

KHANH PLANNING TO RESUME POST, TAYLOR REPORTS

Ambassador Visits General at Resort and Finds Him 'Rested and Recovered'

JOB WOULD BE PREMIER

Buddhists Join Students in Calling Moratorium of 2 Months on Protests

By PETER GROSE
Special to The New York Times
SAIGON, South Vietnam, Aug. 31—The United States Ambassador, Maxwell D. Taylor, conferred with Maj. Gen. Nguyen Khanh for two hours today and reported that the general, "rested and recovered from his heavy workload," expected to return to Saigon as Premier within a few days.

The Ambassador and his deputy, U. Alexis Johnson, flew to the mountain resort of DaLat, where General Khanh was recuperating after the tension and violence of last week in Saigon. In a statement after the talks Ambassador Taylor clarified the position of Dr. Nguyen Xuan Canh, saying that he was only acting as Premier in General Khanh's absence. Dr. Canh, who was a Deputy Premier in General Khanh's Government, assumed his post Saturday.

American Aid Effort

After the mob violence of last week, American and Vietnamese officials are struggling to re-estate the governmental situation that prevailed on Aug. 15, the day before General Khanh promulgated a new Constitution placing himself at the head of a presidentially dominated regime.

The new setup was canceled after it aroused protests by Buddhists and student mobs. [Buddhist leaders joined students in pledging a two-month moratorium on demonstrations, United Press International reported. The Buddhists said they would call a general strike if the Government failed to produce democratic reforms by Oct. 27, the news agency added.]

An aide of General Khanh denied today that Ambassador Taylor had lent his personal support to Maj. Gen. Duong Van Minh in an effort to unseat General Khanh.

Calls Saigon by Phone

The aide said General Khanh had telephoned Saigon upon hearing that this implication was being drawn from an interview he had granted to the reporter, Beverly Seargey. The interview was published today in The New York Herald Tribune.

"The general wanted to make clear that he spoke of the 'personal friendship' of Taylor and Minh, but never said Taylor had given Minh political backing against Khanh himself," the aide said.

General Khanh attributed the misunderstanding to the absence of an interpreter during the interview.

The personal friendship of Ambassador Taylor and General Minh is widely discussed in Saigon. They played tennis together about a half-dozen times during Mr. Taylor's visits to Vietnam when he was a general at the head of the Joint Chiefs

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Pairing Foes Lose Referendum Move

By ROBERT E. TOMASSON

Pope Said to Plan Jerusalem Center For Study of Faiths

By The Associated Press
ROME, Aug. 31—Pope Paul VI was reported tonight to be planning to build in Jerusalem a permanent center for the study of comparative theology to promote Christian unity and better relations with non-Christian faiths.

A high Vatican source said both Christian and non-Christian scholars would explore the world's religious beliefs at the center.

The source described the center as a personal project of Pope Paul's, envisioned as a lasting monument to his historic January meeting in the Holy Land with Patriarch Athenagoras of the Orthodox Church. The Pope was said to have worked on the plan ever since.

Private American contributions will pay part of its cost, the source added.

He said the research in comparative theology "will pay special attention to Oriental religions."

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KHRUSHCHEV TALKS WITH CZECH CHIEF

Accord Reported in Prague on Split in Bloc—Germany Also Believed to Be Topic

By DAVID BINDER
Special to The New York Times
PRAGUE, Aug. 31—President Antonin Novotny of Czechoslovakia and Premier Khrushchev began talks today at Hradcany Castle on the split in the Communist movement and relations between their two countries.

An interim report issued this evening by Ceteke, the official press agency, said the discussions "confirmed the unity of our views" on all matters. Problems of the "international Communist movement" were a principal item on the agenda, the report said.

The Foreign Ministers of Bulgaria, Hungary and Poland appeared tonight at a Government reception in the castle. Asked what he was doing here, Adam Rapacki, the Polish Minister, said, "I have been here on vacation for five days."

The Hungarian Minister, Janos Peter, also said he was here on vacation. "There are such coincidences," he remarked. Ivan Bashev, the Bulgarian Minister, said he was vacationing, too. All said they would leave Prague in a day or two.

Their presence led to speculation that a new move concerning West Germany was under consideration. It was suggested

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ACHESON TO LEAVE DEADLOCKED TALK ON CYPRUS CRISIS

Return to Geneva Indefinite—He Will Meet Johnson and Rusk on Problem

By TAD SZULC
Special to The New York Times

WASHINGTON, Aug. 31—Dean Acheson, special United States representative at the mediation talks on Cyprus, will return from Geneva Friday because the talks are deadlocked.

