

Khrushchev Fires New Bitter Personal Attack On Pres. Eisenhower

Major Step Is Taken Toward Easing Credit

WASHINGTON (UPI) — The government today took a major step toward easing credit in response to signs of slackening business activity and dwindling inflationary pressures.

The Federal Reserve Board authorized the Federal Reserve banks of San Francisco and Philadelphia to lower their discount rates—the interest on loans to commercial banks—from 4 to 3½ per cent as of today. The 10 other Federal Reserve banks were expected to get the same authority.

In New York City, Wall Street investors looked for the big commercial banks to follow up the action by cutting their interest rates on loans. But the banks might hold up the move to see whether the reserve authorities will continue to make more loan reserves available.

Some congressional Democrats, while applauding the board's action, charged it was politically motivated.

Sen. A.S. Mike Monroney (D-Okla.) said the Republicans had lost the peace issue and "now they have to hang on to the prosperity issue."

Sen. Paul H. Douglas (D-Ill.) said the discount rate reduction "vindicated" the position of Democrats who opposed an administration proposal to eliminate the interest ceiling on government bonds, "for which we took so much abuse."

The discount rate cut did not mean the government felt a new recession was imminent. But it reflected in part a recognition by the board that the economy had slowed down from the post-steel strike spurt of the early months of this year.

Record Heat Wave Scores California

United Press International
A record-breaking heat wave scored central California with 100-degree temperatures today. The mercury soared to 107 at Hayward, Calif., and set off a fire alarm in a frozen food plant. San Francisco recorded an all-time high for June 2 Thursday when the thermometer hit 95, two degrees above the old record set in 1912.

In Marin, Contra Costa and San Mateo counties, surrounding San Francisco, 108-degree heat was reported. A poultry farm at Sebastopol reported that 8,500 hens died as the temperature hit 105.

One man, a 60-year-old construction worker at Pacifica, collapsed and died of heat prostration.

The Weather Bureau predicted more "very hot" readings today from Arizona into northern California.

Thunderstorms dotted the Atlantic coastline Thursday night. Augusta, Ga., reported 2.44 inches of rain and an inch fell at Mobile, Ala.

Light showers sprinkled the upper Great Lakes and North Dakota and a few thundershowers dampened the southern Plains and Rockies.

The weatherman said showers and thundershowers would continue today along the eastern seaboard, with widely-scattered thundershowers predicted from interior southern California into Oklahoma and north into western Kansas and Nebraska.

INDIANA WEATHER
Mostly fair south, partly cloudy north tonight and Saturday. Not much temperature change. Lows tonight 55 to 62. Highs Saturday in the 70s extreme north to the 90s extreme south. Sunset today 5:08 p.m. Sunrise Saturday 5:13 a.m. Outlook for Sunday: Mostly fair and warm. Possible showers extreme north. Lows 55 to 62. High Sunday 75 to 85.

Nikita Claim Called Untrue

WASHINGTON (UPI) — The White House today described as "absolutely untrue" Soviet Premier Nikita S. Khrushchev's claim that President Eisenhower opposed German reunification during their Camp David talks last September.

The White House also reasserted this country's intention to "stand firmly by our Allies." That was a reference to Khrushchev's repetition at a Moscow news conference today of Soviet threats to launch rockets at bases from which any planes take off and violate Soviet air space.

Khrushchev told newsmen that Eisenhower had informed him at Camp David he was "not willing to see a united Germany because the United States fears a strong Germany."

"The reference to the German unification is absolutely untrue," Associate White House Press Secretary Anne Wheaton told newsmen.

She was asked if that referred specifically to Khrushchev's claim that Eisenhower was opposed to and fearful of German unification.

"That is correct," Mrs. Wheaton said.

She said President Eisenhower was aware of Khrushchev's latest news conference remarks in which the Soviet premier again made a bitter personal attack on Eisenhower.

Some members of Congress suggested that Khrushchev's bitter personal remarks about Eisenhower might indicate he was in trouble at home. This view was expressed by Sen. George D. Aiken (R-Vt.) of the Senate Foreign Relations Committee.

something and is, whistling in the dark" to keep his courage up. Before the White House issued its statement, a high U.S. official had asserted that Khrushchev "perverted" Eisenhower's Camp David remarks on Germany. He termed it a new effort by Khrushchev to split the Allies.

