

SCANNING THE WEEK'S NEWS
of Main Street and the WorldMalik's Korean Peace Proposal
Causing World-Wide Speculation

THE TIMING WAS PERFECT—Whether or not Russia's Jacob A. Malik was sincere in his proposed cease-fire in Korea is a question that only time will answer, but of one thing the people in the home towns of America were sure—the timing was perfect.

The average man in the small towns of the country has a sincere desire for peace. He is sure of a number of things: (1) U.S. casualties now number 73,000 and he wants his sons and brothers home; (2) The war has strained the nation's bipartisan foreign policy and threatens to cause an even more serious internal split; (3) and the war has increased the dangers of inflation throughout the western world.

Perhaps the Russians realized these facts and picked the first anniversary of the start of the Korean war for their peace move. But the move was unusual in that Malik made no reference to any of the Korean peace conditions previously set by the Soviet bloc: a deal on Formosa, admission of Communist China to the United Nations, and withdrawal of foreign troops from Korea.



The Silent Enemy

Rain and mud have taken over the battlefields of Korea as the silent enemy of the foot soldiers. And while peace rumors circulate throughout the world, the fighting and dying goes on.

However, if the Chinese ignore the whole business, or restate their earlier demands for U.N. membership and control of Formosa, as the price for a Korean settlement, then the suspicion that Malik was more interested in making propaganda than in making peace will be confirmed.

The U.S. state department has indicated a willingness to play its part in bringing an end to the hostilities in Korea if Malik's offer "is more than propaganda." But until there is some concrete evidence of sincerity in the proposal the U.S. will act with caution.

At the moment that seems the only sensible attitude to adopt. It is one the home towners may find best to follow.

THE BALANCE SHEET—As the first year of conflict ended in Korea, the fighting was as bloody and dirty as the day it began. But the balance sheet would indicate the Communists have lost the first round in their planned aggression.

On the credit side of the ledger: (1) The first U.N. battle force was raised and integrated in the initial bloody weeks; (2) the U.S. and her allies were dynamited into world-wide alertness and rearmament; (3) American military forces have learned valuable military lessons, developed new techniques, and tested much of the enemy's strategy; (4) the west has proved it will not abandon the small nations of Asia and Europe; and (5) the North Korean army has been mangled and the Chinese have had startling losses, estimated in all at 1,162,500 casualties.

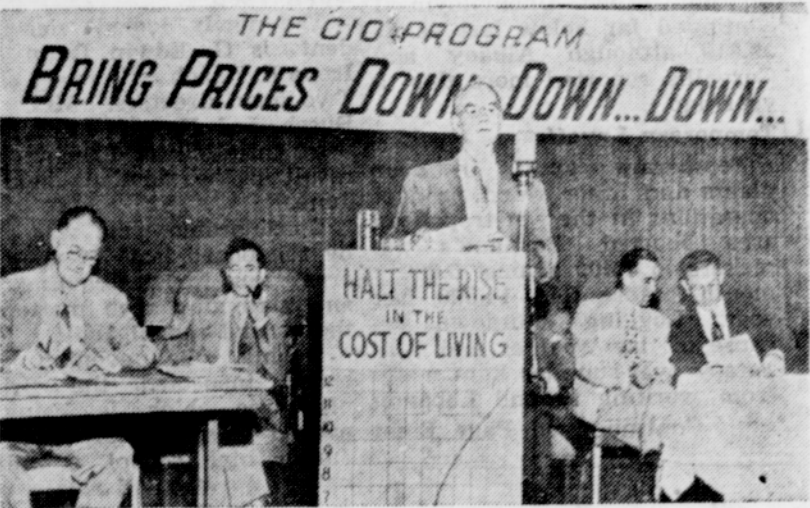
On the other side of the ledger: (1) Allied casualties have been heavy for peaceful nations (approximately 352,500); (2) most of the west's military strength has been hobbled to a peninsula of secondary world-wide importance; (3) the Russians have lost only one known combat man in battle; (4) conflict has hastened the financial drain and made inflation more dangerous in the west; (5) Communists still retain the initiative, in Korea and throughout the world.

