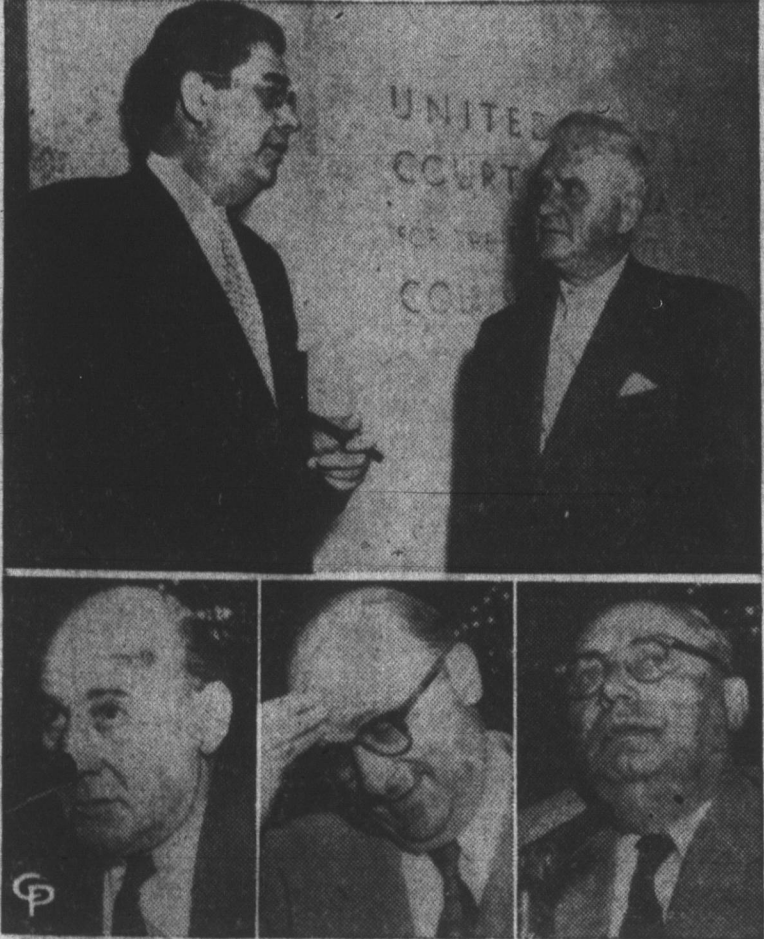


Housing Expose Rolls On



WHILE CLYDE L. POWELL (top-right), former FHA official under fire in Washington appeared before a federal grand jury at the justice department to answer charges of irregularities, a long string of real estate operators who realized "windfall" profits testified before the senate banking committee. Among these latter were (l. to r. bottom) Fred Schneider of Arlington, Va., who realized \$250,000 on a \$200 investment; Ben Cohen, Baltimore, Md., who obtained \$20,000,000 in FHA guarantees and made \$2,600,000 on the deal, and William Magazine, Washington, D. C., builder, whose operations involved \$49,537,000 which was \$800,000 above costs.

Mendes-France Name Linked To Spy Case

French Premier Is Tied To Sensational Spy Case In France

PARIS (INS)—An arrested peddler of secret French military information today injected the name of French Premier Pierre Mendes-France into the sensational spy case for the first time.

Rene Turpin, top aide in the National Defense committee secretary, quoted his co-worker Roger Labrousse, who also is under arrest, as recommending that the military data should go to government opposition members, including Mendes-France, last May in the critical days of the Indo-Chinese war.

He said Labrousse told him that Emmanuel d'Astier de la Vigerie, editor of the pro-Communist news paper Liberation, was "supposed" to relay secret information to Mendes-France at a time when the latter was demanding that the government arrange a peace in Indo-China.

The implication was that Mendes-France and others could use top secret information in their battle against Premier Joseph Laniel, who was then head of the government. But there was no testimony that Mendes-France or others actually received such data.

Turpin said the secret information concerned the May 26 meeting of the national defense committee.

The May 26 meeting of France's most trusted and powerful government figures occurred at the Elysee Palace, France's White House, two weeks after Dienbienphu had fallen.

It was up to the men in that meeting, including premier Joseph Laniel, to decide what France should do to halt the tide of Communism in Indo-China. The Geneva conference was on and in the resulting upheaval Laniel was tossed out of office and Mendes-France was voted in. He then negotiated a peace at Geneva.