The official, conversant with details of the intimate Khrushchev-Eisenhower discussions, flatly denied that the President had told the Soviet leader he did not favor unification of Germany because the United States feared the strength of a resurgent Germany.

The Khrushchev-Eisenhower conversation on Germany at Camp David, according to sources in a position to know, did not concern the merits or wisdom of German reunification. The President and Khrushchev appeared to agree that unification was a desirable objective.

But Eisenhower in his talks with the Soviet leader reflected the American view, concurred in by Britain and France, that the reunification problem was not ripe for solution at the moment. Eisenhower found that Khrushchev appeared to share this view.

Khrushchev, in his charge today, appeared to have taken this exchange and "perverted" or "distorted" its meaning to charge Eisenhower with flat opposition to German unification, the U.S. official said.

Commenting on Khrushchev's intensified personal attack on Eisenhower, American officials said this appeared to reflect the Soviet leader's extreme chagrin at the necessity of explaining to his Kremlin colleagues, Communist China and the European satellites why he had not been able to manipulate Eisenhower into concessions on major issues.

MOSCOW (UPI)—Soviet Premier Nikita S. Khrushchev launched another bitter personal attack on President Eisenhower today, saying he was irresponsible, unfit for office and "dangerous" as the head of a major state.

(In Washington, the White House declined to comment on Khrushchev's remarks. "We have no comment," said Mrs. Anne Wheaton, associate press secretary.)

Khrushchev also claimed that Eisenhower told him at Camp David he did not favor unification of Germany because he feared a strong Germany.

As he did at a news conference in Paris at the collapse of the summit conference last month, the Soviet premier gesticulated with both hands in an excited manner as he lashed out at the U.S. President before 400 newspaper, television and radio correspondents.

Blasts Ike, Adenauer
He offered Eisenhower a job as "manager of a kindergarten" in Russia where he could "do no harm."

Khrushchev also said West German Chancellor Konrad Adenauer was ready for a "lunatic asylum."

He reiterated a threat by his defense minister that Soviet rockets would strike at foreign bases from which any planes took off and violated Soviet air space.

He started off with a long statement reviewing the revised disarmament proposals which he presented to the world Thursday night. Then he invited questions from correspondents and his statements on Germany followed.

"Eisenhower told me at Camp David that he was not willing to see a united Germany because the United States fears a strong Germany," Khrushchev said.

He added that if French and British leaders spoke up honestly and boldly they also would admit they favored keeping Germany divided.

Says Ike "Dangerous"
Then Khrushchev lashed out at Eisenhower personally with some of the strongest and harshest criticism ever applied to the U.S. President.

He said Eisenhower was irresponsible and unfit for office and he characterized the Eisenhower administration as "the dark age for America and the rest of the world."

Obviously excited and gesticulating with both hands, Khrushchev declared:

"When he stops being President the best job we could offer him in this country is manager of a kindergarten where we are sure he could do no harm. But to be at the head of a mighty state, he is dangerous."

"He certainly could do a lot of harm in his position," Khrushchev said.

Blames Secretary Dulles
Khrushchev said that at the 1955 summit conference in Geneva the late Secretary of State John Foster Dulles sat on Eisenhower's right.

"The only thing the President would do was to take notes from Dulles hastily scribbled, and without even pretending, would glimpse at them," Khrushchev said, meaning Dulles was telling the President what to say.

"He would openly avert his eyes to what was written and wait for the next note on the next question. I was horrified at the spectacle and said to myself 'Where are we going.'"

Khrushchev referred to Adenauer in similar terms.

He said Adenauer "lost his reason a long time ago and is fit only for a straitjacket and a lunatic asylum."

The Berlin Problem
A Soviet correspondent asked Khrushchev to comment on Western reports that a summit conference is not likely within the next six or eight months as suggested by the Soviet premier.

"It is not we alone who need a summit, but all the right-thinking people," Khrushchev said. "We will be disappointed if there is no summit but we will continue our efforts."

