THE CHARLOTTE NEWS

★★★★★ FINAL

Largest Evening Newspaper In The Two Carolinas

Established Dec. 8, 1888. Charlotte, North Carolina, Tuesday, June 23, 1959 24 Pages—Price Five Cents

$100,000 Treasury Bond Burned In Waste Paper

News Staff Photo—Hunter

Miss Joyce Lee, Charlotte Chamber of Commerce secretary, is almost buried by stacks of brochures explaining the purpose and advantages of city and county school consolidation. The chamber is mailing 70,000 brochures to parents of children and others who will decide the issue in the June 30 election.

—COUNTY SYSTEM FACES GREATEST LOSS—

Why Is Perimeter Important To Schools?

By ANN SAWYER
News Education Writer
(Second In A Series)

Why is the perimeter area so important to the city and county school systems?

The answer lies mainly in its size.

There have been city limit extensions before. The county school system has lost area, buildings and students, but it has never stood to lose as much as it does now.

Some advocates of city-county school consolidation reason that the county schools would be wrecked if they had to give up the perimeter with its students and taxable wealth.

Take a look at the 31 square miles that will carry the Charlotte label after Dec. 31.

HALF THE SUPPORT

The 19,200 acres in the perimeter has an assessed valuation of almost $100 million—providing half the financial support for the county school supplemental tax.

About one-third of the county pupils live in the perimeter area, which contains eight elementary schools.

Oliver Rowe, one of the strongest advocates of consolidation and member of a Chamber of Commerce study committee, has said repeatedly the removal of the perimeter from the county system would wreck it.

He also maintains that if the city school district cannot expand to take in the perimeter it too will deteriorate.

In previous city limit extensions when the new territory later was taken into the city school system, Mr. Rowe said it did not hurt the county system grievously to give up schools and students.

That was in the days when most Mecklenburg County schools housed grades one through twelve and the children came from the territory immediately surrounding the school.

6-3-3 PLAN

But since the last city limit extension, the county has developed what is known as the 6-3-3 plan —elementary, junior and senior high schools, where every elementary and junior high school feeds pupils to another.

With this modern school system, Mr. Rowe said you cannot remove even an elementary school without its impact being felt in the junior and senior high schools.

If the 8,000 county school children in the perimeter area are lost to the county system, it will mean a drain on more schools than the eight elementary ones.

STAND TO LOSE

A survey by principals and county school officials showed West Mecklenburg High would lose 30 per cent of its students; East, 41 per cent; Berryhill, 30; Wilson Junior High, 25; Derita, 22; Statesville, 20; Idlewild, 30; Sharon, 51; and McClintock Junior High, 62 per cent.

"Such a heavy loss of elementary schools and the loss of pupils from the remaining schools will completely throw out of balance and disrupt the operation of the county's 6-3-3 system," Mr. Rowe said.

"The one thing that makes it possible for the county school system to finance its program is because the perimeter area, which contains about half the assessed valuation, is in the county school district," he said.

See CONSOLIDATION on Page 2A

Bank Says Note Was Replaced

By BOB SLOUGH
News Staff Writer

The president of the Federal Reserve Bank of Richmond said this morning a $100,000 U. S. Certificate of Indebtedness lost here in 1956 had in some manner become mixed with waste paper and had been destroyed by burning.

"This view was shared by the United States Treasury Department and the lost certificate was replaced without loss to anyone," Hugh Leach said in a prepared statement released this morning. This was the first comment Mr. Leach had made since the loss was disclosed.

The $100,000 U. S. Certificate of Indebtedness was lost during August of 1956 in a delivery transaction between the Charlotte Branch of the Federal Reserve Bank of Richmond and a commercial bank.

AUDITORS INVESTIGATE

Mr. Leach said complete and thorough investigations of this transaction were made by the auditors of the Federal Reserve Bank of Richmond, the commercial bank involved, by the blanket bond insurors of both banks, and by the United States Secret Service.

"At the conclusion of these investigations, all parties were satisfied that the disappearance of the certificate was not a result of dishonesty or wrong doing on the part of employes of this bank or employes of the commercial bank involved," Mr. Leach said.

Mr. Leach said the certificate had in some manner become mixed with waste paper and had been destroyed by burning.

