

U. S. Concedes China Lost to Reds

The United States "white paper" on China, reviewing America's policy in the Orient, tracing events leading to the collapse of Nationalist China, revealing hitherto secret documents, including the long suppressed Wedemeyer report, practically conceded that China is lost to the communists but warned Russia and her Chinese puppets not to carry the Red aggression in the Far East beyond China's borders.

This government expressed the belief that the Chinese people will rise up in revolt and "throw off the foreign yoke." And it promised "to encourage all developments in China which now and in the future work toward this end," but it offered no specifications.

In a foreword to the 1054-page document, Secretary of State Dean Acheson said of the communist victory in China:

"Nothing that this country did or could have done within the reasonable limit of its capabilities could have changed that result; nothing that was left undone by this country has contributed to it."

This apparently was in answer to repeated charges that the administration's wait-and-see policy hastened the communist conquest in China.

Acheson maintained that the China crisis resulted from Russian intrigue, plus "decay, disintegration and default" of the Chinese Nationalist regime headed by Generalissimo Chiang Kai-Shek.

The communists succeeded in part because Russia masked her domination "behind the facade of a vast crusading movement" which many Chinese thought to be a Nationalist movement. Actually, he said, communist leaders in China were acting as tools of Russia, "which during the last 50 years, under czars and communists alike, has been most assiduous in its effort to extend its control in the Far East."

Warning against any further communist expansion in the Far East, Acheson said:

"Should the (Chinese) communist regime lend itself to the aims of Soviet Russian imperialism and attempt to engage in aggression against China's neighbors, we and the other members of the United Nations would be confronted by a situation violative of the principles of the United Nations charter and threatening international peace and security."

Acheson said U.S. policy "will continue to be based upon our own respect for the charter, our friendship for China, and our traditional support for the open door and for China's independence and administrative and territorial integrity."

Highway Commission Wrongly Criticized

Oregon's highway commission is being punished verbally for "delaying" action on a new bridge across the Willamette at Salem.

Some local blasts have been aimed at the commission for trying to "force" the city council into accepting the Baldock traffic plan. According to these vocal blasters, the commission is supposedly using the bridge construction as a weapon to "force" the Baldock plan.

This kind of talk is ridiculous. It has no basis in fact. At the May meeting of the highway commission, it became obvious that the exact location of the new bridge was a matter for the highway commission and engineer to decide. It was a state consideration because of the highway routes. That was correct.

However, the state can't go ahead with one-way bridges until Salem cooperates and designates the respective streets in the necessary area as one-way streets.

As in such cases, cooperation between the state and city is essential. The state can't act without the cooperation and agreement of the city.

And to the credit of the highway commission, that body has been bending over backwards to avoid any accusation of trying to bring pressure on the city council to act. It was that way before even the May meeting when a decision in the form of a resolution on the Baldock plan was given the commission by the Salem council. That came just under the wire only in time to be included in the fiscal program for the next two years.

But the move is now up to Salem as to when it will accept in writing, the outline of the Baldock plan which calls, in part, for one-way streets. If the city council acts favorably within the month, then the commission will have time to get plans underway on the bridge and completed in time to have pourings made next summer when the river is low.

The only pressure on the council is the pressure of the city's own interests, and the passing months which permit pourings on the bridge during only the summer period. To put in those foundations then, the necessary preliminary work will take care of the intervening period.

Any criticism of the highway commission trying to pressure through the Baldock plan is unfounded and unjust.

A New GOP Leader

The republican national committee has elected in a close contest, Guy C. Gabrielson as committee chairman to succeed Hugh D. Scott, Jr., culminating a bitter eight-months' fight against the latter which ended in firing him. It puts the party under new management for a fight for the party's life, as a political force in the test of the 1950 congressional elections, but whether it restores harmony remains to be seen.

Gabrielson is an Iowa born New York lawyer, industrialist and author, editor of the 15 volume "Pageant of America," who lives in New Jersey, where he served several terms in the legislature and was speaker of the house. He is republican national committee man from New Jersey. He is a successful and wealthy business man, long on administrative and money raising ability.

Gabrielson's election was a reverse for the Governor Thomas E. Dewey of New York faction to whom Scott owed his appointment as chairman last year. Gabrielson was the candidate of anti-Dewey committee elements, who rejected compromise proposals which would have saved face for both Scott and Dewey and spell party harmony.

Gabrielson was a Taft supported candidate in the 1948 convention, but he assured the committee that he will make it his job to win the 1950 election without consideration of the 1952 nomination. Whether he can unite the party remains to be seen.

