

# THE WORLD THIS WEEK

## German Stand Proves Russia Wants No Problems Solved

### Spotlight Thrown On Ford and GM

By J. M. ROBERTS  
Associated Press News Analyst

COMMON voting stock of the Ford Motor Co. was ordered split and sold to the public this week, while General Motors faced a congressional inquiry as to whether it is too big and should be physically split.

Important social as well as financial factors were involved in both cases.

For years Henry Ford and his heirs, having once experienced trouble with stockholders, held all Ford stock.

Then the Ford Foundation was established as a philanthropy supported by non-voting stock. The company having gone through a serious setback during the war, it became evident that the foundation might some day be threatened by failure of the business if it kept all its eggs in one basket.



Roberts

An arrangement was made between the family, the company, and the foundation. The foundation will put a vast bloc of its stock on the public market, using the proceeds to spread its investments into other industries. The family, to make the stock attractive, will give it 60 per cent of the voting privileges now held by the family alone.

#### Workers Privileged

A large bloc is being reserved for the company which will sell it to employees.

By this means the Ford Foundation becomes even more independent of the Fords than it has been all the time. The general public enters the directorial picture. The employees, whom the company fought so bitterly when they began joining unions 20 years ago, do likewise.

Ford Motor Company stands to gain a host of new boosters.

#### Morocco

##### Ben Youssef Wins

The Moroccan flag—a banner containing a green star on a field of red—unfurled gently at the top of a flagstaff over the Henry IV Pavillion in a suburb of Paris this week.

It was the signal that Sultan Sidi Mohammed ben Youssef had won back his throne in Rabat, a throne from which the French has unceremoniously pushed him two years ago.

The flag-raising came shortly after the Sultan—who has been living at the pavillion since he was brought from exile in Madagascar to Paris last week—concluded talks with French Foreign Minister Antoine Pinay. The two announced they were agreed that Morocco should become a "democratic state with a constitutional monarchy" united to France by "permanent ties of an interdependence liberally defined and agreed to."

Ben Youssef has been a powerful symbol of liberty for Moroccans ever since the French had him ousted in favor of a less nationalistic sultan, Sidi Mohammed ben Arafat. As it turned out, ben Youssef in exile caused the French more grief than he did on the throne.

Since 1912 when France established her protectorate over French Morocco, the sultans have been mere figureheads. Under the new constitutional monarchy it is expected the natives will have an effective role in governing themselves. The exact form of the government is yet to be worked out but the French government hopes it will finally be able to quiet the rebellion which swelled to major proportions in late summer.

#### In Short . . .

**Announced:** By the National Broadcasting Co., a 12-million dollar program to expand its color television facilities in New York, Los Angeles and Chicago.

**Approved:** Plans for creation of a 15-man international team of scientists to study the effects of atomic radiation on mankind, by the U.N. Political Committee.

**Ordered:** Thirty Boeing 707 pure jet airliners by American Airlines, for delivery starting in March of 1959. American will pay 135 million dollars for the jet fleet and hopes to be first with pure jet transcontinental service.

**Freed:** From an Army guardhouse in San Francisco, the three turncoat prisoners of war who recently returned from Red China. Release came 24 hours after the Supreme Court, in effect, ruled they were being held unconstitutionally.

or "salesmen," depending upon how widely the marketed stock is distributed, and a new relationship with many of its employees.

#### Control Retained

The family will, of course, continue in control though retaining only a minority holding of the voting stock, since 5 or 10 per cent in a solid bloc is considered ample to control one of the great modern industries with stock scattered all over the world. There is something nostalgic about the breakup, however, after the fashion of the delivery of Britain's famous castles and manors to the government when they became too much for private families to support after the war. The cause is different, but the effect on Henry Ford would be much the same if he were alive.

As for General Motors, it is being put under the microscope because some people are afraid of "giantism" in industry. These people get nervous just at the mere spectacle of centralization of many different industries under one control, as an entity of itself, rivaling the stature of whole fields in the rest of the economy.