Rep. Wright Patman (D-Tex.) disclosed the missing $100,000 certificate Sunday when he released a 33-page statement criticizing operations and policies of the Federal Reserve System.

The bond was one of several sent by armored car from the Federal Reserve bank to the Charlotte bank. An employe opened the package of bonds and sent individual receipts for each bond to the Federal Reserve branch.

SIX, NOT SEVEN

Only six receipts were sent to the Federal Reserve branch here and there were supposed to be seven.

The Federal Reserve felt the certificate must have stuck to the envelope in which the bonds were shipped and burned as waste paper.

"During the normal course of money or securities operations in this or any other financial institution, some degree of human error is to be expected," Mr. Leach said in his statement.

"It is impossible for any institution handling currency and securities to avoid some errors.

"The amazing fact is not that we have errors but that in view of the tremendous volume of money and securities which we handle errors are so few.

"That this is so is a tribute, not only to the integrity of our employes but also to the policies and practices employed to keep such occurrences to a minimum."

Americans May Be Victims In Norwegian Hotel Blaze

STALHEIM, Norway (AP)— Fire raged before dawn today through the Stalheim Resort Hotel in which 130 Americans were staying. Seven bodies were found and six or seven persons were missing some hours after the blaze, a police spokesman said.

About 35 persons were injured, either by the flames or by jumping from the windows of the hotel.

The police spokesman said the fire spread over a huge area. "The situation is confused," he said. "It may take some time to clear it up."

Other guests in the hotel included 12 British, 4 Swedes and some Norwegians.

The 99-room hotel was reduced to ashes in two hours although all nearby communities sent firemen to help against the flames.

DIES IN LEAP

The seven dead were not immediately identified. They were believed to have been guests since hotel employes live in another building. One woman burned to death in her room. At least one patron perished jumping from a window, police said.

The fire was discovered at about 2 a.m. by Harris Caldwell of Georgia (hometown unavailable).

"I woke because of roaring and snapping sounds," he said. "I ran out and saw the hotel burning.

"I ran down the corridor and screamed all I could, and continued down to the lobby where one of the hotel employes came running and helped to set the fire alarm working.

Witnesses said the blaze apparently began in one of the rooms. When it was over, only a concrete wing remained standing.

The hotel Stalheim, the older sections of which date back to 1912, was insured for three million $940,000.

SECOND FIRE

It was the second fire in 48 hours to wreck a European hotel crowded with Americans. The five-floor Ambasciatori (Ambassadors) Hotel on Rome's famed Via Veneta caught fire early Sunday. Three maids who jumped or fell from the top story were killed.

Mrs. B. Marrer of Los Angeles was among the Americans injured.

Her husband said they had arrived last night by bus with about 20 other persons, almost all Americans. He reported three busloads of tourists arrived at the hotel last night.

SCENE OF PANIC

"We went early to bed and asked to be called at 6:15," Marrer said. "We did not know anything before the fire alarm screamed. We lived on the second floor. I opened the door, and smoke and flames struck at us. I slammed the door."

"There was no fire escape or rope. We made a rope out of bed clothes and I let my wife out and went after her. My wife injured her back. I don't know where the rest of our group are. We lost everything — passports, luggage, even our clothes.

"But the people here have been extremely nice to us and done everything they can."

Long's Wife To Testify At Hearing

BATON ROUGE, La. (AP)— Attorney Joe Arthur Sims, fighting for Louisiana Gov. Earl Long's release from a mental hospital, said today he would call the governor's wife as a witness Friday when the Governor goes to court seeking his freedom.

Sims filed for a writ of habeas corpus last night and state District Judge Robert Jones set a hearing for 9 a. m. Friday.

Mrs. Long signed the application asking that the governor be confined to Southeast Louisiana (mental) Hospital at Mandeville.

Sims said — if necessary — he also would call Lt. Gov. Luther Frazar, Long's faithful political follower who has been reluctant to take over as acting governor, and Mrs Wilma Lockhart, the governor's executive secretary.

Sims said he hoped to win his case before calling witnesses with a favorable court decision on his first three arguments:

The governor can be removed only by impeachment and locking Long up in a mental hospital is in effect removal; the commitment papers were not in order in that they were not filled out properly; and even if they were filled out properly they were obtained without proper examination as required by law.

Sims hedged when asked if the 63-year-old governor, staging his second attempt in 25 days to get out of mental hospitals, would be a witness.