Just what was decided at that meeting is not known publicly, but it is known that within 36 hours the French Communist party had full details.

Turpin did not say Mendes-France received such information, and he has not confessed to being a Communist courier. The government has quoted him as admitting responsibility for leakages from national defense committee meetings, however, presumably through Labrousse.

Andre Baranes, the confessed Red spy courier who said he also was a secret tipster for the suspended French anti-Communist police inspector, Jean Dides, named Labrousse as the source of secret

(Continued on Page Six)

Nine Agencies In Community Fund

Salvation Army Is Included In Fund

The Salvation Army, which will receive \$1200 out of the 1954 budget of \$11,665 for the Decatur Community Fund, had previously conducted its own campaign in Decatur. It is now one of nine worthwhile agencies included in the one united effort which will begin next Tuesday.

The "army" was organized by General Wm. Booth and his wife in London in 1865. It has since spread to 62 countries. It has no formal creed and gives little attention to a discussion of doctrinal differences. Admission to membership is based solely on a solemn pledge to Christian conduct, including total abstinence from intoxicating liquors and all harmful drugs. These pledges are known as the "articles of war" and must be signed by every "soldier." Most of the army's religious work is aimed at the conversion of those segments of society often not reached by the church, especially the vicious and criminal classes. About \$200 of this budget request is returned to a local committee to "provide emergency aid to any needy individuals or families, resident or transient, regardless of race, creed, or color—in order to carry out in Decatur the Salvation Army's policy of serving a need, at the time of need, and at the place of need."

Members of the local emergency aid committee are Margaret Holt-boose, Joan Wennhoff, Louis Jacobs, and its treasurer, Earl Caston. A much appreciated meal, a humble night's lodging, bus transportation to the Army's shelter at Fort Wayne, plus several special arrangements to meet unusual needs, have been provided through this local committee. Additional local funds are available from state headquarters if needed.

Each Salvation Army corps is constantly alert to serve unfortunates in its area. It might be a fire which completely destroys someone's home; it may be an unwed mother who does not know where to turn; it might be a family suffering sudden illness or death and finding itself without funds. Servicemen from both World Wars remember the friendly help given them, often near the front lines.

The Salvation Army gives aid and comfort to men and women behind prison bars. Here in Indiana there are a large number of parolees who have been assigned to the care of experienced Salvation Army officers. Financial assistance is often given quietly to homes whose bread-winner is paying his debt to society. Special efforts are made to rehabilitate these men so that when they become eligible for parole, they will be better equipped morally and spiritually to face the outside world.

"The Salvation Army serves those unfortunates who need it most. We often serve people who have been refused help elsewhere. We are instructed to serve the need as it develops and not to split hairs as to the victim's eligibility," said a member of the local committee.

12 PAGES

Indiana Bank Is Robbed Of \$20,000 Today

Two Bandits Stage Robbery Today In Southern Indiana

ELBERFELD, Ind. (INS)—Two bandits, wearing dark Hollywood sunglasses as disguises, held up the Elberfeld State Bank today and escaped with \$20,000.

Elberfeld is about 20 miles northeast of Evansville in Warrick county.

Norman Bertram, 47-year-old cashier, said he and three women employees were in the bank five minutes after it had been opened when two robbers about 30 years old stepped into the institution waving revolvers.

One of the bandits shouted: "Lie down on the floor behind the counter, and none of you will get hurt!"

The two men then scooped up the cash and bills from the counters and drawers and the bank vault in paper sacks and fled in a two-tone green Mercury car which had been parked across the street.

The women employees were Mrs. Carl Godek, Mrs. Linda Koch and Miss Barbara Arndell. While the holdup was in progress, a customer, Mrs. May Dassel entered and she also was ordered to lie on the floor.

Bertram said the robbers commanded the five persons to go into the vault and tried to lock it. They were unable to work the lock, however. The quintet emerged from the vault as soon as the bandits fled in their automobile.

Thwart Holdup

NEW YORK (INS)—Police today broke up a bank robbery in Queens, capturing one of three bandits in a gun battle.

Police said the attempted robbery was at the Ridgewood Savings Bank in Laurelton.

One of the alleged bandits, identified by police as Joseph Ritter, of Brooklyn, N. Y., was seized in the bank where he had herded several bank employees into the basement. Police said he "gave up meekly" when they broke in.

Two of the gunmen escaped by car under a hail of bullets.

Their car was found abandoned a short distance from the bank.

