said the United States led the Soviet Union in "over-all military capabilities," though he conceded there was no room for complacency.

Reds' Resort to War Doubted

He said the intelligence agency had "every evidence" that the Soviet and Chinese Communists, while building up their military power, would seek their "proclaimed aim of world domination" by means "short of war, even local war."

The Communists will attack the free world on two major fronts—economic warfare and subversion, he predicted.

Mr. Dulles said the peoples of the Soviet Union and Communist China "tend to accept with resignation" their governments' demands to catch up with the United States economically and to postpone their own enjoyment of the fruits of their labors.

"We must expect very tough competition," he predicted. He noted that Soviet steel production, half that of the United States in 1957, had jumped to 70 or 75 per cent during the recession here this year.

He said the evolution of free institutions in new countries depended on their achievement of a higher degree of education and discipline.

An audience of several hundred applauded when Mr. Dulles was praised by former Gov. Thomas E. Dewey, another speaker. Mr. Dewey said Mr. Dulles had directed the intelligence agency "with a skill, devotion and self-effacement rarely seen in public life."

U. N. KOREAN AGENCY REPORTS GAINS MADE

Special to The New York Times.
UNITED NATIONS, N. Y., Oct. 15—The United Nations Korean Reconstruction Agency issued what was essentially a final report today.

The report of the agency, established in December, 1950, to help battered South Korea restore its economy, was signed by Lieut. Gen. John B. Coulter, the agent general of the agency.

The agency's "aerial and technical help programs got under way in 1952. They were financed by \$148,500,000 donated by thirty-four non-Communist members of the United Nations and five non-member states. The United States gave the most money—\$82,902,415.

According to the report, material and technical help has been supplied on 4,919 projects in South Korea. Work has been completed at all but eighty-nine.

Among the industrial plants constructed were a 300,000-ton-a-year cement plant, and

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EX-AIDES ASSAIL U.S. POLICY ABROAD

'Defensive' Posture Is Focus of Attack in Opinions Told to Senate Unit

By F. W. KENWORTHY

WASHINGTON, June 27. A number of high-ranking retired officers of the Foreign Service have combined to express their views, often sharply critical, of United States foreign policy. When not critical of the policy, in many cases they have expressed reservations about the way it is being conducted.

The views of these officers, most of them former Ambassadors, are set forth in an eighty-one-page pamphlet made public today by the Senate Foreign Relations Committee.

The pamphlet presents a wide-ranging, detailed, personalized and often pungently worded analysis of United States foreign policy, the State Department and the Foreign Service.

It is believed here that the thin volume is bound to stir up controversy. It is also believed that the Eisenhower Administration and the State Department do not view with equanimity the publication of these forthright views.

Views of 50 Requested

Last January an executive committee of the Foreign Relations Committee sent letters to about fifty retired Foreign Service officers. The letters invited the officers to submit their views on "what is right with our policies, what is wrong with our policies, and what action (or inaction) might in your opinion, that serve our interests in the future."

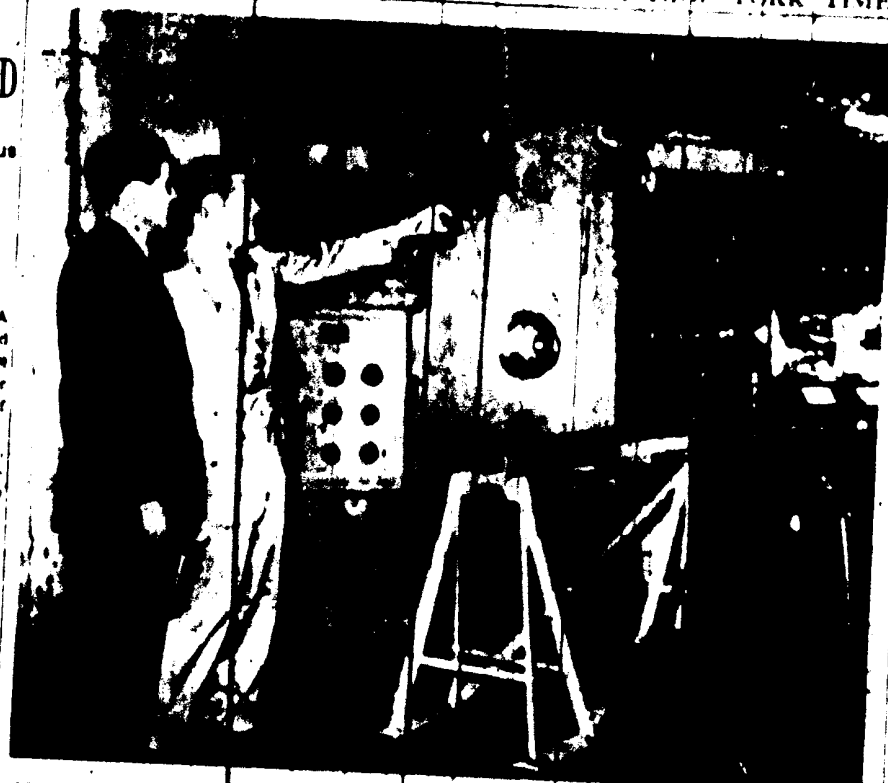
The list was compiled largely on the advice of Loy Henderson, Deputy Under Secretary of State for Administration. About 60 per cent of the list were former Ambassadors, the remainder Colonels and Class 2 officers. Roughly thirty-five responded.