#### Threat Inherent

A Senate judiciary subcommittee decided to take a look, but emphasized that it was in no sense a prosecution, or a threat of action under the anti-trust laws, although that threat seemed inherent if the evidence tends to support the nervousness.

Where the Ford Foundation found it had too many eggs in one basket, there was a wonder if, in General Motors, the national economy might be doing the same thing.

The great combine, or "conglomerate," as one witness called it, could cite its record of being able to get things done in both war and peace, and most people were willing to admit the importance to the national defense of the company's constant readiness.

#### Traditional Reaction

Those who would like to see it broken up, giving greater chances of competition between smaller businesses and the corporation's component parts, had the example of what Theodore Roosevelt did to the Standard Oil Company—which incidentally, however, actually produced a number of new companies several of which became larger than the original.

Diffused ownership of big and efficient business has become, in this century, an important part of the "American Way." Yet there has always been a public tendency to react against anything which appeared to "freeze the field" against new or smaller enterprise.

Ford is opening its books and methods to public scrutiny, and General Motors its practices. Both are in part responses to a general feeling that the public has an inherent interest in vast projects which play a major role, and therefore bear major responsibilities, in the national economy.

### Eisenhower Moves to Gettysburg



THIS IS THE farm home where the President will continue his recuperation, gradually picking up the reins of government control he was forced to drop seven weeks ago.



ONLY 75 miles separate the farm and the White House.

#### Dates

- Wednesday, Nov. 16 Anniversary (48th) Oklahoma's entry into the Union.
- Thursday, Nov. 17 Democratic National Committee and state chairmen open conference at Chicago.
- Saturday, Nov. 19 Anniversary (92nd) Lincoln's Gettysburg Address. Former President Harry Truman and Adlai Stevenson address Democratic fund raising dinner at Chicago.

#### Military

##### New Philosophy

The Army this week ordered a reorganization of its Chemical Corps to better enable it to seek out new germ and gas weapons and the means of defending against them.

Secretary of the Army Brucker put the changes in motion, asking for revamping along the lines of a report prepared by a special committee of civilian scientists and educators.

The committee report called for emphasis on research and "uninhibited speculation" on how to convert new ideas into methods of subduing an enemy without destroying property which the victor might want to save.

In urging franker recognition of what it termed the "proper place of chemical and biological warfare," the civilian committee hit a theme similar to that previously adopted by the Army. The Army has termed chemical devices as "special purpose" weapons which it says should no longer be listed in the "mass destruction" category with nuclear weapons.

The committee called for greater awareness that chemical agents and weapons can be used without causing "indiscriminate destruction," and without destroying the bases on which a peace can be built.

Reorganization of the Chemical Corps will set up three major commands under the chief chemical officer: research and development, engineering and materiel. The committee report said this structural change is needed to eliminate duplication of effort.

### THE PRESIDENT: Second Stage Begins

#### More Responsibility

Boasting an apparently perfect score on his exhaustive "windup" medical examination at Fitzsimons Army Hospital in Denver, President Eisenhower begins this week the second stage of recuperation from the coronary thrombosis he suffered seven weeks ago.

From now until he returns permanently to the White House, presumably in late December, the President will gradually pick up his administration's reins of control from his farm near Gettysburg, Pa.

#### Meetings Planned

Plans are under consideration for holding Cabinet meetings next month at Camp David, the presidential retreat in the mountains only a few miles from Gettysburg. White House Press Secretary James Hagerty said there also are plans for the President to attend a National

Security Council meeting sometime before the first of the year. Time and place, however, were not fixed.

Both the President and Mrs. Eisenhower reportedly strongly desired to spend the remainder of the chief executive's convalescence period at their Gettysburg home—the only one they have ever owned.

#### Comforts of Home

There won't be doctors, nurses or attendants around at all times as there have been in the seven weeks of hospitalization at Denver. Eisenhower's personal physician, Maj. Gen. Howard M. Snyder, will see the President daily but will make his headquarters in Gettysburg itself rather than at the farm.