To Challenge Soviet Sincerity On Plan

U. S. And Britain Challenge Sincerity

UNITED NATIONS, N. Y. (INS)—The U. S. and Britain plan to challenge in the UN Friday the Soviet Union's sincerity on its banning of nuclear weapons.

The test is slated for the opening session of the political committee which starts operating now that the assembly has wound up general debate.

The U. S., Britain and France propose that the committee give the general subject of disarmament priority and that Soviet delegate Andrei Vishinsky's proposals on nuclear weapons be included under that item.

Should Vishinsky insist that his plan on nuclear weapons be dealt with separately, the western big three will consider it a clear-cut demonstration that the proposal was made mainly for propaganda purposes.

The western contention is that progress toward agreement can be achieved only if Russia joins others in sincerely considering the whole disarmament problem with a view to hammering out an acceptable compromise blueprint.

Vishinsky's introduction in the assembly on Sept. 30 of a Soviet blueprint on disarmament and nuclear weapons somewhat different from previous ones raised hopes among many free world delegates for an early solution to the eight-year deadlock on that vital cold war issue.

For that reason, Vishinsky's actions and attitude tomorrow will be watched by others with keen interest.

Fair, Cool Weather Predicted Tonight

INDIANAPOLIS (INS)—The Indianapolis weather bureau predicted fair and cool weather today and tonight after frosts were recorded in northern Indiana Wednesday night.

The mercury dropped to 30 degrees in Goshen and near freezing temperatures were reported in other regions Wednesday night. The forecast for Friday was fair and a little warmer.

Claim Windfall Profit From Housing Project Paid To Congressman

White Pupils Straggle Back Into Schools

Washington Strike Over Integration Appears Broken

WASHINGTON (INS)—Hundreds of white students straggled back to class today, their strike apparently broken by officials who refused to yield to their violent demands for a return to racial segregation in Washington schools.

One board of education authority declared flatly that the walk-out "is busted." It began Monday at Anacostia high school and spread rapidly throughout much of the capital. By Tuesday, about 1,500 pupils were out.

But this morning, attendance, even at Anacostia, was almost back to normal. Anacostia principal Eugene Griffith told newsmen: "There has been a flood of students all day yesterday and today returning to classes."

Except for about 20 teenagers, including one who was arrested when he jeered at pupils returning to class, all the youngsters who showed up at the school building this morning went inside.

This meant that even those still refusing to attend the same school with Negroes were for the most part obeying a police warning to stay home and not try to cause any trouble.

The return-to-class movement followed an ultimatum by school superintendent Hobart M. Corning, who said students not at their desks by Friday will be banned from scholastic honors and extracurricular activities for the rest of the school year.

Between one and two thousand white students stayed away from two senior and six junior high schools in the nation's capital Wednesday in the third day of a walkout in protest against racial integration.

Many of the absentees were kept home by parents who feared a possible outbreak of violence despite cordons of police who have kept strikers from congregating outside the affected schools.

In most areas of the city, the

(Continued on Page Five)

Hearings Planned On Power Contract

Public Hearings On Dixon-Yates Pact

WASHINGTON (INS)—The Dixon-Yates power contract was thrown out on the table today for mid-campaign congressional hearings which could fire up or dampen public power as a 1954 election issue.

Chairman Sterling Cole of the joint atomic energy commission announced that public hearings will begin next week on a request of the atomic energy commission aimed at early approval of the controversial Dixon-Yates contract.

Public hearings are tentatively set to begin next Wednesday. One Republican campaign leader, advised of the hearings, said the GOP was not concerned over Democratic attacks on the power contract and added: "If there is anything wrong with the contract, let's hear about it."

The contract, approved by President Eisenhower, would authorize construction by a private combine of a plant at West Memphis, Ark. to feed power into the Tennessee Valley Authority's system to replace power TVA is supplying to the AEC's big Paducah, Ky., plant.

TVA and public power advocates say TVA could furnish the power itself. Some Democrats oppose the contract on the ground it would guarantee a nine percent profit for the Dixon-Yates group with no risk.

Cole, New York Republican, des

(Continued on Page Six)

Speaks Saturday



Robert Meyers, mayor of Fort Wayne, will speak at Republican headquarters in the Cort theater in this city Saturday night at 8 o'clock. Ray Jones, fourth district GOP chairman, county and state candidates will be introduced. Refreshments will be served following the meeting.

