

He Says Marshall Typifies Patriotism

He Thinks Foreign Aid Cuts Too Deep

Committee Restores Portion Of Funds

By EDWIN B. HAAKINSON
WASHINGTON (AP)—President Eisenhower said today that the foreign aid cuts voted by the Senate yesterday were so deep they would hurt the country badly.

Within minutes a Senate House conference committee voted to restore part of the cut.

The Senate, accepting a new half-billion dollar reduction before it voted out the foreign aid authorization measure, slashed the total to something under \$2,700,000,000 or 800 million dollars below the amount the administration asked.

Today the two houses of Congress quickly put committees to work ironing out differences between their versions of the bill.

Sen. Wiley (R-Wis.), chairman of the Senate Foreign Relations Committee, emerged from the conference to report that the first stage had agreed to push the total back up above three billion.

The President spoke out at a news conference as Senate leaders worked at the job of heading off further multi-million dollar cuts.

The fight this time is in the Senate Appropriations Committee, considering actual money allotments.

Yesterday's action was taken by the Senate itself in passing an authorization measure some \$800 million dollars less than the \$3 billion the administration had asked.

Eisenhower responded promptly and emphatically when asked what he thought of the Senate's vote.

“UNFORTUNATE”
He said he thought the 451 vote for an extra half-billion dollar reduction was very unfortunate.

He said the administration itself had cut the foreign aid figure as far as it thought was safe, and that the House already had trimmed the original estimate.

The newly voted cut, in his opinion, the President said, is too deep and will hurt us badly.

He said there seems to be some lack of understanding in Congress about what the Kremlin is doing in the world.

And he said there would be less resistance to foreign spending if members of Congress could see how desperately the administration is trying to build up the free world to counter the Kremlin's propaganda and outright subversion and sabotage.

Umstead Backs Jordan For National Committee

RALEIGH (AP)—Gov. Umstead B. Everett Jordan, state Democratic chairman, as North Carolina's Democratic national committee man when the State Democratic Executive Committee meets here Aug. 12.

The governor said he will recommend State Sen. John D. Larkins Jr. of Trenton to succeed Jordan as state Democratic chairman and Mrs. Mary Laurens Richardson of Raleigh for re-election as vice chairman.

Umstead said he had been anxious for Jordan to leave his post as state chairman “at least during the next two years.”

However, he said Jordan told him he could not give the necessary time to the job “owing to the heavy demands his personal business has been making.”

The governor said he was “very pleased” that Jordan agreed to stand for re-election as state party chairman for the last five years.

The governor said Larkins “has been an active worker in the cause of Democracy for many years.” He also termed Mrs. Richardson “a splendid leader in the Democratic cause.”

Larkins, 45-year-old lawyer, is chairman of the state's Advisory Budget Commission. He has served in various regular and two special sessions of the State Senate. He is at present secretary of the Democratic Executive Committee and chairman of the state's Democratic fund-raising dinners.

Jordan, a textile industrialist, became state chairman in 1949 on the recommendation of former Gov. W. Kerr Scott. He later broke with Scott and was retained as chairman when Umstead became governor.

At the executive committee meeting, the Democrats are expected to name Sen. Sam J. Erwin Jr. as the party nominee for senator, Higgins as the nominee for associate justice of the State Supreme Court, and Frank Crane as nominee for commissioner of labor. In addition to filling the party vacancies, usually the committee follows the governor's recommendations.

OUR WEATHER
Partly cloudy and continued warm today and tomorrow.

Scattered afternoon thunder showers tomorrow.

High temperature yesterday, 93 degrees; high expected today and tomorrow, 90 degrees.

Low temperature this morning, 69 degrees; low expected tonight, 68 degrees; low expected tomorrow night, 72 degrees.

Sunrise, 5:34 a.m.; sunset, 7:23 p.m.

More Weather Data on Page 2-A



PRESIDENT EISENHOWER

GEN. MARSHALL

“He Has Typified ... An American Patriot”

Short Beats Threat

Three Senators Renominated

By ASSOCIATED PRESS

Three U.S. Senators won renomination in four state primaries yesterday and Rep. Dewey Short (R-Mo.) turned back a strong threat to his 20-year Congress career.

Sens. Matthew M. Neely (D-W.Va.) and Andrew P. Schoepel (R-Kan.) won easily over light opposition. Sen. Homer Ferguson (R-Mich.) was unopposed.

