

UNIDENTIFIED ROCKETS HIT SWEDEN

Russ Peace Delegate Charges Byrnes Insult

WAR CONTRACT BROKER CALLED BEFORE PROBE

UN-Certified Offer Passed by WAA, House Told

WASHINGTON, Aug. 12. (UP)—Congressional investigators were told by a war assets administration official today that Benjamin F. Fields, ex-convict and self-styled broker, once obtained approval of an order for surplus bronze screening without legally-required certification.

The testimony, given by Anthony J. Flood, hardware section sales manager in WAA's Philadelphia office, disclosed that Fields ordered for 539 rolls of screening somehow slipped through. Previous testimony showed that Fields sold the screening to an Oklahoma City contractor for \$8,000 plus a \$4,000 commission.

Received After Deadline Flood told the special House surplus investigating committee that the order was given him by William J. Gilrein, sales manager of WAA's commodity division number two in Philadelphia, who said it had been overlooked and asked that it be included with other bids. The witness said the order reached his office after WAA had closed the sale, but that it was dated prior to the deadline.

Later, chief committee Counsel Hugh D. Wise, Jr., told reporters that Gilrein would be summoned as a witness tomorrow. He said Gilrein was dismissed from WAA recently, but he did not know the circumstances.

Cheaper Than Offer Fields testified earlier that in two instances WAA sold him surplus property at prices far below what he was willing to pay. He said: 1.—He offered to pay \$800 apiece for 381 surplus refrigerators, then received a letter from WAA's Philadelphia office saying the price had been reduced and he could get them for \$295 apiece. He ordered them at the lower price but never accepted delivery.

2.—He placed an order for bronze wire screening at 15 cents a square foot, but the price later quoted was five cents per square foot. Fields estimated he placed about \$1,000,000 worth of orders with WAA, but only \$30,000 or less of these actually went through, and delivery was accepted on less than \$25,000 worth.

Denies 'Cut In' The pudgy, sun-tanned Fields, explaining how he obtained left-over goods and re-sold them at handsome profits, said that some WAA officials dropped into his Washington office occasionally to say hello, but he emphatically insisted that they had not been "cut in" on his deals.

The inquiry into Fields' Washington activities began as officials declared war on surplus property chiselers and newly-appointed WAA chief, Robert M. Littlejohn, fixed July 1, 1947, as the final disposal date for most of the country's remaining \$25,000,000,000 worth of leftover equipment.

Pay Record Orders Given Union By U. S. Court LOS ANGELES, Aug. 12. (UP)—Four business agents of the CIO Fishermen's Union today were ordered to produce payroll and membership records Aug. 21 before a federal grand jury investigating possible anti-trust violations.

Federal Judge Dave Ling ordered the business agents to bring the records before the grand jury despite the protests of Attorney Ben Margolis that such records were confidential.

Strike Warning Given To Board

Arguments Presented on Fate of Food Prices; Car Dealers Win Increase

WASHINGTON, Aug. 12. (UP)—OPA authorized another stiff price increase for new automobiles today as President Truman's decontrol board took up the job of deciding whether the threat of inflation warrants restoration of ceilings on food by Aug. 21. New car dealers were granted an average price boost of 7.3 per cent., effective immediately, under today's ruling. OPA warned prospective buyers that prices may go up another five per cent. after a dealer advisory committee meets tomorrow.

The increases, ranging from \$69 on lower-priced cars to \$293 on luxury models, was the fourth granted to the industry over its 1942 scales. OPA said it was mandatory under the new control law.

Argue Food Ceilings It came as the three-man commodity decontrol board began sifting a mass of testimony submitted by farm, food industry, labor and consumer groups whose spokesmen appeared personally to argue for and against restoration of food ceilings.

While the board's first farm and grain trade witnesses urged the government to leave prices alone, a railway labor spokesman warned the board that a wave of strikes is almost certain if food and other living costs are permitted to continue to go up.

The hearings will run through Thursday and under the new OPA law, ceilings will be returned automatically August 21 on grains, meat, milk and other dairy products, cottonseed and soy beans—unless the board rules otherwise.

Bear on Arguments The board members—chairman Roy L. Thompson, Daniel W. Bell and George H. Mead—also must decide whether subsidies are to be restored on those products and, if so, in what amount.

Poultry, eggs, tobacco and petroleum prices will remain uncontrolled unless the board specifically directs OPA to put new ceilings on them. Board decisions will be made by majority vote.

The abrupt and steep rise in automobile prices, coupled with OPA's warnings of more increases to come, promised to bear heavily on the inflation arguments submitted to the commodity decontrol board by labor organizations and consumer groups.

The new ceilings apply only to car dealers and do not affect manufacturers' prices. They were intended to restore pre-war margins for the dealers who had contended that the old scales did not give them any room for profit.