"That remains to be seen," he said.

Sims also contended Long has never been mentally ill, and even if he has, he has completely recovered.

READY FOR JUDGE

A reliable source said a comprehensive diagnosis of the governor's physical and mental condition would be ready for presentation before Judge Jones Friday.

Dr. Chester Williams, East Baton Rouge Parish (county) coroner said Thursday Gov. Long suffered from paranoid schizophrenia—delusions of persecution.

The filing of the application climaxed a day of confusion over who would—or could—occupy the vacant governor's chair.

Atty. General Jack Gremillion issued a 1,300-word opinion saying Lt. Gov. Lether Frazar had to assume the post of acting governor.

But the 54-year-old Frazar ignored the opinion, contended he was only the lieutenant governor. That left the state leaderless, a handicap it has operated under for nearly a month.

Guards Seized

Break Is Feared As Patients Riot

By HUEL E. WARREN JR.

SPRINGFIELD, Mo (AP)—Rioting psychiatric patients seized five guards and took over a wing of the U. S. medical center here last night and an official said he feared it was part of a plan to escape the prison.

Sheriff Glenn Hendrix of Greene County said information from inside the prison indicated the convicts were trying to break through the wall on the north west corner of the "10 North" building.

Guards, state troopers, Springfield policemen and special guards from the federal prison at Leavenworth, Kan., formed three separate tight rings around the "10 North" wing of the federal prison system's general hospital today. The unit is known as the "Country Club" because it resembles one from the outside.

Sheriff Hendrix said none of the prison authorities could get inside the building to actually "see what was happening." He said they heard terrific pounding and sent men around the walls to see if they could detect exactly where a break-through was being attempted.

"The walls are about 36 inches thick and I just don't believe they've got the equipment to get through," the sheriff said.

Hendrix said it was his understanding the riot was led by "six or seven" convicts and that one of them, who is serving a 20-year sentence, was considered desperate.

Guards, state troopers and Springfield policemen formed three separate rings around the "10 North" wing of the federal prison system's general hospital, known as the "Country Club" because it looks like one from the outside. The men, armed with riot guns and gas grenades, were spaced only 20 feet apart to guard against the possibility of a break.

But the officers made no move toward the wing. Dr. Russell O. Settle, warden of the center, ordered his staff to avoid provoking the rioters.

The "10 North" wing is a prison type building with barred doors and windows and individual cells. It is divided into three wards, each housing about a third of the 106 inmates. Homosexuals were in one ward, "young aggressives" were in the second ward, and "older aggressives" were in the third. All are neuropsychiatric patients and they are among the most dangerous of the hospital's 1,046 inmates.

Of the center's inmate population, 239 are trustys. About 60 per cent of the 787 patients suffer mental illnesses.

None of the rioters have been identified by the warden.

WIELDS KNIFE

One inmate was seen holding a knife to the back of a hostage. And a rioter told the center's control room by telephone:

"Don't try to come in here or your men will get hurt."

Another inmate said in a second call, "We mean business."

Questioned by Settle on what started the riot, the man said:

"We have our demands almost ready but we will call you."

That was at 10:20 last night and still nothing has been heard from the prisoners.

There has been no sound at all from the wing. There also are no lights. The prisoners smashed the lights when the uprising began.

Only one newsman, City Editor Jim Billings of the Springfield Daily News, was allowed inside the center.

"There is no rioting in the general sense — no shouting and all that," Billings reported this morning.

He said officials were "sitting around, sweating out" the riot and added, "There is not much anyone can do except sweat."

"The trouble is, we don't know what these 106 men want. We don't even know what triggered this seizure of the wing."

The 100-foot-long, one-story concrete wing is divided into three cellblocks and is separated from the rest of the center by a barred door.

First indication of the riot came when a guard peered through that door in a routine check just before "lights out."

The guard told Dr. Settle he saw inmates milling in the long corridor. The five guards in the wing were stripped to their shorts. Some inmates were wearing the officers' uniforms. An inmate was holding a knife against the back of a guard.

The hostages are William L. Fitch, Leonard Appleby, Melvin G. Jung Robert B. Rosendahl and Charles R. Allen, all of Springfield.

As soon as escape routes through the main door and the steel-barred windows were blocked, the staff settled down to waiting.