Before the transfer from Denver, Dr. Paul Dudley White—the eminent Boston heart specialist—stated that he thought it would be "late January or Feb-

ruary" before Eisenhower would be in a position to have all the medical information necessary to decide whether he wanted to try for a second term. He said the President's mending heart must be "exposed to considerably more strain" before he could accurately judge his "physical future and whole life."

Dr. White added, however, that the President might already have made up his mind about his political future.

#### Economy

##### Income Climbing

Total personal income of the American public took another big jump in September and reached a new record annual rate of 307½ billion dollars, the Commerce Department reported this week.

Averaging up figures for the first nine months of 1955, the department came up with an annual rate of \$300,100,000,000 as the average for the first three quarters of 1954 was 13½ billion dollars lower.

Commerce Department statisticians said that all types of personal income—with the lone exception of farm income—shared in the rise over the past year.

Income of farm proprietors was about one billion dollars lower in September of this year than a year earlier. The nine-month average for farmers is \$1,300,000,000 below the average for the first three quarters of 1954.

#### Quote

Secretary of the Air Force Quarles, expressing satisfaction with the development and production of United States military aircraft: "If we continue on the course we are on with determination and use the available resources of the country I am confident that we can hold our position [over Russia]. I think the present rate is a sound one in relation to the whole international situation."

### Soviets Again Are Stalling for Time

By WILLIAM L. RYAN  
Associated Press Foreign News Analyst

THE performance of Foreign Minister Molotov at Geneva has given clear evidence that the Soviet Union has a big stake in the continued division of Germany for a long time to come. Therefore it must be taken for granted that Moscow intends to mark time indefinitely on other pressing international problems.

In balking a start on solution of the German problem, Molotov in effect achieved the standoff between East and West which would be necessary to permit Moscow's marking time on the other major issues. The standoff will not hamper Soviet propaganda which pictures Moscow as the hope of world peace. But it surely will hamper any discussion of steps to secure a stable peace.

It was apparent that without a start on the basic European problem—Germany—nothing much could be accomplished outside the realm of rosy words and promises. From the Western standpoint, there could be no European security without a prospect that the German deadlock could be resolved. Without European security, there would be little point in carrying on with discussions of the various proposals regarding disarmament and nuclear weapons.

Conditions Laid Down  
Molotov's statements on Germany were a shock to the entire Western world. The Russians presumed in advance to lay down the conditions which should prevail in a reunified Germany. The implication in Molotov's proposals was that Moscow would agree to reunification only if the approach to unity insured the establishment of a regime acceptable to the Communists.

The Molotov proposals were virtually word for word the same as those previously advanced by the Communist government of East Germany. These involved creation of an "all-German council" to insure that in West Germany there would be created what Moscow blandly describes as conditions which favor the extension to the West of the East zone's "social reforms." These "reforms" were so popular in East Germany that three million Germans fled the Red paradise since 1945—and thousands still are escaping.

One Way Street  
The Russians obviously knew that their proposals would be unacceptable even to the most ardent West German supporters of unification at any price. The plan advanced by the East German Communists and echoed by Molotov in Geneva makes reunification, if accomplished at all, appear like a long and extremely gradual task during which the economies of the East and West sides would be fused. But the plan left little doubt that when this fusion was completed, the capitalist form of economy would be utterly eliminated.

In sticking to such a plan, the Russians indicate a belief that time will be on their side, that they can afford to wait and to wait for as long a time as might be necessary—perhaps for that inevitable economic crisis the Communists economists are sure is bound to overwhelm the capitalist world. Certainly there was no indication that the Kremlin intended to give up an inch of territory now held by Communist regime.

Stalling Tactics  
In the meantime, while the world bumbles along in a highly nervous state between war and peace, the Soviet Union is constantly increasing its vaunted "defense might," which in a few years, by Kremlin calculation, might be such as to force certain unpalatable solutions upon the rest of Europe and the world.

The Soviet proposals on Germany, so obviously unacceptable to the Western Big Three or to Western Germany, support the idea that the minimum Soviet aim at the present time calls for the perpetuation of the division of Germany for an indefinite but long period. The alternative the Germans were given by Molotov was acceptance of demands which would eventually permit the spread of a Communist system through the whole nation.