Senator J. W. Fulbright of Arkansas, committee chairman, said that the committee, in an effort "to provide a balance" to the views of the retired officers, had asked the State Department to cooperate in obtaining comments from ambassadors now on duty, with the same protection of anonymity.

The Department of State, Mr. Fulbright, a Democrat, said, was not willing to agree to the committee's request.

The Senate committee promised that names would be withheld if it decided to publish the responses.

The chief fault that several officers found was the "defensive" posture of United States policy. "This one officer wrote: 'The crux of the matter may be expressed in a parallel from the field of sport. If two teams were engaged in a game of football in which one was always in possession of the ball, and the other always on the defensive, the one that remained constantly on the defensive would eventually get kicked.'"



AMERICANS VISIT SOVIET ATOMIC PLANT. Gov. Cecil H. Underwood, left, of West Virginia and Robert F. Kennedy of Idaho look over equipment at research facility at Dubna, where bomb atom smasher is installed. Mr. Underwood and Mr. Kennedy visited Dubna, ninety miles north of Moscow, with five other U.S. Governors on Friday.

to win propaganda victories where there is no very little we have done in the last six years long since that is worth crowing about.

Politics Called Naught

"We have had no new ideas like the Marshall Plan or like NATO, or the military strength in the world. There was one extremely sharp criticism of the Central Intelligence Agency.

Another respondent found the basic foreign policies sound, but urged that the United States stop trying "to make the world over to our own image."

"Perhaps we should strive to bring about conditions in which states wishing to maintain their political independence may do so without outside interference and may develop whatever kind of government they feel best serves their political advancement."

On the vexed question of Communist China there was little agreement. One officer wrote:

"I see absolutely no evidence to support the belief that recognition by the United States would be followed by a significant easing of subversive activities in the Far East and Asia. On the other hand I do not believe there is much validity in our continuing to pressure our friends to refrain from trading with Communist China."

Others questioned the usefulness of nonrecognition. One officer said:

"It is when we thoroughly disapprove of a government when we have reasons to fear the intentions of that government, that diplomatic relations are most important."

Policy on Islands

These islands which should have been quietly evacuated several years ago.

Several letters contended that the NEATO and Baghdad Pact alliances were a political liability being merely provocative without adding commensurate military strength to the world.

There was one extremely sharp criticism of the Central Intelligence Agency.

It is true that there is little accurate information available but every senior officer of the Department of State and every senior officer of the Foreign Service has heard something of John Foster Dulles for what C. I. A.'s subversive efforts in foreign countries and probably most of them have some ambassadors in the conduct of C. I. A. operations of this nature in some particular case.

Unfortunately most of these activities seem to have been what might be called perpetrating blundering affairs and much of them, seem to have continued as a result of the disadvantage of government's being in a terrible failure.

The situation is exaggerated by the fact that in most diplomatic and consular establishments abroad espionage agents of the C. I. A. are stationed masquerading as diplomatic and consular officers.

A Frightening Apparatus

The Foreign Relations Committee said that one letter pictured a "rather frightening, all-pervasive" security apparatus in the State Department "which constantly checks both the public and private lives of decision-making personnel of authority overseas."

There is a widespread impression that since the death of Senator (Joseph R.) McCarthy...

AGENCIES UNITING TO AID REFUGEES

Geneva Is Headquarters for Various Groups Assisting in Year for Homeless

GENEVA, June 27. In a small, dimly lit office on a back street a group of dedicated men and women are helping to develop public support in all lands for World Refugee Year.