THE YEAR OF INFLATION—Since the Korean war began on June 25, 1950, livestock prices in this country have increased \$3 to \$10 a hundred pounds. At the same time, livestock production was much greater during the past 12 months than the preceding twelve.

A year ago hogs were no higher than \$20.50. Today they are selling at \$23.50, and last summer went to \$25.50 a hundred pounds.

The cattle trade is about \$6 a hundred pounds higher than a year ago although production ran 20 per cent above the 12 months preceding the start of the war. When the war broke out, steers were selling downward from \$31.50. Currently they are topping at \$38.50.

Sheep and lamb production has changed slightly, but prices have developed much higher. Best lambs are about \$34.50 now, down from \$42.50 in March, but compared with \$28.50 a year ago. Ewes are topping at \$27.50 now, down from 25 in February, compared with \$10.50 a year ago.



The Home Front Battle

On the home front the battle to keep down prices was the issue of special groups. The CIO entered the fray by launching a drive for tighter anti-inflation controls.

RECORD-BREAKING TAX—By a vote of 233 to 160, the house approved a record-breaking \$7,200,000,000 tax increase, including a 12½ per cent boost in individual income taxes.

The measure is now before the senate where the finance committee is holding hearings. The senate is expected to approve the bill, possibly with a few minor changes.

Here is where the government would collect the additional money: Individuals, \$2,847,000,000; corporate income and excess profits taxes, \$2,855,000,000; excise taxes, \$1,252,000,000; and miscellaneous changes in the revenue laws, \$245,000,000.

PARIS TALKS END—After 16 weeks of futile talks, the deputy foreign ministers of the United States, Britain, France and Russia broke off their efforts to write a program of a big four conference to ease world tension.

But they left the door open for their governments to make one last attempt to arrange a meeting of the big four foreign ministers, which has been suggested for July 23 in Washington.

No one in the diplomatic world believed that the Russians would accept the invitation.

STARTLING EXPERIMENT

Spray Keeps Vegetables Fresh a Year

Results of experiments with a new spray—meleic hydrazide— which keeps potatoes, onions and several other vegetables fresh for a year or more, was reported by The Country Gentleman.

The spray arrests growth. Growth is so slow after spraying that the vegetables fail even to die at the rapid rate normal during storage. Every living process seems slowed

down. Flavor and firmness are retained for a long time, apparently for about a year.

Scientists reported experiments were so successful they "could hardly believe them possible." Crops are sprayed before gathering. The spray does not affect the yield. It has been used successfully on potatoes, onions, carrots, beets, parsnips and turnips.



The Hearing Ends

WITH THE MacArthur hearing brought to an abrupt close, many Democrats and Republicans believe the result of the millions of words of testimony is a net approval of President Truman's ouster of his far east commander.

As pointed out in this column several weeks ago, the investigation turned into a political tug-of-war. Despite the many witnesses and the voluminous testimony, not a single mind was changed insofar as the congress was concerned.

There is little question that President Truman had the authority to remove MacArthur; that the general did disobey the orders of his superiors; and that he was so far out of step with the policy of his government that he could not be trusted further to carry out the orders of the chiefs of staff and the commander-in-chief.

The man who was supposed to bolster the MacArthur viewpoint was Lt. Gen. Albert Wedemeyer. While he did uphold MacArthur on many points, he nullified part of his testimony when Sen. John J. Sparkman asked: "General, in case of a disagreement between a field commander (Gen. MacArthur) and the joint chiefs, to whom should we look for guidance?" Wedemeyer answered: "The joint chiefs of staff without question, sir."

Political Implications

There are two new political implications in the MacArthur controversy: (1) The general, in his last Texas appearance, made what has been called a political speech attacking the Truman administration on domestic policies; (2) Sen. Joseph McCarthy of Wisconsin, attempting to regain the initiative in the MacArthur controversy, made a particularly vicious attack on Gen. George C. Marshall.