Metal Furniture Up New car prices now average 22.3 per cent. over the levels prevailing in 1942, when the last new models were produced. The three previous increases granted by OPA were given to manufacturers to compensate for reconversion costs, higher wages and mechanical improvements in the new cars.

Along with the car price rise, OPA announced a nine per cent. increase in retail prices of metal household furniture to make up for extra wage and material costs incurred by manufacturers since 1941.

Meanwhile, there was no hint from the decontrol board as to what decision it will make on the more vital question of food prices. Informal sources indicated that no official word would be forthcoming until Aug. 20.

Representatives of a dozen farm and trade groups told the board that 1946 will be a bumper crop for the United States. They asserted that after this year's harvest is in, there will be so much grain on hand that inflationary prices will be impossible and that the government may again have to support the corn and oat markets.

M'Arthur Troops Observe V-J Day TOKYO, Aug. 12. (UP)—All officers and men of the Pacific command will celebrate Wednesday, Aug. 14, as the first anniversary of the Japanese surrender, Gen. Douglas MacArthur announced today.

All men will be granted a holiday except for skeleton crews to handle emergency matters, included two Russian observers.

BREAK WIDENS IN NEW DEBATE ON ITALY PACT

3 Angry Exchanges Mark Conference in Paris

PARIS, Aug. 12. (UP)—Russian Vice Foreign Minister Andrei I. Vishinsky tonight accused Secretary of State James F. Byrnes of insulting the Soviet Union by refusing him the floor of the peace conference to make a speech on the Italian treaty.

His voice rising in anger, Vishinsky shouted: "Your refusal to give the Soviet delegation the right to speak is an infraction of all rules and we consider it an insult to the Soviet Union. We insist that this insult to the Soviet Union not be maintained, that the claims of the Soviet delegation be granted and that the debate be opened."

Byrnes Backs Down Byrnes was in the driver's seat, acting as conference chairman under the new rule by which members of the Big Five take turns, three days each.

He at first ignored Vishinsky's charge. But a few minutes later he backed down completely on his refusal to let Vishinsky speak. Referring to minutes of Saturday's proceedings, Byrnes found that anybody had the right to speak on Italy without a formal conference vote and Vishinsky won his point.

But it was too late for him to speak and the delegates went home to dinner. Clear Russian Victory It was a clear parliamentary victory for the Russian delegate, after his angry challenge, and Byrnes put Russia on the list to speak at tomorrow's meeting.

The Byrnes-Vishinsky clash was the third of the angriest day of the conference. It started with a Russian defeat, 15 to 6, on the question of rules concerning the speeches to be made by non-conference nations which apply for a hearing.

Vishinsky first denounced Australian delegate Herbert V. Evatt and tried vainly to keep Byrnes from putting Australia on the permanent secretariat of the conference.

Vishinsky said Evatt had been a "rather temperamental" delegate and that a delegate of a "slightly calmer nation"—he suggested Ethiopia—get Australia's place. Ethiopia refused the honor and Byrnes kept Australia on.

Hurls Unfair Charge The Russian delegate shouted to Byrnes to note that the Russian delegation did not vote for Australia and Byrnes solemnly took note of the reservation.

Next, at the opening of the afternoon meeting, Vishinsky called Byrnes unfair for refusing to let him speak on Italy. "Why was the conference called if members are not going to have the right to state their views?" Vishinsky demanded.

Byrnes snubbed Vishinsky by ignoring him and calling on Edward Kardelj, Yugoslav vice premier, to speak as the first country invited to state its position in the peace treaties.

Kardelj answering Italy's plea of Saturday for more adequate peace terms, said the present Italian government was pursuing an imperialistic foreign policy, like its predecessors.

Kardelj said Premier Alcide de Gasperi who made Italy's plea was taking "the same attitude as Mussolini and his predecessors" in regard to the Italian-Yugoslav frontier.

LARGEST SURPLUS SALE



was completed recently when U. S. Steel Corporation acquired steel plants in Pennsylvania and Utah at a total price of \$77,490,000, one check alone being for \$65,013,200. Left to right are Max D. Howell, vice president and treasurer of the corporation; Brig. Gen. John J. O'Brien, deputy administrator of WAA, and Merrill Russell, Geneva, Utah, Steel Co. secretary.

Black Market Ring Broken

World-Wide Traffic in War-Scarce Commodities Centered in New York

BERLIN, Aug. 12. (UP)—United States army criminal investigation agents said today they had uncovered a multi-million-dollar, world wide black market ring operated by a single New York family with sons in Berlin, Paris and Shanghai. The criminal investigation division, announcing the arrest of two members of the family, one in Berlin, the other in Paris, said tonight that both had made written confessions. Those arrested are Lewis Warner, 22, former air force lieutenant now a meteorologist for American Overseas Airlines here, and his brother Oscar Selig Warner, 29, former navy lieutenant recently conducting an export-import business in Paris.