Officials Say Prison Guard Strike Fizzle

Officials Report Operations Normal At Michigan City

MICHIGAN CITY, Ind. (INS)—Officials at the Indiana state prison in Michigan City declared a strike by guards "was a complete fizzle" and that "operations were normal" today.

Forty-six of the prison's 197 guards went on strike early Wednesday and set up a 12-man picket line in front of the prison, which houses 2,285 convicts including 600 life-tenureds.

Hugh O'Brien, chairman of the state board of correction, said a full complement of 44 non-striking guards has been assembled since the 4 p.m. to midnight shift Wednesday and that the "strike was a complete fizzle."

As a result, O'Brien said, 200 national guardsmen were taken off "alert status" and he was dismissing 60 state troopers who had been held in readiness at the nearby Chesterton police barracks.

The striking guards, members of the International Guards' Union of America, were fired by Gov. George N. Craig.

They had walked out to support their demands for union recognition, a 40-hour work week and better working conditions.

Craig, in refusing the union demands, said: "We won't recognize the union now or at any time in the future, and we won't recognize anyone who seeks to turn the people against the government."

Warden J. Ellis Overland said there was little change in the routine of the inmates although those considered to be "dangerous" were locked in their cells.

Merlin Griffith, union vice president, hinted the strike order would be extended to the Indiana state reformatory at Pendleton which has 2,200 prisoners. He said notice of the Michigan City walk-out had been sent to union members there and also a picketing delegation.

Reformatory Supt. Ralph H. Tash said the delegation of four suspended guards arrived at Pendleton without the banners they carried when they left Michigan City.

He said he refused to let the four men talk with guards on duty but said they were free to talk to off-duty guards all they pleased.

(Continued on Page Five)

Lattimore Is Re-indicted On Perjury Charge

Federal Grand Jury Again Indicts Far East Specialist

WASHINGTON (INS)—A federal grand jury re-indicted Far Eastern specialist Owen Lattimore today on charges that he falsely denied following the Communist line or promoting Communist interests.

The two-count perjury indictment accused Lattimore of "knowingly and wilfully" lying under oath during a senate investigation into the Institute of Pacific Relations, which he headed.

The indictment will be consolidated with the five counts still remaining from a seven-count indictment handed down in December, 1953, which has had a rocky road through the federal courts since then.

The grand jurors specifically charged today that Lattimore lied when he told the senate internal security subcommittee:

1. "That he had never been a follower of the Communist line."

2. "That he had never been a promoter of Communist interests."

The grand jury, under direction of U. S. Attorney Leo A. Rover charged that Lattimore had "knowingly and intentionally" been a follower of the Communist line from 1935 to 1950.

It listed 25 so-called "topics" on which Lattimore allegedly followed the propaganda directions as laid down by Russian and Chinese Communist authorities.

To back up this first charge the grand jury cited from 132 of Lattimore's writings, including books, magazine articles and syndicated columns.

U. S. attorney Leo A. Rover has been presenting witnesses and documents to the grand jury since mid-September, when the justice department decision was made to try for a new indictment.

Lattimore, a Johns Hopkins University professor, on leave without pay pending the outcome of his case, was originally indicted on seven counts in December, 1952.

Later, a federal judge threw out four of the counts on the grounds that they were vague and unconstitutional. This spring the U. S. court of appeals, by a 5 to 4 margin, (Continued on Page Five)

Wickard To Speak At Geneva Tuesday

Former Agriculture Secretary To Speak

Claude R. Wickard, secretary of agriculture from 1940 until 1954 under President Franklin D. Roosevelt, will speak at the high school in Geneva at 8 p. m. Tuesday, Dr. Harry H. Hebble, Democratic county chairman, said today.

Wickard will address a tri-county rally of Adams, Wells, and Jay counties, and the public is invited to hear the well-known Hoosier agriculture expert speak.

Wickard, a graduate of Purdue University and a member of the Indiana Farm Bureau, went to work for the department of agriculture in 1933, and in 1940 was named secretary and a member of Roosevelt's war cabinet, when Henry Wallace resigned to run for the vice-presidency. When Truman succeeded Roosevelt in 1945, Wickard resigned, and became federal administrator of FEMA.

The former secretary was born in Camden, Carroll county, February 28, 1893.

A large crowd is expected to fill the auditorium to hear the noted farm expert speak on current farm problems.