The Washington Evening Star had this to say about McCarthy's attack on Marshall: "It is a shame that the senate should be used for such monstrous effort at character assassination, and it is a greater shame that not one of Senator McCarthy's Republican colleagues saw fit to stand up and denounce him. It is impossible to believe, however, that this attempt to destroy General Marshall with the 'big lie' technique will succeed. Some Americans have swallowed a lot of Senator McCarthy's rantings. But this is too big a dose for any one in his right mind to swallow."

Senators Walk Out

Although the senators walked out on McCarthy, and even the gallery emptied, three Republicans sat through his speech, which called General Marshall a traitor, and applauded. They were Wherry, the Republican minority leader, Lagar of North Dakota, and Hendrickson of New Jersey.

Here is how one Republican senator viewed the new low in McCarthyism. Said Sen. William Jenner of Indiana: "I am glad he (McCarthy) did it. It makes me look better."

Await Taft Comment

Many are wondering what Senator Taft of Ohio might have to say, if anything, about the McCarthy smear of General Marshall.

It is believed that Taft will open his campaign for the GOP presidential nomination in Maine in August. It will be remembered on one previous occasion, when McCarthy was making his unsubstantiated charges against Secretary of State Dean Acheson and the state department, Taft was quoted by the Associated Press as telling McCarthy to keep on making charges and that "if one case didn't work to bring up others."

Washington Rumor

There is an interesting story making the rounds of Washington. For what it is worth, it goes like this: Col. Robert McCormick of the Chicago Tribune and Washington Times-Herald, had made a deal to back Senator Taft for the GOP presidential nomination, and Congressman Dirksen of Illinois for Vice President. Now, however, taking advantage of the MacArthur controversy, he is running the 71-year-old general as a full-fledged candidate for president. The story is he has obtained an agreement from Senator Taft to take the second spot on the ticket. It is hard to believe that even for support of the powerful Chicago Tribune Senator Taft would enter into any such agreement.

More Reds Arrested

The series of F.B.I. dawn raids, netting 17 Communist officials, is another indication of the government's determination to keep the party under control.

The government charged the 17 with plotting to wage an underground campaign to overthrow the United States government by violence.

They were among 21 Communists slated to take over control of the party when 11 convicted Red leaders go to jail.



Attack on Marshall

SENATE Democratic leaders called an emergency off-the-record huddle the other day to decide how to meet Senator McCarthy's 60,000-word attack on Secretary of Defense Marshall.

Minnesota's fiery Sen. Hubert Humphrey suggested a mass walk-out when McCarthy got up to speak. Pointing out how Hitler started his rise to power by tearing down the heroes of the German republic, Humphrey snorted his disgust at McCarthy's tactics.

"There are many ways to destroy people—sometimes by outright murder, sometimes through the process of attrition," declared Humphrey. "I mean character assassination, misrepresentation and quoting out of context. This is the most inhumane way."

The senator from Minnesota suggested that the Democrats had only two alternatives—"either stand up and fight back which is almost impossible to do when McCarthy controls the floor, or remove ourselves from the scene of the unsavory conduct."

However, Sen. Lyndon Johnson of Texas favored sending in a conservative southern Democrat to hit back at McCarthy. Anyone else who tried it would be branded as a Communist by McCarthy, Johnson observed. He suggested George of Georgia or Byrd of Virginia, since Marshall lives in Virginia and Byrd made the original motion in favor of Marshall's nomination.

However, McMahon of Connecticut warned that it was an "impossibility trying to debate with McCarthy, because you never can pin him to the facts of the issue."

He added that Marshall had stature enough to withstand the McCarthy blast and suggested that the McCarthyites had lost the McCarthy fight, and McCarthy's attack on Marshall was "a deliberate attempt to gain the offensive again."

Serving Two Masters

The next government agency to get in hot water with congress may be the securities and exchange commission, which polices Wall Street and the big corporations.

The SEC is the only agency which has failed to answer a questionnaire, sent out by alert Pennsylvania Congressman Francis Walter, asking for the names of employees who had given up their government jobs to work for the same companies which they once regulated when they were government officials.

The manner in which some officials have used their government positions to do favors for private companies, then have gone to work for the same companies at higher salaries, is a national scandal.