Gabrielson got 52 votes to 47 for Axel J. Beck of South Dakota and one for A. T. (Bert) Howard of Nebraska. Beck was the entry of the Dewey-Scott forces with the backing of many western committee members who sought recognition for their region. They argued that Beck was the man to win farmers back to the GOP.

BY BECK

Actions You Regret

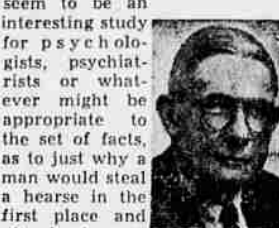


SIPS FOR SUPPER

What Next

By DON UPJOHN

Local officers have under arrest the man they say has confessed to stealing a hearse the other night from a local mortuary eventually winding up with the vehicle smashed. This would seem to be an interesting study for psychologists, psychiatrists or what-ever might be appropriate to the set of facts, as to just why a man would steal a hearse in the first place and after having run it into a tree or a ditch. It might be figured he'd end it all in grand style, or maybe it is just one man's idea of having a little fun. The nearest clue to the mystery behind his picking out a hearse to swipe is his statement he'd had a few beers before hand and he identified his knowledge of the hearse as "only a large car" which in some manner he'd gotten into and driven away when he noticed a tree loom up ahead and the next thing he knew the car hit a ditch. The whole thing still leaves up a little unnerved and surcharged with wonder as to what they'll take next.



Don Upjohn

The Statesman editorially this a.m., refers to the next national American Legion convention which it says is to be held in "Boston in October." Aside from the fact the next national convention is to be held in Philadelphia in August the statement seems to be quite dependable.

Seattle (AP)—Robert Babgy, 18, today was accused of driving down a busy highway at 35 miles per hour while "engaged in a prolonged kiss." He faces charges of negligent driving. His girl friend, Marilyn Meyers, 18, also was arrested on charges of "aiding and abetting a negligent driver."

Florida Laughs at L.A. Smells

Miami, Fla. (AP)—The Miami Herald headlined a news dispatch describing the pungent odor which swept over Los Angeles: "Looky—Los Angeles smells! Even the natives notice it."

POOR MAN'S PHILOSOPHER

A War That Hasn't Ended Even After Four Years

By HAL BOYLE

New York. — The cold war is something few even wish to think about. But the second world war is still of tremendous public interest.

Politically, that war is still continuing, but its combat phase has been over for four years. And it is the period of actual fighting that people want to know more about.

What was it really like? What really happened at places like Iwo Jima, Salerno, Anzio, Bastogne?

Year by year, as the memoirs and the novels pile up, the real story of mankind's greatest test-at-arms is filtering through. For war is a kind of huge jigsaw puzzle. You can't put it together and understand it all at once because the pieces come to you slowly.

The general pattern of the war can best be found in the memoirs of people who usually write memoirs—generals and statesmen.

To get the real feel of battle and the hurts it gave, you have to turn to books written by the men who fought the war and best knew its boredom and danger—the junior officers and enlisted men.

Two of the latest are "A Tent on Corsica," by Martin Quigley, an ex-sergeant in the 12th air force, and "Day Without End," by Van Van Praag, a former infantry platoon leader.

Both explore new territory. Van Praag tells a one-day tale of the life and death of a doughboy platoon in the heart-breaking hedgerows of Normandy. It is rough and bitter and true.

Quigley's book deals with the adventures, sometimes hilarious,

Farmer John Is on the Beam

Burlington, Vt. (AP)—Farmer John J. Wright used a powerful blower to store 75 tons of chopped hay in his barn two months ago. When flames swept the barn yesterday, he saved the hay by reversing the blower and sucking it out of the building.

WASHINGTON MERRY-GO-ROUND

Vaughan Goes to Bat For Tanforan Track

By DREW PEARSON

Washington — Gen. Harry Vaughan, the president's jovial, back-slapping, poker-playing military aide, holds the official title of "coordinator of veterans affairs." As such he is supposed to help veterans.

But yesterday this column showed how, when the Tanforan race track in California violated building regulations aimed to speed veterans' housing, General Vaughan used his influence not to help the veterans, but to help the race track.

His known influence was brought to bear in the fall of 1947. Here is what happened.

After Guy Standifer and the other Tanforan officials were jailed in California for violating housing regulations, Eugene Mori, new president of the race track, called on the office of the housing expediter in Washington in October, 1947.

With him came the fabulous Greek friend of General Vaughan's, John Maragon, who had accompanied President Truman to Potsdam, caused the demolition of an air force general, once held a White House pass and a special White House parking reservation.

