

Truman Okays Steel Mill For Yugos As US Risks Move To Back Up Tito's Battle Against Moscow; World Bank Loan Eyed

By JOHN SCALI
WASHINGTON, Aug. 18 (AP)—President Truman said today it was on his orders that the government granted Yugoslavia permission to buy an American steel mill.

He told a news conference that the national security council studied the matter and recommended letting Yugoslavia have the mill. Then, he said, he personally ordered that it be sent.

The move has provided Yugoslavia's Marshal Tito with reinforcements to carry on his fight with Moscow.

After months of consideration, the administration granted the Yugoslav government an export license which it needed before placing the order for the plant.

The American decision represents the strongest and riskiest move taken by the American government to help the Yugoslav dictator since he split with Moscow nearly 14 months ago.

It also settled a long-standing argument between the national defense and state departments on whether shipment of a steel mill to Yugoslavia would endanger American security. Defense officials had frowned on the idea.

The decision to go ahead foreshadowed possible approval of a loan to Yugoslavia from the World Bank, where the United States has a dominant voice.

Government officials who disclosed the approval of the Yugoslav plant request to a reporter said it was intended to help combat the tightening Russian-directed blockade of Yugoslavia.

Shipment of the steel mill, valued at \$3,000,000, would mark the first time since the war that the United States has deliberately sent "war potential" material to a communist-run nation.

Poland and Czechoslovakia have been clamoring for American machinery and equipment for the past year. The United States has flatly refused to heed their appeals for fear such strategic materials might be used for war purposes.

Officials familiar with the facts gave this account of the behind-the-scenes argument within the administration high command that led at last to the favorable decision for Yugoslavia.

Secretary of State Acheson strongly

supported the Yugoslav plea on the ground that the plant is vitally needed to prevent Yugoslavia's recovery program from collapsing and possibly causing Marshal Tito's downfall.

Acheson argued that the plant, a blooming and slabbing mill, would

Townsend Plan Perks Again

WASHINGTON, Aug. 18 (AP)—The Townsend old-age pension plan is perking up again in congress.

Backers are more than half way in signing up the 218 members necessary to force a vote on it in the house. They had a pep meeting Tuesday and organized a drive to round up the remaining 83 signatures.

More than a dozen representatives showed up. Rep. Blatnik (D-Minn.) passed around lists of other members for them to buttonhole.

"If we make a good, concerted, spirited drive," Blatnik said, "we can get five or six persons each. That puts us over the hump."

Rep. Ansell (R-Ore.) made a "put your shoulder to the wheel" speech.

And Mrs. J. A. Ford, legislative director for the Townsend plan, said the drive for action on it already has forced some action on an improved social security program. The house ways and means committee approved a social security expansion bill yesterday.

Cooler Weather Aids Oregon Crops

PORTLAND, Aug. 18 (AP)—The cooler weather of last week helped Oregon crops, the weather bureau reported Wednesday in its weekly crop-weather survey.

In a few areas, however, the scattered showers of the week caused minor damage to hay.

Non-irrigated pastures and ranges were reported still very dry. Eastern Oregon's grain yield was caught by drought, too, but the Willamette valley yield was exceeding expectations.

not increase Yugoslavia's steel making capacity to any great extent but would aid it in refining and processing steel ingots turned out by the blast furnaces Yugoslavia already has.

Acheson acknowledged that there was always a chance Tito might reconcile with Moscow and thus make the plant available to Russia.

He insisted this was a calculated risk the administration had to take as part of its world wide campaign to stop Soviet expansion.

Secretary of Defense Johnson, on the basis of figures furnished by his department, maintained the steel mill would greatly increase Yugoslavia's war strength and thus was a bad risk to American security.

After several weeks of additional talks, Johnson dropped his objections with the proviso that the decision be reviewed one year later just before shipment in the light of conditions existing in the world at that time.

Acheson agreed. Export licenses issued by the commerce department are subject to amendment or suspension any time prior to shipment, anyhow.

The plant is to be built by the Continental Foundry and Machinery company, in Pittsburgh. The delivery is scheduled one year after the company begins work on the order.

FISH PLANTED

PORTLAND, Aug. 17 (AP)—The state game commission Wednesday reported completion of the airplane stocking of 31 Mount Hood national forest lakes.

Crews released 88,000 eastern brook trout into the lakes during 18 hours' flying time. That marked a sharp improvement over the month it would take to stock the inaccessible lakes by pack string.

FISH COUNT

PORTLAND, Aug. 18 (AP)—The upstream fish count at Bonneville dam Tuesday: chinooks 593, jacks 110, steelhead 1082, bluebacks 5, silvers 4, total 1794.

The bottleneck in high-speed flight may be the human being unless science finds ways to protect him from the forces created by the higher speeds.

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State Payroll Figures Gain Across Nation

WASHINGTON, Aug. 18 (AP)—State governments employed 982,000 persons in April and carried a \$197,000,000 monthly payroll.

The census bureau, reporting this today, called it a record both in numbers and in pay.

Compared with 12 months earlier, the number of jobholders was up 61 per cent or \$6,000.

The payroll itself was up \$25,700,000 a month or 15 per cent for the period, largely because average pay went up from \$185 a month in April 1948 to \$200 last April.

State governments now have "nearly half as many employees as the federal government, and about one-third as many employees as all local governments combined," the bureau said.

Michigan was the only state listed by the bureau as not having an increase in payroll in the 12 months ended last April.

Increases of more than 25 per cent were shown for Indiana, Massachusetts, Mississippi and Oregon.

Will DDT Spray Stop Polio Spread?

ONTARIO, Ore. Aug. 18 (AP)—This town emptied its pockets to finance spraying with DDT as an anti-polio measure.

Some \$1400 has been contributed for the spraying work, which would not be financed out of city coffers. Public health officials hope to spray within a week.

Whether DDT actually prevents the spread of polio is not known for certain; but officials here think it is worth trying. One theory is that Ontario's custom of spraying is a kept the disease from infiltrating here from Idaho.

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