This could hardly be viewed by the West as anything short of the most naked political aggression.

#### Politics

##### Democratic Trend

Although local issues predominated and voting was only moderate to light, Democrats registered off-year municipal election gains in three states this week and scored sweeping victories in the gubernatorial race in Kentucky and the mayoralty campaign in Philadelphia.

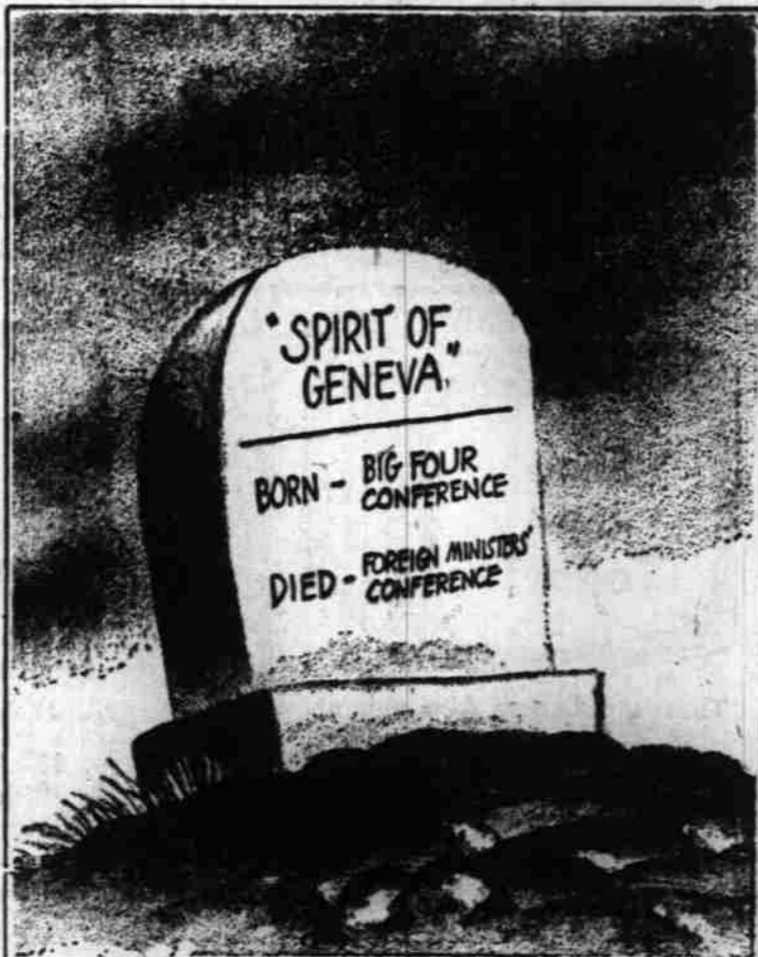
Republicans made gains here and there across the country, but the net results in many areas favored the Democrats. The two featured races went according to advance expectations. In Kentucky, A. B. (Happy) Chandler completed his political comeback by overwhelming Republican Edwin R. Denny in the fight for the governorship. In Philadelphia, Democratic warhorse Richardson Dilworth was elected mayor over Republican newcomer W. Thacker Longstreth, who went into the election with the personal indorsement of President Eisenhower.

Democrats engineered a major surprise in Indiana, where they toppled incumbent Republican mayors in both large and small cities. They succeeded in completely reversing the political lineup of Indiana mayors—from 70 Republicans and 32 Democrats before the election to 72 Democrats and 30 Republicans after the votes were counted.

Carmine G. De Sapio, Democratic National Committeeman from New York, issued a statement that the Democratic successes throughout the country in the off-year election prove that the party's presidential candidate in 1956 will be victorious.

"It is evident," he said, "that the successive Democratic victories since 1952 will continue throughout the country in 1956." Leonard Hall, Republican national chairman, disagreed. He read the results as a sure sign of a Republican victory next year.

(All Rights Reserved, AP Newsfeatures)



SHORT LONGEVITY?



HIGH ON A WINDY HILL



'I DON'T SMELL ANY SMOKE!'