Short, chairman of the House Armed Services Committee, admitted getting a “little scare” but won comfortably over State Sen. Noel Cox.

All but one of the 41 House members seeking re-election either won or were leading.

The Kansas primary featured a revolt against the GOP state house administration. Lt. Gov. Fred Hall had a mounting lead in his challenge to take over party leadership from the forces of retiring Gov. Edward F. Arn.

Hall, seeking the GOP nomination for governor, was trailed by George Templar, former U. S. district attorney, who had the support of the state's party leadership.

All incumbent congressmen won their races in Kansas, Missouri and West Virginia. And all but one of the six Michigan congressmen were re-elected.

Neely was renominated to a fifth term, topping the closest of his three opponents 41, Schoepel to 14, and late runner-up Short 33,630, Cox 24,367.

Balloting in all four states was unusually light. With few exceptions, campaigning had been limited to campaign at all.

The was a four-way contest for personal business has been making in Michigan. The winner

disappointed for renomination held leads. Veteran Democrat George D. Brennan trailed by a narrow margin.

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HARRY S. TRUMAN

Plain Voter In Missouri

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President Defends His Former Chief

May Take Hand In McCarthy Case

WASHINGTON (AP)—In emotional tones, President Eisenhower sprang to the defense today of Gen. George C. Marshall whose name was brought disparagingly by Sen. McCarthy into the Senate controversy over whether to censure McCarthy.

To him, Eisenhower said, Marshall “has typified all that we call—or we look for—in what we call an American patriot.”

PERMITS QUOTES
The President gave his news conference remarks emphasis by later authorizing their direct quotation.

Eisenhower, who has taken a stand in the past that controversy over McCarthy is the Senate's problem, went far also toward saying it is a problem with which he might have to deal.

The President said that under the American system government the party in power is responsible for harmony and the President, of course, is the head of the party.

And anything that tends to divide the party concerns him and he must decide with respect to it, he added.

Eisenhower declined to express any opinion on the move by Sen. McCarthy's supporters to censure McCarthy.

In his general discussion, he said the important thing is to push through a legislative program of the kind which will benefit the country.

AWAITS SENATE ACTION
He added that of course the McCarthy controversy is going to have an effect on the party in some way or another, but that he was not in a position to evaluate the situation. He said it would not be coming from him to do so until the Senate makes up its mind.

Some of the senators who want to censure McCarthy and others among other things, a speech McCarthy made in 1951 attacking the veracity and patriotism of Marshall.

In that connection, McCarthy put into the Congressional Record Monday a letter written last June by Harry Woodring, former Secretary of War in the Roosevelt cabinet.

In the letter, Woodring expressed the opinion of Marshall: “He would sell out his grandmother for personal advantage.”

A reporter quoted Woodring's letter to Eisenhower's news conference and asked what the President thought of that appraisal.

Eisenhower, for about five minutes, praised Marshall, recalling his associations with him, and saying: “I saw many things that would lead me to me at least of his selflessness.”

He concluded with these words: “I think it is a sorry reward, at the end of at least 20 years of service to this country, to say that he is not a loyal, fine American.”

See IKE SAYS on page 2-A

Heat Scorches Middle West

By THE ASSOCIATED PRESS
Sweltering 100-degree plus heat returned to the Central and Southern Plains today but relatively cool and showery weather prevailed over other large areas.

General rains pelted Northeast and West Coast states, and widespread showers scattered across the Southeastern states and broad area from the Middle Mississippi Valley eastward across portions of the Ohio Valley and Southern Great Lakes region.

A surge of cool air from the Pacific Northwest spread into the Northern and Central Plains Region and the west slope of the Rockies in Montana and Wyoming.

Temperature changes were minor in the East except in the rain area over New England.

WHAT'S INSIDE
AMERICA'S HEART IS IN THE HIGHLANDS. The Great Smokies to be exact. This scenic playground can boast of the country's most visited national park. Read about it on today's editorial page. Turn to page 8-A.

HOW'S YOUR IQ? That question has been asked in The News daily for several years, and has challenged thousands of readers. Try your hand at the brief test, on page 2-B.

Business 12B
Obituaries 11A
Classified 9-11B
Radio & TV 38B
Comics 8B
Serial 4A
Crossword 3B
Snooze 4B
Editorials 8A
Theaters 7B
Features 2B
Women 10-12A

Officials Agree But Avoid Pledge

U. S. Would Fight To Save Formosa From Reds

WASHINGTON (AP)—If Communist China makes a major attack on the United States island of Formosa, the United States will go to war. Every top official willing to disclose a policy issue which obviously seems to be deeply involved in the problem of an alliance with Formosa, said today.