This is the same Maragon who has demanded that this columnist be called before a senate investigating committee. Needless to say I should be happy to appear.

Mori and Maragon informed the housing expediter's office that the Tanforan track was now under new ownership, though how they offered any proof remains a mystery, since the wartime owner, Joe Reinfield, never was known to the public. Reinfield, one of the biggest rum-runners of prohibition days, was the chief secret owner, and his name only leaked out on January 15, 1949, when he was sued in Federal Court.

Fifteen months earlier, however—in October, 1947—Eugene Mori had told government officials that he was Tanforan's new owner.

It was at about this point that General Vaughan first intervened. Apparently he didn't like the way the housing expediter treated his bosom pal, Maragon, for he complained about it to his other pal, Lobbyist James Hunt, and a few days later Hunt showed up at the housing expediter's office alone.

Hunt told housing officials that his friends from the Tanforan track hadn't been treated courteously. He also warned that Housing Chief Frank Creedon could not afford to get in wrong with his "friends," though he did not identify who those friends were.

Housing officials blew up, said there had been no lack of courtesy and did not change the injunction which banned the use of building materials by Tanforan.

The lobbying talk dragged on. Hunt and Maragon vied with each other to see who could do the most for Tanforan. At one point, Lobbyist Hunt complained to housing officials that he was being pestered by Maragon, that Maragon telephoned at all hours of the day and night, even insulted Mrs. Hunt.

At another time Maragon phoned Jack O'Brien of the housing expediter's office, said he was "Drew Pearson" and demanded to know what was "going on around there." The call insinuated skulduggery and was aimed to upset Hunt's lobbying efforts.

After more than a month of this, General Vaughan apparently concluded that his boy friends weren't equal to the job. So he telephoned Housing Expediter Tighe Woods himself and asked for an appointment.

Later that afternoon Vaughan appeared in Wood's office, explained that he was personally interested in Tanforan, argued that the track's ownership had changed, and that the govern-

ment's policy was to grant building permits to clean up fire hazards.

Tighe Woods had then been in office only six days, and the influence of the White House was potent.

He sent a memo to the justice department stating that the injunction against Tanforan could be lifted. Simultaneously Tanforan submitted notices from the obliging city of San Bruno claiming that the race track was a fire and health hazard unless cleaned up.

So, at long last, the ban on Tanforan was lifted—chiefly on General Vaughan's plea that its ownership had changed.

As of this week, however, justice department officials, when queried, said they had no evidence that the ownership of the race track had really changed.

Therefore, it may still be that Joe Reinfield, who once ran the biggest fleet of rum boats off the Jersey coast and who was once indicted for the murder of a prohibition agent, is still the real owner of Tanforan and the man who really profited from General Vaughan's lobbying against the veterans.

It is true that track President Guy Standifer was out, having gone to jail; and that Eugene Mori was the new president. But according to a Federal Court deposition published by the Newark Star-Ledger on Jan. 15, 1949, Reinfield was the chief owner of the track.

MARAGON'S INCOME TAX It now looks as if John Maragon was in serious trouble over both his income tax and perjury. Senate investigators have now established the fact that the lobbyist who long had the inside run of the White House maintained a secret bank account in the National Bank of Commerce in San Antonio in 1945 and 1946. Approximately \$40,000 was deposited there.

Despite this, Maragon informed the senate investigating committee that he had only a small income in 1945, '46 and '47 and he failed to reveal his San Antonio bank account. All this was sworn under oath.

Astute William Rogers, counsel of the committee, produced a copy of Maragon's 1945 income-tax return and asked whether it was a correct copy. "That is right," nodded Maragon.

"And that shows," pointed out Rogers, "that your total income for that year was \$7,740. Is that right?"

"That is right," agreed Maragon.

"It shows," continued Rogers, "\$1,740 from the Baltimore and Ohio Railroad and \$6,000 from the Albert Verley Company, Chicago, Illinois."

"Now I show you your income-tax return—a copy of it for 1946. It shows \$6,000 from the Albert Verley Company and \$1,889 from the U.S. State Department. Is that a correct copy of your 1946 income return?"

