

Korea's Economic Problem Is Unique

By MORRIS LANDSBERG

SEOUL.—(AP)—Korea's economic plight probably is unique among the distressed countries of the Far East.

Not a battleground itself, this little nation nevertheless has suffered. Few Koreans are sorry that Japan's surrender overturned their country's occupation.

There is no immediate relief in sight, although the American-Russian pact in 1945, now in question here, might lift the blockade any time.

Two countries—both the American and Russian-occupied zones are cut off by the rigid boundary line which otherwise might have raw materials that the industrial North could use but for communication.

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American Military Government attempts to increase production by raising the boundary line and a shortage of supplies. So far, only a few commodities have come in from the United States.

In an analysis of the economic situation in Korea, the economic adviser to the Military Governor, attributed inflation not only to the huge increase in currency but to a scarcity of goods and a number of subsidiary factors.

JAPS FEARFUL

At the time of Korea's liberation, there was fear and uncertainty among the Japanese in Korea. Japanese officials and companies paid huge bonuses to their officers and many officials withdrew completely from their posts.

He said the people imagined the banks would be closed and withdrew their money. The bank of Chosen (Korea) notes in its circulation doubled from the end of July, 1945.

The daily rice ration has been doubled. That forced a slump in black market prices from 50 yen to 100 yen.

Before it can reach President Truman, the bill must pass the Senate and House.

Thinks Russians May Aid Moslems

NEW DELHI.—(AP)—Sir Piro Khan Ghos of the Madem League declared today that Russian officials are endeavoring to encourage the Moslems in India if the British and Hindus refuse their pleas for independence.

Asked during an interview to explain his reference to a recent speech to the possibility that Russia might become a welcome friend of the Moslems, Sir Piro said he had not intended to give the impression that the league would appeal directly to Russia.

Instead he outlined two possible sources of Russian influence. First, he said a population such as the Moslems would be entitled to appeal to the United Nations for relief if it failed to obtain it during pending negotiations.



Smart homemakers know that Thursday's Charlotte News pages carry the best food dollars' worth in town. In these days of shortages, shop the easy way; read The News First.

Senate Group Asks Full Year Draft Extension

WASHINGTON.—(AP)—The Senate Military Committee recommended today a full year extension of the draft act.

At the same time the committee sent along four different service pay increase plans for Senate consideration.



HORSE GOT THE BRIDAL BOUQUET.—After their wedding at the Little Church Around the Corner in New York, Ernestine Clarke, Ringling Bros. and Barnum & Bailey Circus bareback rider, and Parley Baer, of Salt Lake City, visit Madison Square Garden, where her horse, "Stranger," which she uses in her act, makes a luscious tidbit of her bridal bouquet. (Acme Photo.)

New Housing Bill Speeded

WASHINGTON.—(AP)—The Senate shunted the Emergency Housing Bill back to the House today and quickly turned to a companion measure intended to add 12,500,000 new homes by 1956.

This long-range bill came to the Senate's floor with the unanimous approval of its Banking Committee. Democratic leaders demonstrated by its trio of authors: Senators Wagner, Democrat, New York; Taft, Republican, Ohio; and Ellender, Democrat, Louisiana.

The bill is not linked to but fits with the emergency housing legislation which the Senate passed yesterday, 63 to 16, and sent back to the House for action on amendments.

The emergency bill is designed to provide 2,500,000 new dwelling units largely for veterans, by the end of next year.

Before it can reach President Truman, the bill must pass the Senate and House.

DIFFER ON SUBSIDY

The chief point of difference is the Senate provision for \$600,000,000 in subsidies to encourage the output of scarce building materials.

The long-range bill makes no attempt to settle urgent housing problems. It takes things slower, and is based on the idea that easier Government financing and mortgage insurance might encourage more construction by private enterprise.

There are, in addition, provisions for continued Federal aid for public housing and Federal aid for loans to farmers and Federal aid to cities which want to redevelop blighted areas.

One feature would permit the purchase of a home insured by a Federal life insurance company for only a 5 per cent down payment. On a \$5,000 house this would be \$250.

The legislation provides for direct Federal expenditures of about \$30,000,000 the first year with a rise to \$133,000,000 a year after five years.

Pleads Guilty To Murder Charge

NEW YORK.—(AP)—The 30-day-old trial of Mrs. Speranza Pianetti on a charge of murder in the Bronx ended yesterday when the 50-year-old defendant, who had to be caged after several times 24 hours of her outbursts in court, pleaded guilty to second degree murder in the shooting of Mrs. Nancy Gattano.

Just before the trial on April 29 for sentencing, the woman faces a possible 20-year imprisonment.