But the Eisenhower administration is not willing, at least for the time being, to make that pledge in a formal treaty with Generalissimo Chiang Kai-shek of the Chinese Nationalist government.

Almost no responsible authority

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See IKE SAYS on page 2-A



LUKE BODOR IS ALMOST LOST as he works on a 60-foot tall, 100-ton statue group immortalizing the flag-raising ceremony on Mt. Suribachi on Iwo Jima. The statue will stand on a spot overlooking the Marine Memorial in Washington and Mount Vernon, Va. (AP Wirephoto)

Crossed Iron Curtain

Reds Say John Given Asylum

BERLIN (AP)—Communist

Pro-Communist Otto Grotewohl told the East German Parliament today that West German security chief Otto John has been granted political asylum in the Soviet zone.

John disappeared into the East of the Bonn government's internal security service he knew the identity of hundreds of persons sent official position that he was kidnapped, probably while dragged, or lured into the Red zone.

The East German radio announcer-casts have claimed that John quit the West to work for German reunification.

Since John disappeared, a man purporting to be him has broadcast three times from East Germany, saying he went to the East to work for German unity and because “too many Nazis” had returned to power in the West German government.

Grotewohl told the lower house of his Parliament that he was making his statement about John to “end all speculation and sensation mongering” about his disappearance.

He read what he said was an excerpt of a letter to him from the 44-year-old man.

“Herewith I wish to thank the German Democratic Republic and you personally for the asylum which you have granted me.”

“I wish to assure you that I want to work for the unity of Germany and against the danger of war.”

THOUGHT UNRELIABLE
An official British source in Bonn today said British authorities cut John off from their intelligence secrets about 10 months ago. The action, the source said, was “due to an increasing conviction on our part that John was unreliable.”

Other Allied officials in Bonn disclosed today that John was involved in a bitter controversy with American and British intelligence officials in Germany before he disappeared.

John considered Nazi-like elements rather than Communists as the greatest danger to the young West German republic and concentrated his work on them, the officials said. He was a member of the anti-Nazi resistance movement during the war and a participant in the 1944 plot against Hitler's life.

Gangster Entry Into Housing Loans Charged

By ROWLAND EVANS JR.
WASHINGTON (AP)—Sen. Capehart (R-Ind.) said today the “deep underworld” is “up to its neck” in an organized swindle of thousands of home owners.

Capehart heads the Senate subcommittee on Housing, currently looking in to a Senate report on the “irregularities in Capehart government housing programs.”

It called today for testimony from New York builder Len Woodner, described as sponsor of 24 government-backed apartment projects, and Edward Carmack of Fairbrook, Tenn.

The Federal Housing Administration (FHA), meanwhile, announced suspension of its chief loan officer, John W. Salmon, for “refusal to answer questions regarding certain financial transactions involving builders operating in the Los Angeles area.”

Capehart's comment followed refusal by a Chicago man to answer questions at a committee hearing yesterday.

At the other extreme is India and Nehru. But these positions express its policy of neutrality, as set constant pressure on the American government and the West.

CHANG'S AIMS
Chiang Kai-shek has publicly dedicated himself to leading a Nationalist Chinese liberating army from Formosa against the mainland, from which he was driven by the Reds.

American diplomats say he appears convinced the Chinese people would rise in wrath against the extremes as typified by Rhee.

See U. S. WOULD on page 2-A

At one extreme on this issue is North Korea's President Syngman Rhee, who has gone about vigorously advocating combat to solve the problems of Asia, and particularly of divided Korea.

Rhee was rebuffed by President Eisenhower. Instead of the strong public statement he wanted, Rhee was persuaded to join Eisenhower in a general declaration of desire to unify Korea by peaceful means.

The issue is: Is the United States preparing for war in the event that it is inevitable, or is it directing all its efforts toward avoiding war, without losing honor, in the hope of success?

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See U. S. WOULD on page 2-A

GROCERY NEWS TIPS

By Betty Boyer
Still Time to Get Those “Free” Frozen Pop Sticks . . .

Ask Your Grocer for the “All Season” Shortening.

Steak Sandwiches from Frozen Steaks Inexpensive . . . Delicious.

A 22-piece Picnic Pak in 4 Beautiful Colors Only \$1.00

Read The Grocery News

Page 12-A