Officials insisted that, despite the stalemate, Mr. Acheson's departure should not be construed as a collapse of the United Nations-directed mediation effort because the Security Council's Cyprus conciliation mandate remained in force and the "bargaining" had not been broken off.

(Reuters reported from Geneva that reliable sources there said "the talks as we know them are finished." The negotiations were halted by a communique issued last week in which Premier George Papandreu of Greece and President Makarios of Cyprus declared they wanted the Cyprus question handed over to the General Assembly in November.)

Consultations Planned

The State Department announced tonight Mr. Acheson's plan to return, saying that he would consult with President Johnson and Secretary of State Dean Rusk on his conversations with the President and the Secretary what further help the United States might extend in resolving this problem.

Robert J. McCloskey, the department's spokesman, said that while the Geneva talks had narrowed the gap between Greece and Turkey, "it was not possible to find a solution acceptable to both sides."

The Cyprus crisis began last Christmas when fighting broke out between the majority Greek Cypriotes and the minority Turkish population on the island.

Revised Charter Sought

At issue were Greek Cypriote efforts to amend the Constitution, which the Greek community contended, gave the Turkish minority excessive power to block legislation.

The fighting on the island led the United Nations to organize a peace-keeping force.

Washington officials said that Mr. Acheson was leaving Geneva for "the time being" and that it would be determined later whether he should return. They stressed that he would be available to resume his assignment if needed.

Mr. Acheson, a former Secretary of State, is expected to

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HIS PARTY'S CHOICE: Senator Kenneth B. Keating with Republican leaders after he was renominated at convention here. From left: Fred A. Young, state chairman; Governor Rockefeller; Gordon A. Howe, Monroe County manager; Senator Jacob K. Javits and Mr. Keating; Mayor Bernard Schwartz of Auburn, and Thomas E. Dewey.

PATMAN ATTACKS 'SECRET' C.I.A. LINK

Says Agency Gave Money to Private Group Acting as Its Sub Rosa 'Conduit'

By United Press International

WASHINGTON, Aug. 31—Representative Wright Patman disclosed today that the Central Intelligence Agency had given money to a private foundation, that, he said, had served as a "secret conduit" for the agency. The Texas Democrat quoted an unidentified official of the agency as having said that the intelligence agency had had an "arrangement" with the J. M. Kaplan Fund of New York City from 1959 until some time this year.

The Internal Revenue Service, which is investigating the foundation's tax-exempt status, confirmed that the intelligence agency had given financial support to the Kaplan Fund. But a spokesman for the service said he knew of no working arrangement between the two groups.

Mr. Patman did not elaborate on his statement that the agency had used the fund as a "secret conduit." It is known, however, that the agency uses such a compromise offering to those on Social Security the option of receiving a substantial amount of cash plus health insurance benefits. No votes are

Continued on Page 10, Column 1

New Plan on Medical Care Offered in Senate Conflict

By MARJORIE HUNTER
Special to The New York Times

WASHINGTON, Aug. 31—The Administration opened its medical-care fight in the Senate today, by proposing a new package embracing both health insurance and increased cash benefits under Social Security.

The move came after opponents had struck the first blow by proposing to raise Social Security cash benefits to such a high level that Federally financed health insurance would be squeezed out. Caught off guard, Administration leaders gathered in the office of Mike Mansfield, Senate majority leader, to draft their new package.

Added Feature Set

The new Administration proposal would provide essentially the same hospital and nursing home benefits called for under the original plan, known as the King-Anderson bill. It would also provide an added feature, a \$7 monthly cash benefit increase for those on Social Security.

The new package seeks to open the way for possible compromise with the House, which earlier passed a bill providing only cash benefit increases but no health insurance plan.

Administration forces, if the bill clears the Senate and goes to conference, would most likely seek a compromise offering those on Social Security the option of receiving a substantial amount of cash plus health insurance benefits. No votes are

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LABOR DELEGATES ENDORSE JOHNSON

State Group Still Split on Kennedy—Mayor, to Place Him in Nomination Today

By EMANUEL PERLMUTTER

A major labor group gave a rousing endorsement to President Johnson and Senator Hubert H. Humphrey here yesterday.

However, it remained divided on whether to support Attorney General Robert F. Kennedy, who is to be named as the Democratic candidate for Senator from New York today.

Fifteen hundred delegates to the annual convention of the New York State American Federation of Labor and Congress of Industrial Organizations endorsed the Democrats' national ticket after hearing their president, Raymond R. Corbett, call upon organized labor to "bury" Senator Barry Goldwater in the Presidential election.

800 Votes Expected

They also heard Mr. Corbett and Mayor Wagner denounce the Republican candidate as an extremist, a reactionary and a warmonger.