They are the headquarters staff of the International Committee for World Refugee Year. The committee represents the united forces of more than sixty international and national voluntary agencies.

Another hard-working group is the United Nations staff laboring in a crowded two-story rented house under the direction of Claude de Kéroulart, special representative for World Refugee Year of the United Nations Secretary General.

Unable to find space in the Palais des Nations sprawling European center of the United Nations, M. de Kéroulart, a Frenchman, settled for a small villa on a narrow, residential side street near by. From there, between whirlwind trips to ring the world's horizons, he directs the United Nations effort to help its member states make good their pledges to dramatize the plight of the refugees.

High Commissioner Helps

Working with this special United Nations unit is the headquarters here of the United Nations High Commissioner for Refugees, Dr. Auguste R. Lindt. Scattered around the city are such organizations as the World Council of Churches and the League of Red Cross Societies, which are asking their member units to make World Refugee Year a big success.

The International Committee was established here in March by the standing conference of voluntary agencies working for refugees. It started with twenty-one participating nongovernmental agencies engaged in relief work at the international level.

By the close of its second plenary session here Tuesday, the committee expects to announce that its membership has risen to close to seventy. Odd Nansen, chairman of the Norwegian committee for the refugee year will preside.

The committee unites organizations of all faiths as well as non-denominational groups. Among the agencies represented are the World Jewish Congress, the World Union of Catholics, the Women's Organizations, the World Council of Churches, the American Friends Service Committee and the International Confederation of Free Trade Unions.

The chairman of the International Committee's nine-man executive committee is Dr. Elly Rees, British member of the Commission of the Churches to the International Affairs, who has long worked for the refugee cause.

History has placed upon us, it is said, the task of being uprooted and wandering.

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The list was compiled largely on the advice of Loy Henderson, Deputy Under Secretary of State for Administration. About 60 per cent of the list were former Ambassadors, the remainder (Class 3 and Class 2 officers). Roughly thirty-five responded.

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Another said: "The propaganda of the word is an empty sounding thing without the propaganda of the deed. It is foolish to expect the United States Information Service with its Voice of America



AMERICANS VISIT SOVIET ATOMIC PLANT Gov. Cecil H. Underwood, left, of West Virginia and Robert E. Smylie of Idaho look over equipment at research facility at Dubna, where huge atom smasher is installed. Mr. Underwood and Mr. Smylie visited Dubna, sixty miles north of Moscow, with five other U.S. Governors on Friday.

to win propaganda victories where there is so very little to be won in the last six years that is worth crowing about.

Policies Called Rugged
"We have had no new ideas like the Marshall Plan or like NATO, or the like. What we have had instead is a general slide downhill, with a great deal of moralizing pumped out to fill the gaps in our strength."

Another respondent found the basic foreign policies sound, but urged that the United States stop trying "to make the world over to our own image."
"Preferably we should strive to bring about conditions in which states wishing to maintain their political independence may do so without outside interference and may develop whatever kind of government they feel best serves their needs in their particular stage of political advancement."

On the vexed question of Communist China there was little agreement. One officer wrote:

"I see absolutely no evidence to support the belief that action by the United States would be followed by a significant easing of subversive activities in the Far East and South Asia. On the other hand, I do not believe there is much validity in our continuing to pressure our friends to refrain from trading with Communist China."

Others questioned the usefulness of nonrecognition. One officer said: "It is when we thoroughly disapprove of a government, when we have reasons to fear the intentions of that government, that diplomatic relations are most important."

- Policy on Islands Sounded
There was considerable criticism of the Administration's policy on the off-shore islands. "I do not see that we are under any treaty or other obligation to assist the National Government in the defense of

these islands which should have been quietly evacuated long since," said one writer. Several letters contended that the REATO and Baghdad alliances were a political liability being merely "provocative without adding commensurate military strength" to the world.

There was one extremely sharp criticism of the activities of the Central Intelligence Agency.

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"Unfortunately most of these activities seem to have been blundering affairs and most if not all of them seem to have resulted to the disadvantage of the United States and some do times in terrible failure. It is a pity that in most diplomatic and consular establishments abroad C. I. A. are stationed and their activities are being carried out by our own officers."