East Germany) after which the Western Powers will lose all their rights to West Berlin."

Again referring to Eisenhower, Khrushchev said:

"God knows what decisions can be taken if such a man is head of a great state. Of course, John Foster Dulles is no more but he left behind Allen Dulles (CIA chief). Somebody always will be filling Dulles' shoes. If it is not Dulles it is Herter or Nixon."

Red Disarmament Plan
Khrushchev twisted Eisenhower about playing golf "at a moment of crisis when the Senate Committee on Foreign Relations is making an investigation."

"Does that mean he is in charge of national affairs?" he asked. Khrushchev said there were men of "great wisdom in America, such as Abraham Lincoln and others and we bow to them."

But he compared the present "dark period" of the United States to the 17th Century Russia under the reign of Czar Boris Godunov, known as the "time of trouble" in Russia.

In his opening statement, Khrushchev called for quick adoption of the new Soviet disarmament plan to avert the threat of a global nuclear war.

Donations Received For Chilean Relief

More than \$30 has already been received locally by the Red Cross office towards its \$551 disaster fund to help the Chilean earthquake victims, Phil Sauer, chairman of the disaster committee, announced today.

A special collection for the victims will be taken up at the First State Bank today and Saturday by volunteer workers.

Those at the bank today are Mrs. Lloyd Bowman, Mrs. Herbert Fravel, Miss Grace Lichtenstinger, and Mrs. William Schnepf.

Saturday workers will be Mrs. Clarence Smith and Mrs. L. E. Archbold in the morning, and Mrs. Reinhold Sauer and Mrs. Charles Beineke in the afternoon.

President Eisenhower has issued a plea for all Americans to join in the relief program to provide help for the more than two million homeless persons in Chile, where cold winter rains have left a miserable aftermath to the earthquakes in May.

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"Some people think that the Berlin problem can remain unsolved indefinitely if there is no summit conference. They are mistaken."

Oliver H. Lessig Dies Last Evening

Oliver H. Lessig, 60, of route 2, Berne, died at 5:10 o'clock Thursday evening at the Lutheran hospital in Fort Wayne. He had been ill three months and hospitalized for three weeks.

A retired car foreman in the Chicago office of the Erie railroad, he resided in Chicago until 1950, when he moved to his home four miles east and one and three-fourths miles north of Berne.

He was born in Havana, Ill., Feb. 6, 1900, a son of Ezra and Martha Darrell-Lessig, and was married to Helen A. Matushah Nov. 30, 1927.

Mr. Lessig, a veteran of World War I, was a member of the Decatur congregation of Jehovah's Witnesses.

Surviving in addition to his wife are two daughters, Mrs. John O'Brien and Mrs. Robert Mulcahy, and a son, Ronald Lessig, all of Chicago; six grandchildren; one brother, Donald Lessig of Chicago, and a sister, Mrs. Monroe Gunshall of Portland, Ore.

Funeral services will be conducted at 2 p. m. Monday at the Zwick funeral home, Wilbur Tibbets, of Fort Wayne, officiating. Burial will be at the funeral home after 7 p. m. Saturday until time of the services.

Funeral Saturday For Scott Infant

Debra Leigh Scott, three-month-old daughter of Sharon Scott, 328 Bollman street, died at 5:20 p. m. Thursday at the home. She had been ill since birth March 1, 1960.

Surviving in addition to the mother are the grandparents, Mr. and Mrs. Elmer K. Scott, Mr. and Mrs. Luther Brown, and Orval Scott, all of Decatur.

Private services will be held at 1:30 p. m. Saturday at the Zwick funeral home, the Rev. Huston Bever, Jr., officiating. Burial will be in the Decatur cemetery.

Late Bulletins
WASHINGTON (UPI) — America's currency communications alert was described today as a test of ability to send orders that would execute various readiness plans set up for use in an emergency.

The BLE also asked that cost-of-living adjustments be incorporated into basic pay rates and that the escalator provisions be continued under a new consumers' price index base. The carriers argued that the cost-of-living escalator clauses should be cancelled.

An estimated 7,500 BLE members now employed as firemen were excluded from the arbitration. Their wage rates were expected to be determined by negotiations between the railroads and the Brotherhood of Locomotive Firemen and Enginemen.