Mr. Kennedy will be placed in nomination by Mayor Wagner at the State Democratic Convention in the 71st Regiment Armory on Park Avenue. His backers expect him to receive the votes of more than 800 of the party's 1,144 delegates.

The Attorney General met privately yesterday in his suite at the Carlyle Hotel with 60 upstate labor leaders. Later, one of his spokesmen described the conference as "fruitful," but sources on the federation's 27-man executive council said labor leaders remained stalemated on whether to recommend that the A.F.L.-C.I.O. convention endorse him.

Some Prefer Keating

Although the indications are that the council will make no recommendation, the consensus of the delegates was that Mr. Kennedy would receive the convention's endorsement tomorrow, but only after a floor fight.

Some delegates said they planned to call for the endorsement of Senator Kenneth B. Keating, the Republican nominee, if a resolution of support for Mr. Kennedy was introduced from the floor.

to Mr. Ken-
asp. Some

TRUCKING STRIKE IS AVERTED HERE

2-Week Contract Extension Is Approved by Companies and 3 Teamster Locals

By DAMON STEFSON
A trucking strike that might have seriously damaged commerce in the city was averted temporarily yesterday.

Mayor Wagner announced at 5 P.M. that representatives of three teamster locals and of 1,500 trucking companies had agreed on a two-week extension of contracts scheduled to expire last midnight.

The trucking companies agreed, at the Mayor's request, to make any wage increases retroactive to today. Earlier, the companies had balked at such retroactivity.

"As public-spirited citizens, we had no alternative except to go along with the Mayor and avoid a strike," said Joseph M. Adelizzi, managing director of the Empire State Highway Transportation Association. The association represents 1,200 trucking companies.

The three locals are 282, 807 and 816 of the International Brotherhood of Teamsters. A. A. Desser of the Federal Mediation and Conciliation Service reported that seven teamster locals in New Jersey and the employer groups dealing with them had agreed to 15-day extensions with retroactivity. He listed the locals.

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Philadelphia Police Find Arms in Raid

By JOSEPH LILLYVELD
Special to The New York Times

Grade Schools in Mississippi Are Integrated



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Re- of th to o. nom- ination ceph drew- urg- Be

Rob- and off- up-

A 300- Con- nati- veit- repl- and ro- sion- tion- (part)

T- figu- tion- ing- F- ard- Tho- the- Jac- the- Cha- tive- inal- Sta- F- Ma- hon- E-

veri- Mr- app- to- con- A- dra-

Co-

P/ B/

Se- p.

Aut- a- fac- can- Se-

lov- see- fe- Ke-

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asp. Some

Patman Says C.I.A. Gave Money To a Foundation in 'Secret' Pact

Continued From Page 1, Col. 4

disclosing the agency's pay-
ments to the fund because
thought he had been "paid
with" in connection with
case. The agency, following
tradition of strict secrecy,
no comment.

Mr. Patman's disclosure
public hearing of his bill
Small Business Adminis-
tration. The source of some
cern and embarrassment to
Internal Revenue officials at
tending as witnesses the
agency's involvement with
Kaplan Fund was a secret
shared by only a few persons
in official Washington.

Mitchell Rogovin, as-
sistant to Kaplan Fund, 55
Fifth Avenue, the
Commissioner of Internal
Revenue, said that until
10, the date of the last
subcommittee hearing on
subject, he was the only
present. Jacob M. Kaplan,
president of the service
and treasurer, is chairman
of the C.I.A.-Kaplan re-
lationship.

Even the New York Dis-
trict office of the Revenue
Service, Grape Juice Com-
pany and for which is con-
ducting the Kap-
lan investigation, was not
aware of the relationship,
Mr. Rogovin said.

The Revenue Service has
been examining the Kaplan
Fund for several years to
determine whether it should
be permitted to retain its
tax-exempt status. The fund
has contributed money to
a number of charitable and
educational projects, par-
ticularly in the New York
City area.

Mr. Patman's subcommittee
has been reviewing the tax-
empt status of certain founda-
tions to see whether some
of them are taking advantage
of it.

Mr. Rogovin told Mr. Patman
today he had informed the
Intelligence Agency of his
Revenue Service's interest
in the Kaplan Fund. But he
denied there was any "arrange-
ment" among the agency, the
service and the fund.

Mr. Patman otherwise said
the agency official told
Mr. Rogovin, "it was a poor
choice of words."

What seemed to bother Mr.
Patman was whether the agency
knew the Kaplan Fund was
under the scrutiny of the Re-
venue Service.

He explained that he
had not planned to make public
a matter touching on "foreign
affairs" but indicated he
had been irked by his difficulty
in getting all the information
wanted about the case.