The medical center is a general hospital for the government's prison system.

Starkweather Dies Thursday

LINCOLN, Neb. (AP)— The Nebraska Supreme Court today set June 25 as the new execution date for convicted killer Charles Starkweather.

The action came less than a day after the United States Supreme Court turned down his bid for a review of his case.

The new execution date — the fifth set — is only two days away, leaving Starkweather's attorneys little time to apply to the state courts for further stays.

Starkweather, still whiling away his time with his paintings, remains hopeful he will get a review of his case.

Starkweather contends he did not have a fair trial in that he was not properly represented by his two court-appointed attorneys. He asked the U. S. Supreme Court to grant a review of the case. The court denied the application without comment Monday.

Told of the decision, Starkweather said only that he still had hope. He returned to his oil painting of a snow scene.

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—AT 87, LUCY KEEPS BUSY—

She's Got Things To Do

By JULIAN SCHEER
News Staff Writer

MARVIN — She didn't even notice.

The sun beat down on Sandy Ridge township near here yesterady and it was, officially, the first day of summer 1959 — but she didn't even notice.

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"I'VE GOT things to do," she says. Like hoeing in her garden.

Like tending her pecan trees.

Like picking blueberries for a pie.

Like feeding her six frisky lambs.

She's seen 87 summers — and one is pretty much like the rest.

"I get up between daylight and sunup," she says, "and I go to bed around 9 or 9:30."

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THE HOURS between are busy, active hours for Mrs. Lucy Howey Hudson, 87, and as bright as Union County soil. She lives near here in a little house on the side of a road with her talented painter-farmer daughter, Mrs. Annie Hudson Horton.

On the first day of summer, 1959, she dressed in blue jeans, covered them with a cotton dress and apron, and wore an old felt hat sittin' flat as a frying pan on her head. She grabbed a hoe, walked to the garden and started digging.

"I'd have more flowers," she says, "if I could get some lazy people to come plow it."

Mrs. Hudson, who has 10 grandchildren, won't slow down.

"Work helps people. You've got to keep busy," she says. "I keep busy. It helps me."

Busy with gardening and raising things and . . .

"You know what I'd like to have?" she says, rather longingly. "I'd like to try a hive of bees . . . ."

News Staff Photo—Scheer

Lucy Hudson: Berries For Pie

WEATHER

Partly cloudy, continued warm and humid with widely scattered afternoon and evening thundershowers through Wednesday.

Low this morning	70
Low tomorrow morning	68
High today	92
High yesterday	92
High tomorrow	93

Sunrise today 5:09 a. m.; sunset today 7:41 p. m.

More weather data on Page 3-A

All Cars: Fat Daddy Moving Up On Butch

WASHINGTON (AP)—A kid holds up a store. All police know is his nickname: Bugle Head. How do they pick Bugle Head up?

Police in Washington solve the problem with a file of more than 10,000 juvenile nicknames.

Expanded every day by arrest and investigation reports, the file matches nicknames with the regular names of many of the city's young troublemakers. A nickname could be the clue that solves a case.

Revealing some of the nicknames today, police said the old standbys were most popular: Sonny, Butch and Buddy. But Baby Brother, Country, Duck, Bubbles and Blue are moving up.

Others on the list include Bubba, Frog, Fat Daddy, Bird Brain, Heavy, Dog, Gray Squirrel, Thorn Head, Ape, Banana Peal, Big Head, Bean Bucket, Carrot Nose and Chow Mein.

Less affectionate nicknames are Dirty Neck, Evil, Fat Man, Football Head, Greasy, and Hog.

In addition, one fellow is named Appetite. Police put his name in the files after arresting him for breaking into a restaurant.

Pneumonia Halts Louis

SPOLETO, Italy (AP)— American jazz king Louis Armstrong was rushed to Spoleto's Civil Hospital today, suffering from an attack of pneumonia.

Italian doctors who examined him immediately after the attack early today said that he had suffered a heart attack. But an examination by specialists at the hospital showed that the 59-year-old Negro musician had pneumonia.

Evening Prayer

Dear Lord, teach us to praise Thee at all times. Grant that we may know Thy love to us in Jesus Christ and find joy in serving Thee. So may we express our faith and gratitude and love. To Thy name's honor and glory and for the Master's sake. Amen.