A 'Frightening' Apparatus
The Foreign Relations Committee said that one letter pictured "a rather frightening all-pervasive, security apparatus in the State Department, which constantly checks both the public and private lives of State Department personnel. The letter said in part:

"There is a widespread impression that since the death of Senator Joseph R. McCarthy and the removal of Scotty McLeod (former head of the Bureau of Security and

Control) Affairs to a post where his influence for evil is greatly reduced, the excesses and injustices of the security program have come to an end. It would indeed appear from all reports that they have been greatly reduced, but it must not be forgotten that the security program has become a habituating agent. There is a large and gathered body of men in the Department of State whose sole business is to spy upon and report upon their colleagues and associates."

There was much criticism of the late Secretary of State John Foster Dulles for what was described as his usurpation of the traditional role of the Secretary of State in the conduct of negotiations. One critic said: "I believe also that grounds in the Foreign Service has been impaired by the increase in blundering affairs and most if not all of them seem to have resulted to the disadvantage of the United States and some do times in terrible failure. It is a pity that in most diplomatic and consular establishments abroad C. I. A. are stationed and their activities are being carried out by our own officers."

I do not believe that the interests of our country are being served by having a permanent Secretary of State who apparently leaves little of his time to be done by his subordinates and our ambassadors. Finally, several officers called for a halt in the multiplication of personnel, the proliferation of agencies, the spall's pace of decision making and the division of authority overseas.

One said that the number of overseas employees had passed all bounds of reason. Another called for a reduction of 40 to 60 per cent. Similar cuts in State Department employees were suggested.

Another hard-worked is the United Nations. laboring in a crowded, two-rented house under the direction of Claude de Kéroulart, a Frenchman settled for a smattering on a narrow, residential side street near by. From the between whirlwind trips to the world's hotbeds he directs the United Nations effort. Help its member states make good their pledges to dramatize the plight of the refugees.

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The committee writes grants to all faiths as well as to interdenominational groups. Among the agencies represented are the World Jewish Congress, the World Union of Catholic Women's Organizations, the World Council of Churches, the American Friends Service Committee and the International Confederation of Free Trade Unions.

The chairman of the international committee is Dr. Eli Asser, British member of the Commission of the Churches on International Affairs, who has long worked for the refugee cause.

"History has placed upon us who have been spared the suffering of being uprooted and displaced, the binding responsibility of helping those

5110

issue comes down to a Dutch complaint that F... letting the best... in the farm market. The Belgian reply is that Dutch farm exports are substantial.

A case in point is the complaint of the gigantic Dutch dairy processing organization of cooperatives in Friesland. Executives give these figures: Their butter sales to Belgium right after World War II were 20,000 tons a year. Now they are negligible. Their exports amounted to 20,000 tons and evaporated milk to 18,000. Both products have suffered a severe drop in sales because of Belgian levies.

The Friesland dairy executives hold that Belgium is developing a milk industry under tariff protection and that this is unnecessary when such an abundant supply is available in the Netherlands.

U. S. ASKED TO CHECK KHRUSHCHEV BOAST

LOS ANGELES, Oct. 3. Kenneth Hahn, Los Angeles County Supervisor, disclosed today that he had requested Congress to investigate charges made by Soviet Premier Khrushchev during his visit here that the United States Central Intelligence Agency was a farce.

Mr. Hahn said Premier Khrushchev had derided the C. I. A. while in the company of Victor Carter, who served as official guide for the Russian leader during his visit in Los Angeles.

The conversation occurred, Mr. Hahn stated, when Mr. Khrushchev and his party were returning to the Ambassador Hotel following a swing through the San Fernando Valley.

In identical letters to Lyndon B. Johnson, the Senate majority leader, and Sam Rayburn, the Speaker of the House, Mr. Hahn said he believed a Congressional investigation was imperative because of the "potential threat to the security and safety of the United States."

Mr. Hahn quoted Mr. Carter as saying that Premier Khrushchev had boasted that important diplomatic and military communications to and from the United States had been intercepted by Soviet agents.

Mr. Hahn said Mr. Carter told him that when American officials expressed doubt, Mr. Khrushchev offered to send them copies of the documents.

The supervisor said Mr. Carter did not know whether the offer had been accepted.

Tunisian Court Dooms 15

TUNIS, Oct. 3 (Reuters).—The Tunisian High Court of Justice today sentenced fifteen men to death, including seven in absentia, after a trial in which 128 persons were accused of a plot to kill President Habib Bourguiba. Among those sentenced to death was Salah Mhadjar, a close associate of the exiled Salah Ben Youssef, opponent of President Bourguiba.



10/11/59