He said he had asked his
informant in the intelligence
agency to tell him the month
the agency had given money
to the foundation, and which per-
sons in the agency had selected
the fund.

The agency did not provide
the answers, Mr. Patman said.
He then decided to go on
that to break a confidence and
make the issue public was the
only way he could get mean-
ingful information.

"I feel I have been treated
with," he said.

Mr. Rogovin and the acting
Commissioner of the Revenue
Service, Bertrand M. Harding,
agreed to discuss confidential
aspects of the case privately
with Mr. Patman.

Later in the day, Mr. Rogovin
and Mr. Harding met privately
with Mr. Patman and refer-
entatives of the intelligence
agency. Afterwards, Mr. Pat-
man said he was convinced
"no matter of interest to the
subcommittee relating to the
C.I.A. existed."

Mr. Patman charged that
Aug. 10 that Mr. Kaplan
used the foundation to further
his business empire.

Mr. Kaplan, he said, "is
well known in the so-called
"cover" business."
He has waged a number of
"battles in this field," Mr. Pat-
man continued. "In some of
foundation investigation."

COURT REJECTS VOTES ON PAIRING

Continued From Page 1, Col. 4

regation program — sched-
uled for implementation Sept. 14,
the opening day of school calls
for the pairing in Manhattan,
Brooklyn and Queens of five
predominantly white elemen-
tary schools with five largely
Negro schools nearby.

According to the board, these
pairings, which are part of a
larger integration plan, will
not only improve the schools
racial balance, but will also im-
prove educational and student
services.

In his suit, Mr. Reuss sought
to have Justice Fine declare
invalid a petition with more
than 20,000 signatures seeking
to amend the City Charter, to
effect, prevent the board from
this, in effect, supercede state
law.

puruing any policy contrary
to the traditional concept of
the neighborhood school.
However, neither pairing, nor
provision were mentioned in
the suit or the decision. Neigh-
borhood schools also were not
defined.

Some confusion has arisen
whether school means the school
nearest a child's home or simply
within the boundaries of a
recognized neighborhood, such
as the Flatbush section west
of Brooklyn or Harlem.

Justice Fine noted that it
was well established that the
administration of public edu-
cation is a state function. He
cited a recent decision by the
Court of Appeals, the States
highest tribunal, in which the
court held that the Board of
Education had "express statu-
tory power to select a site and
to determine the school where
each pupil shall attend."

As a result, Justice Fine said,
the proposed local law would
thus, in effect, supercede state
law.

pairing of the five schools in
the most controversial aspect
of the broader integration plan,
which is expected to affect
40,000 pupils in the public
schools.

Under the pairings, the scores
of the two schools will be com-
bined. All pupils in the com-
bined area will go to one school
for some grades, and to the
second school for the other
grades.

Schools scheduled to be paired
are: P.S. 7 and 8 in Brooklyn,
P.S. 92 and 140 in Queens, P.S.
111 and 112 in Queens, P.S. 187
and 148 in Queens and P.S. 191
and 199 in Manhattan.

For some pupils, pairing will
involve walking across the
street from their home to an
elementary school. For others, there
will mean a bus ride of more
than a mile.

Mr. Reuss, in announcing the
decision to appeal the ruling,
accused Mayor Wagner "ad-
versely being inundated were evac-
uated. Thousands camped on
the high ground and in the streets
of Delhi.

Meanwhile, Joseph Ruchilla,
chairman of the petition drive,
said that an additional peti-
tion with well over 40,000 signa-
tures on it would be submit-
ted to the city on Thursday.
The law requires that if the
City Council does not enact a
law requested in a properly
filed petition, the Council can
be bypassed by submitting an
additional petition and putting
the matter to a referendum
vote.

However, the locality of the
petition can now only be con-
firmed by the Appellate Divi-
sion, which will reconvene Sept.
19.

Thousands Flee Delhi Floods
Troops, villagers and Car-
avan workers labored tonight
to control flood waters sweep-
ing into the Delhi area. Hun-
dreds of families whose homes
were being inundated were evac-
uated. Thousands camped on
the high ground and in the streets
of Delhi.

Now Eastern has Whisperjet service from La Guardia We'd take off from Central Park if it had a runway.



WAKE UP YOUR SCALP! GIVE YOUR HAIR A CHANCE!
See Thomas Today for a Free Examination
If your hair is beginning to thin — you should take steps now to find out the causes. Many of the local causes of thinning hair respond to proper corrective treatment. The new, improved Thomas treatment uses thermo-diffusion to bring nourishing blood to your scalp. It is relieved — dandruff disappears — and you may soon find that