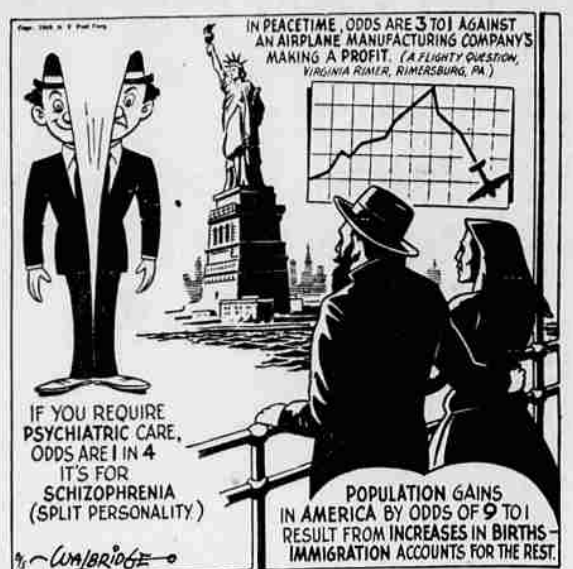
"That's right," Maragon admitted.

"I show a copy of your return for 1947," Rogers went on, "which shows a total income of \$4,860—\$4,200 from Charles M. Ingersoll and \$660 interest on B. & O. bonds. Is that a correct copy of your 1947 income-tax return?"

"That is right," agreed Maragon.

BY GUILD

Wizard of Odds



MacKENZIE'S COLUMN

Who Were Zaibatus That MacArthur Broke?

By JAMES D. WHITE

(Substituting for DeWitt MacKenzie, AP Foreign News Analyst) There's bound to be a lot of arguments over this: Gen. MacArthur announces that he has broken up the Zaibatsu—the economic giants of pre-war Japan.

These tight family trusts were a fundamental part of Japan's economic and political fabric. They made and sold everything from needles to battleships. They bought everything from Malayan rubber to American scrap iron.

In their heyday most of Japan's banking, heavy industry, and big business both at home and abroad could be traced to some 11 families through their network of holding companies and subsidiaries. They were meat and drink to the two great Japanese political parties.

The Zaibatsu (the name means "finance clique") were a latter day expression of Japan's innate feudalism. Instead of splitting each other's skulls open with big swords, the family warriors engaged first in cut-throat competition, later in mutual tolerance and cooperation as they skimmed the cream off the business of 70,000,000 Japanese.

One of the oldest Zaibatsu families, Mitsui, dates back to the 1600's. It was founded by a professional warrior who turned winemaker.

Japan has always been run by powerful families, so her people found it not too strange to be run by family monopolies.

When Japan was opened to the outside world about 80 years ago, the Zaibatsu began pushing their own economic horizons up to and beyond Japan's new frontiers.

They made money out of World War I and were ready and willing to arm the greater wealth for the benefit of the Japan. They encouraged mili-

tary aggression when they thought it likely to succeed, advised against it when they thought it wouldn't.

Control of Japan was a matter of balance struck among the relative strengths of the Zaibatsu, the politicians, and the military.

The Zaibatsu intermarried with all these other elements as a matter of policy, as well as with the imperial family under whose figurehead rule Japan was secretly governed.

The Zaibatsu fought among themselves over spoils, and with the army and navy, and with the government. But the quarrelling never was allowed to interfere too long with really big business.

At home, the Zaibatsu usually went along with measures to control labor and regiment the people. Sometimes they claimed they couldn't help themselves, and it's true some Zaibatsu folks got pushed around by furious army characters.

But as late as 1943—after the tide had turned against Japan and Tojo was trying to take over the nation's economy for a greater war effort—the Zaibatsu stopped cold the mightiest man in Japan. They made money even out of World War II.

Personally, most Zaibatsu people are well-educated and very charming individuals. As family firms, however, they stood for one of the most primitive things about Japan—regimentation of the nation's wealth for the benefit of the few.

Squire Finally Got Around to It

Mahanoy City, Pa. (AP)—"Squire" John Wicks, 93, isn't the visiting kind. But every 90 years or so he stops in to see his relatives.

Wicks has lived at South Fork, Pa., for many years. The other day he finally visited his cousin, Mrs. Harriett Harper, 99, Mahanoy City's oldest resident.

It was the first time the two met since 1859, when they were Children in England.

What Causes Your Cough?

By J. H. WILLETT of the Capital Drug Store

Smoking, nervousness, allergy, are all causes of an annoying cough. But a cough may also be an indication of a more serious ailment such as sinusitis, tuberculosis, chronic bronchitis, heart trouble, lung abscess, lung or chest tumor.

Coughing spells are weakening and embarrassing. When you have a cough that persists for more than a couple of weeks you should see a doctor. Finding and curing the cause of your cough is the only way to overcome it.

A doctor's prescription is the most effective medicine. Have it compounded of quality drugs by a pharmacist with an established reputation in his profession.

This is the 587th of a series of Editorial advertisements appearing in this paper each Friday.

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