The CID said innumerable cablegrams and letters seized in Berlin and Paris unfolded a black market scheme conducted by the entire Warner family. The CID said filing of any formal charges would be handled by other governmental agencies.

Agents said those under investigation were: Robert Warner, former navy lieutenant now traffic manager for the United Nations Relief and Rehabilitation Administration in Shanghai, brother of the men arrested.

Al Warner, New York City exporter, another brother. David Warner, New York City, father of the four brothers. According to evidence cited by the CID, black market operations involved almost every form of goods saleable under postwar conditions at high prices—diamonds, cigarettes, rugs, silks, penicillin, currency, perfumes, watches and clothing.

One of the letters, said by the CID to have been sent by Robert Warner from Shanghai and addressed to "dear all" was quoted as estimating that the average "take" in China alone was \$10,000 a week.

When Lewis Warner was put under house arrest here, the CID said, he violated his parole, hastened to a cable office and flashed to the rest of the family: "The jig is up."

Big Fires Rage In Lake County LAKEPORT, Cal., Aug. 12. (UP)—The district office of the state division of forestry awaited reports today on the status of three large forest and brush fires which earlier were raging in the vicinity of Clear Lake.

Two fires were burning near Kelseyville and Konokki Mountain, seven miles north of here, and a third blaze was reported at Upper Lake, nine miles north. All available fire-fighting crews in the area, and convicts from Plumas, Butte and Siskiyou County road camps were pressed into service.

15 EXECUTED TOKYO, Aug. 12. (UP)—Fifteen minor war criminals were executed between May 15 and June 13, it was announced today.

LEAGUE ELECTS ROCHESTER, N. Y., Aug. 12. (UP)—Alfred Wilson of Detroit was named president of the Lutheran Layman's League of the Missouri synod at a weekend convention here.

HUNDREDS SEE BOMB BARRAGE OVER COUNTRY

Russian Experiments Hinted as Army Starts Probe

STOCKHOLM, Sweden, Aug. 12. (UP)—The Swedish army today rushed experts to three points in central Sweden where unidentified rockets, rumored to be the results of Russian experiments, crashed last night.

The barrage, witnessed by hundreds of Swedes, was the heaviest since the mysterious aerial missiles first were seen flashing through Swedish skies on May 24. Since then similar missiles have been reported sighted in Finland, Denmark and Norway.

Another of the mysterious "ghost rockets" was sighted across southern Sweden Monday night. At Low Altitude Unconfirmed rumors said the Russians were experimenting with rockets and flying bombs, probably launched from some point in Estonia on the Baltic, but the Swedish army clamped a tight blackout on the results of its investigation.

Reports from hundreds of Swedes who sighted the fiery missiles shortly after Aug. 10, flooded newspaper offices here, and middle Sweden. These reports indicated that a whole barrage may have been fired.

One of the rockets passed directly over Stockholm and crashed north of the city. Three others were reported to have exploded in central Sweden.

First reports from army investigators indicated they had found nothing, leading to the theory that the bombs exploded in the air with such fury that little or nothing was left.

The rocket that passed over Stockholm was sighted at 8:45 p. m. Sunday by many witnesses, one of whom was an editor of the Social-Democratic newspaper Afton-tidningen.

"A brilliant light suddenly appeared on the southern horizon on a straight course at some 200 meters (650 feet) altitude," the editor told the United Press.

"It was visible for four seconds somewhere north of the city. Although it could be seen sharply through the dark night sky, determination of its size and construction was impossible because of the blinding, sparkling blue fire that came from its tail."

A Swedish air force lieutenant, after observing another bomb in central Sweden, estimated the body length at about 65 feet. He said the bomb was shaped like a cigar, with a green foremost projecting part and white sides. He said it moved at exceptionally low altitude with terrific speed.

Rocket Courses Vary One eyewitness to an explosion in central Sweden said fragments rained down after a great blast in the air above him. Previous explosions have left hard, black metal objects similar to coal clinkers. Some experts believe these bodies are not the bomb itself but fragments of the explosive used to propel the missiles, which supposedly are radio-directed back to their launching site after flying over Sweden.

The movement of the missiles varied. Some flew a straight course and others veered. In most cases the course was reported from southeast to northwest. Other reports said some missiles came straight from the north.

Witnesses said they flew at altitudes ranging from 600 to 1,200 feet, but that some were much higher. Speeds were estimated as high as 600 miles an hour.

Nehru to Accept Government Offer NEW DELHI, Aug. 12. (UP)—A government communique said today that Pandi Nehru of the Indian National Congress had accepted Viceroy Lord Wavell's invitation to form an interim government.

NEW GOVERNMENT BUENOS AIRES, Aug. 12. (UP)—Argentina recognized tonight the government of Bolivia which came to power in a bloody revolution last month.