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WALK-OUT ON GREAT WHITE WAY—Sign announces hit comedy, "The Tenth Man" at the Booth Theater in New York but theater-goers are conspicuous by their absence. The play's entire cast walked out at show time to attend an Actors' Equity meeting.

Pay Boost For Rail Engineers

CHICAGO (UPI) — A six-man arbitration board has made an award granting the nation's railroad engineers a pay increase totaling about 5½ per cent over their last contract, a union spokesman said today.

The award of the arbitration board is final and binding on both parties. More than 30,000 engineers are affected by the award.

Principal features of the award, the spokesman said, were:

—Present cost-of-living allowances totaling more than 16 cents an hour were incorporated into the basic daily rate of pay.

—A 2 per cent hourly wage increase, goes into effect July 1, 1960, and another 2 per cent increase becomes effective March 1, 1961.

The terms of the award and the wage contract between the nation's railroads and the Brotherhood of Locomotive Engineers run until Nov. 1, 1961. The old contract expired last Nov. 1, so in effect the new contract is a two-year one.

The union spokesman quoted BLE grand chief engineer Guy L. Brown as saying he was very happy with the award.

Indirectly the award was expected to influence negotiations—and perhaps set a pattern for settlement—of wage disputes involving about 300,000 other on-train employees—firemen, trainmen and conductors.

The engineers had asked the arbitrators to grant them a 12 per cent wage increase, which would amount to about 34 cents an hour. Railroads proposed a 15-cent-an-hour pay cut.

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The arbitration hearings climaxed months of unsuccessful negotiations and mediation efforts. The National Mediation Board proposed arbitration after the two sides broke off talks late in January and the union prepared to take a strike vote.

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Hypnotist Speaker At Rotary Meeting

Courtney Lubbes, of Fort Wayne demonstrated hypnotism to members and guests of the Decatur Rotary club at its weekly meeting Thursday night at the Decatur Youth and Community Center. Louis Jacobs was program chairman.

Lubbes, who attended Butler University and obtained a bachelor of science degree in psychology at East Texas State Teachers College, said that hypnotism had many practical applications in medicine and dentistry.

He explained that about 25% of the population can be quite easily hypnotized, the next 25% with only a little difficulty, and the third 25% only with considerable effort, and the balance probably cannot be hypnotized. Older people are harder to hypnotize than children, with the twenty to thirty age group being the easiest. The subject must be willing or hypnotism is impossible.

Lubbes said that hypnotism itself is not dangerous, but that suggestions made by unskilled persons during the trance could possibly be harmful. He explained how these suggestions when properly and sensibly made by experts could be helpful to overcome certain problems.

The speaker demonstrated a device which used a blinking light to induce a trance. He then put one of the men under a hypnotic trance, much to the delight of his audience.

President H. P. Schmitt, Jr., announced that the Decatur club would be represented at the Rotary district golf tournament to be held at Tippecanoe Country club next Tuesday. A ladies night is scheduled into this month, with Terje Strom as speaker.

Fines collected during the meeting, amounting to over \$28, were donated to the Chilean relief program through the local American Red Cross chapter.

Strike Closes All Broadway Theaters

NEW YORK (UPI) — Curtains failed to rise on Broadway Thursday night, and for the first time in 41 years the show did not go on anywhere along the Great White Way.

The marquee lights were darkened and the footlights remained out as Broadway producers carried out a threat to shut down all 22 current plays and musicals in retaliation for a union-ordered cast walkout at one theater on Wednesday night.

Negotiations continue today in the bitter contract dispute between Actors Equity, which represents all Broadway performers, and the League of New York Theaters, representing Broadway producers and theater owners.

But spokesmen for both sides conceded they still were far apart and that a prolonged "Broadway blackout" was likely.

No Break Likely
Only a sudden change in either side's adamant bargaining position, or a compromise—neither of which appeared likely—seemed to bring an early end to the strike.

Equity staged a one-month strike to win the right as bargaining agent for Broadway performers.

Several leading producers forecast a long, drawn-out blackout which, they said, would serve as a death blow to several "marginal" productions, which barely are surviving.