Panel Discussion Of Issues On Saturday

A panel discussion of campaign issues will be held at Democrat headquarters, one-half block north of the spotlight on Second street Saturday night at 8 o'clock, Dr. Harry H. Hebble, Democratic county chairman, said today.

The panel will include Fred W. Greene, candidate for congress; William Kruse, candidate for the state legislature, and Von A. Elchorn, unopposed for joint senator from Adams, Wells, and Blackford counties.

Ike, Nixon On TV And Radio Friday

Nixon Seeking More Speeches From Ike

DENVER (INS)—Vice President Richard M. Nixon may try to persuade President Eisenhower today to do more campaigning for Republicans between now and election day.

Nixon said on arriving in Denver Wednesday night, he is "tremendously encouraged" by the progress of the GOP congressional campaign but stressed the party still faces "a tough fight" to win the November elections.

Other Republican sources said the Vice President is swinging toward the view of a growing number of party leaders that Mr. Eisenhower must take a more active role in the closing weeks of the campaign if the GOP is to retain control of congress.

Nixon was to confer with the President today in advance of the important political pow-wow Mr. Eisenhower has called in Denver Friday.

This strategy session with GOP congressional leaders will probably make the final decision on how much more speech-making help the President will give GOP candidates between now and Nov. 2.

The President and Nixon will each make 15-minute speeches Friday night over a nationwide radio-TV hookup billed as the most important single event of the Republican campaign.

The Vice President said Wednesday night the president's speech, which will be piped into GOP "precinct day" rallies across the country, "will give the campaign another very good shot in the arm."

The President's hard-hitting political address, it was learned, will strike back at recent Democratic attacks by Adlai Stevenson and others on the administration's foreign policy record.

Senate Prober Says Preston Shared Profit

Capehart Reports Windfall Profits To Georgia Solon

WASHINGTON (INS)—Sen. Homer E. Capehart (R Ind.), said today that senate investigators of housing scandals have been told that one-third of a \$250,000 "windfall" profit went to Rep. Prince H. Preston (D Ga.).

Capehart made the statement at a hearing of his senate banking committee after reading an account of a speech Preston made in Statesboro, Ga., Wednesday night accusing the Indiana Republican of "character assassination."

The senator then said he will take the witness stand himself this afternoon to answer Preston's charge.

Capehart declared that William A. Bowen, mayor of Statesboro, has told the committee at a closed session that he received two-thirds of a \$250,000 "windfall" on a Savannah, Ga., housing project, and that he was holding one-half of this for Preston.

The "windfall" Capehart said, was realized on the Nelson Apartments project in Savannah. Capehart said Bowen will be called as a witness at a public hearing.

The matter came up when Capehart read news dispatches in which Preston was quoted as accusing Capehart of trying to make "politics" out of the Savannah project.

Capehart said: "We haven't said a word about Preston, and so the only way he could have known about the matter was from Bowen, who has testified before us in executive session."

Earlier at today's hearings, internal revenue commissioner T. Coleman Andrews told the senate investigators that the government has a "fighting chance" of recapturing its proper share of the taxes on huge "windfall" profits in more than 1,150 cases.

Andrews gave his testimony as the committee also heard these statements:

1. Curt C. Mack, of Baltimore, top federal housing administration underwriter during the "windfall" profit period, said he was "shocked" and "amazed" when confronted with evidence that his and other cost estimates were far above actual costs of building FHA-insured apartment projects. Builders pocketed the difference between cost and FHA mortgage insurance.

2. Franklin D. Richards, FHA commissioner from 1947 through June 30, 1952, admitted he received \$9,600 from Ian Woodner, Washington builder, for consultation work which helped Woodner get permission to use part of his swank Washington apartment as a hotel.

Richards' work for Woodner began a month after he resigned his FHA post. He testified he never appeared before the FHA or contacted FHA officials in Woodner's

(Continued on Page Five)

Roy A. McKean Is Released On Bond

Roy A. McKean, apprehended about noon Wednesday by local authorities on a warrant from Ohio, was released Wednesday afternoon after posting a \$3,000 bond.

The bond was set in a hearing in the Adams circuit court Wednesday afternoon. McKean was represented by Atty. Hubert R. McClenahan. Wanted on a charge of second degree manslaughter in Pickaway Co., O., McKean is now free until Ohio authorities complete extradition procedure.

The indictment against McKean states that he failed to bring his automobile to a stop and caused an accident which killed Charles E. Ellis. The accident occurred in Pickaway county Aug. 16.