Mrs. Pianetti told the court she shot Mrs. Gattano May 3, 1942, after the wife threatened to sever their friendship.

Chairman Albert Thomas, Democrat, Utah, said the pay boost proposals represented a committee compromise.

The draft extension bill was prepared by Senator Gurney, Republican, South Dakota. It also included a pay increase provision.

Action came after a three-hour closed door session which began by a refusal to go along with the House Military Committee recommendation of a nine-month extension of the draft beyond May 15.

Only one major change was made in the Gurney bill. This fixed the strength at 1,550,000 men July 1 and at 1,070,000 for the fixed date in 1947. It would require "rotated" mobilization of sixteen those levels. Senators estimated this would mean release of 600,000 men monthly.

The various pay increase proposals sent on to the Senate included:

Gurney's plan for increasing the pay of graded men to the next grade would be boosted from the present \$50 monthly to \$65, with staggered increases giving top grades \$410 compared with the present \$185.

An identical pay increase plan by Senator Revercomb, Republican, West Virginia, which would be considered as a separate measure.

A bill by Senator Maybank, Democrat, South Carolina, which would grant \$50 additional monthly to officers and men of the armed services while serving at sea or outside the United States.

A bill by Chairman Thomas which would raise the pay of all officers in the Army, Navy and Air Force.

Higher service pay also came up for consideration on the other side of the Capitol.

A House military subcommittee withdrew a previous recommendation for a 4 per cent pay increase and voted a sliding scale of bonus starting with 50 per cent extra for privates.

The House passed the bill in addition to fixing Army strength also calls for a top strength of 550,000 for the Army and 100,000 for the Air Force by July 1, 1947.

The commission made up of representatives from the United States, Britain, Russia and France was drafting its report, following a four-day session in the disputed Venezia Giulia zone.

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But he said the nation will have to observe fully all phases later. He explained that the future possibility of rationing of bread, meat and other foods depends on this year's food production.

Similarly, Anderson's view that the Government must help the public bread assumes that the Government will be able to pull to market the bulk of the remaining grain stocks of wheat on farms. Officials have reported that many farmers in the wheat conservation program are not producing.

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Action Is Taken By Committee

WASHINGTON.—(AP)—The nomination of Herschel V. Johnson, now Minister to Sweden, to be America's deputy representative to the United Nations Security Council was sent to the Senate.

Johnson, a North Carolinian, will hold the rank of Minister in the position. His change of assignments was announced after he saw Mr. Truman at the White House.

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Spot Picked As Interim Center For Activities

NEW YORK.—(AP)—Mayor William O'Dwyer announced the selection of the World's Fair site at Flushing Meadow as the interim meeting place of the United Nations.

The Sperry Gyroscope Plant at Lake Success, Long Island, long leaders in the position of the interim headquarters, was chosen as office headquarters of the United Nations, the mayor added.

The announcement was made after a 20-minute meeting this morning of Mayor O'Dwyer, U. N. Secretary General Grover Whelan, who has been assisting U. N. officials in seeking a satisfactory site in New York, and the Board of Estimate of New York City.

O'Dwyer said that the city had agreed to advance \$1,250,000 for improving the Flushing Meadow Park and the interior of the Municipal Building, now used as a meeting place of the United Nations.

The Municipal Building is contemplated for meetings of the General Assembly.

O'Dwyer said Lie and the board of estimate entered into a "verbal agreement" on the plan to use the World's Fair site as the meeting place of the United Nations.

In reporting that the Sperry plant would be used for offices, the mayor added that the city was guaranteeing that housing units to accommodate the personnel employed by the U. N. would be situated somewhere within the city and would be ready for occupancy.

The city building in the old World's Fair grounds would be suitable for use Sept. 1, the mayor said. The General Assembly of the United Nations will meet in New York Sept. 3.

The selection of the World's Fair site, a dark horse among the competitors, was announced suddenly. It apparently ended the quandary in which the United Nations found itself over a home to be used until its permanent buildings are ready.

The Security Council has met in the United Nations building since the Bronx and it is contemplated that the council will continue to meet there at least until the U. N. contract for the Hunter College site expires May 15.

The council delegates journeyed to the Sperry plant at Lake Success last Friday and surveyed that site thoroughly. Some delegates privately expressed dissatisfaction with the site because of its distance, 22 miles from New York.

At the U. N. office at 610 Fifth Avenue it was said that the Security Council would move to the Sperry plant by its meeting, as soon as the place was ready.

Earthquake Recorded

A very strong earthquake, said to be about as severe as the one which caused the recent tidal wave, was recorded last night by seismologists in New York, Philadelphia, Weston, Mass., and St. Louis.