Probable reason why the SEC is keeping silent is that the answers would be embarrassing. For example, SEC would have to tell how it reversed a recommendation to dissolve the United Corporation, after several former SEC employees were hired by United.

Organized by J. P. Morgan, United Corporation is a giant holding company which gives Wall Street bankers control over several power and electric companies. In 1942 the SEC staff recommended dissolving this parent corporation under the holding company act and on the grounds that it served no useful purpose except to perpetuate banker control.

However, the bankers turned round and hired several SEC officials, including some who had worked on the very recommendation to dissolve the United Corporation. First to move over to United was William M. Hickey, who had been assistant director of SEC's public utilities division. Suddenly in April, 1943, he became president of United Corporation.

In addition, John J. Burns, SEC counsel in the early days, became United's senior counsel; E. Carey Kennedy, ex-SEC analyst, became vice president of the company; and Edward Roll, formerly a minor SEC official became assistant to United's president.

Following this, the SEC strangely had a change of heart and did not dissolve the United Corporation. Last year, a new proceeding was initiated, but again the bankers resorted to the same tactics, and SEC's counsel in charge of the public utilities division legal staff, Harry Slater, overnight became assistant counsel of United's chief subsidiary.

Washington Pipeline

The White House has received a report from Maury Maverick, ex-mayor of San Antonio, on the difficulty San Antonio's present mayor, Jack White, had in getting a reception committee to welcome General MacArthur. Gen. Walter Krueger, the top general serving under MacArthur in the Pacific, was too busy to serve. . . . The time to watch for John L. Lewis's rumored coal strike is after the miners go off on the midsummer vacation.



BUT THE WAR MOVES ON . . . It's all over for the Communist soldier stretched out beside the road. U.N. forces pass him by with little more than a short glance to rest assured that he is dead. The war goes on somewhere on the road ahead. The dead soldier will be picked up later and taken to a collection station. He was one of many who died attempting to halt advance of U.N. tank forces along the narrow road. Death came to him following a vain attempt to climb aboard tank and drop a hand grenade in the open hatch. He was felled by a shot fired by an American tankman and vehicle lumbered forward.



SANCTUARY IN SPAIN . . . After the end of World War II, Otto Skorzeny was called the "most dangerous man in Europe" by Allied occupation authorities, who heaved a mighty sigh of relief when they got him behind bars. Skorzeny, an S.S. (Nazi Elite Guard) Lt. Colonel, was Hitler's trouble-shooter when there was a tough job to be done. He was given the job of rescuing Mussolini in 1943 and did it, daringly with paratroopers. American tribunal unsuccessfully tried him in 1947 for infiltrating U.S. lines with troops in American uniforms. He is shown in S.S. days, at Dachau, as he appears today in Madrid.



MINIATURE HOBBY . . . If this picture had been made by trick photography, it might be said that the gentleman was well-heeled, loaded, or flush, as you choose. But it's no trick—the greenbacks are miniatures. Man with the hobby is William J. Nordvedt, who collects miniatures of all descriptions. A guard at the Smithsonian Institute, Nordvedt also owns busts of Washington and Lincoln on pinheads, a 1½-inch violin, plus many other interesting items in the smaller sizes.

BUSIEST BRITISHER . . . "Busiest man in Britain these days is James Hanks, one-armed decorator. Despite loss of arm in World War I, he looks after profitable business, can paint and hang paper "faster and better" than most.



MUD BATH BALLERINA . . . Sure, it's an old trick, but they still do it just the same. Stuff pictured is not supposed to be ordinary m-u-d, but hot natural tulle m-u-d at Guenther's Murietta Hot Springs in Southern California. Mussed-up miss is Joan Whitney, 20-year-old actress and model, who bathes (?) in the mud and takes hot mineral baths to keep in trim. Miss Whitney had part in the Hope movie, "My Favorite Spy," is now modeling in Paris.

CHARGES APPEASEMENT . . . Maj. Gen. Patrick J. Hurley, ex-ambassador to China, as he appeared before senate probes. Hurley charged that the state department surrendered basic principles of foreign policy.