Most of the seismologists agreed the disturbance was about 5,000 miles distant, probably in Romania, although one estimated it probably occurred "in the Aeolian chain."

No report of an earthquake was received from Romania, however.

U. S. Agrees To Hearing On Spain

NEW YORK.—(AP)—The United States will support a full hearing before the United Nations Security Council on Poland's indictment of the Franco regime in Spain as a haven of fugitive German scientists working on atomic age weapons, a spokesman indicated today.

The spokesman added that the United States reserved any decision on further moves until it had heard all the facts presented.

The British delegation was expected to join in this stand, with both taking the position that Generalissimo Franco was Spain's domestic problem but that they were willing to hear all the arguments at one session before voting on whether Spain constituted an actionable menace to peace, as charged in Poland's note to the Security Council.

SPANISH APPEAR.—At the working organization, scheduled to convene Monday, faced its second major test, representatives of the Spanish Republican Government and the United States.

Fernando De Los Rios, former Foreign Minister of the Government in Exile, just arrived in London, said he had made no formal contact with the United Nations, but that he probably would be invited to appear at the Spanish case as a Spanish observer.

Spain is not a member of the United Nations and the question immediately arose as to whether the United Nations had jurisdiction over the Madrid Government to the Council table as it did for the Franco regime.

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Stark Testifies

WASHINGTON.—(AP)—Admiral Harold R. Stark said today he probably consulted President Roosevelt before drafting a suggestion for the Dutch early in December 1941 that they tell Japan not to cross a certain line under penalty of attack.

Stark, 1941 Chief of Naval Operations, declared that this did not necessarily mean war for the United States. He insisted, under questioning by Senator Ferguson, Republican, Michigan, that the constitutional requirement that he declare war on Japan was observed at every step.

The retired Admiral testified before the Senate-House committee investigating the Pearl Harbor attack of December 7, 1941.

The subject of the Dutch message came up when a Dec. 8, 1941, memorandum from Stark to Secretary of State Hull was placed in the record for the second time.

This was to the effect that if the Dutch wanted to give Japan a warning, Stark believed it should be in the form of a declaration that if the Japanese crossed a "parallel line" running between Davao and Wewak, it would be considered a hostile act and they would be attacked.

"Attacked by whom?" asked Ferguson.

"By the Dutch," Stark replied. He added this was not amount to parallel action by the American and Dutch governments. "We couldn't take parallel action," he said, because of the constitutional requirement.

Ferguson asked pointedly whether Stark consulted with Mr. Roosevelt before drawing up the suggestion for the Dutch. Stark called this the most important point.

"I don't think I would have consulted with him," Stark said, "but I think I would have consulted the President."

Stark said he did not think it would be taken into account by the State Department and things of that sort would have to be taken up with the President.

Earlier, the investigators heard that President Truman has denied an appeal by Adm. Husband E. Kimmel, Admiral of the Navy, that he should be relieved of his command.

See DUTCH WERE ON page 6-A

Urge Removal Of Meat Subsidies

WASHINGTON.—(AP)—Chairman Hiram Boren, Democrat, Virginia, said today the House Agriculture Committee has recommended removal of meat subsidies.

He told a reporter that the committee's views were expressed in a resolution which will be made public later. He added that the report did not advocate elimination of price controls.

The committee has been studying the new situation for three weeks and has heard explanations of shortages and black markets from Government officials, cattle raisers, packers and feed men.

PLAN TO KEEP PLEDGES.—In the face of an Agriculture Department held off today by its decision whether more drastic steps are needed at home to tide famine areas abroad over the present critical shortage of bread.

Although the domestic conservation program launched a month ago today has failed to achieve the savings sought and exports to hungry areas have fallen behind promises, officials continue to insist that foreign commitments will be met.

Yugoslav-Italian Border Findings Due Soon

LONDON.—(AP)—Authoritative sources said today a four-page investigating commission would submit recommendations soon for a new Yugoslav-Italian frontier.

The commission made up of representatives from the United States, Britain, Russia and France was drafting its report, following a four-day session in the disputed Venezia Giulia zone.

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Insist Promises To Be Met

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Mihailovic Trial Open To Public

LONDON.—(AP)—The Belgrade radio said today that the trial of Gen. Draza Mihailovic, Chetnik leader and foe of Premier Marinkovic, will be held in public for the whole world to hear the defense as well as the prosecution.

The broadcast quoted Pava Mose, deputy speaker of the Yugoslav National Assembly, as making the statement. The date of the trial was estimated by Mihailovic, war minister for former King Peter's exiled Government which operated in London, as accused of treason.