

Fleet Evacuating U.N. Forces At Hungnam

Army Boosts Draft Quotas For 2 Months

Telephone Rate Hike Granted

James Dissent Hits Ruling

BY ARTHUR JOHNSON

GREENSBORO, Dec. 12.—A State Utilities Commission order today allowing Southern Bell Telephone Company an increase in intrastate exchange rates was attacked in a blistering dissent by a commission member who declared the majority opinion had camouflaged the company's rate of return.

The commission majority, in an order today, written by Chairman Stanley Winborne, allowed Southern Bell to increase its rates to a schedule estimated to yield an additional \$1,846,683 annual gross revenue.

In so doing, it cut almost in half the amount of added revenue the company claimed it should be allowed to provide a just rate of return.

Improperly Computed
But Commissioner Joshua James, a dissenter in this and the Carolina Telephone Company rate case in which an order was handed over yesterday, claimed the rate base upon which the company's return was estimated had been improperly computed by his fellow members.

James said that based upon what he considers a proper computation the rate of return to be allowed under the order will be 6.77 per cent, whereas the majority had used a figure of 6.61.

In yesterday's opinion in the Carolina Telephone Commission ruling that company approximately 6.50 per cent, a figure James did not dispute.

Return 'Exorbitant'

But the dissenting commissioner declared the return allowed Southern Bell is "my honest judgment and belief—exorbitant to the extent of at least \$50,000 annually and closely approaches the point where public regulation of utility rates serves no purpose."

James' dissent was significant also in view of current efforts in Washington to have utilities exempted from proposed federal excess profits taxes.

Proposals of exemption contained in the regulation allow a fair rate of return is given the utilities so that taxation of excess profits does not recoup the government to wartime inflation is unnecessary.

James argued, however, that a great part of the increased revenue granted Southern Bell will go to the federal treasury if the

Rates Going Up

Following is a comparison of the old and new monthly rates for residence telephones in Greensboro:

	Old rate	New rate
Private line	\$4.00	\$4.75
Two-party line	3.50	4.00
Four-party line	2.75	3.25
Rural line	2.75	3.25

The increases in business phone rates here range from 75 cents to \$1.50 a month.

Angry President Hits State Vote

WASHINGTON, Dec. 12.—(UP)—President Truman has replied to a congressman's suggestion for a day of prayer for national unity with an angry political blast complaining that the recent election campaign hit a new low, it was revealed today.

His note included the North Carolina senatorial campaign as part of the "new low" in politics. The disclosure was made in an exchange of letters between Representative F. Edward Hebert, (Democrat, Louisiana) and the President which were made public by the congressman's office. They were the latest in a series of communications in which Truman has castigated his critics.

Suggestion Offered
Hebert wrote the President on December 5 suggesting that he call upon all churches to set aside a Sunday between then and Christmas to appeal to Almighty God for guidance and wisdom in what I believe to be the Gethsemane of our existence."

Truman replied two days later, as follows:
"I appreciate very much your letter of the fifth, and I am enclosing you a copy of my Thanksgiving proclamation, inviting your attention to the wind-up of that proclamation beginning, 'Now, therefore, I think that effectively answers your suggestion."

"I am extremely sorry that the sentiments expressed in your letter were not thought of before November seventh, when the campaign in your state, Utah, North Carolina, Illinois, and Indiana was hand-written.

Government May Need Shipyard

BY BRUCE JOLLY

GREENSBORO Daily News Washington Bureau
WASHINGTON, Dec. 12.—E. L. Cochran, chairman of the Maritime Commission, said today the will-mington shipyard is slated again for a government shipbuilding program.

He declared it would be the first reserve shipyard on the East Coast to be reactivated if the emergency ship construction program planned by the federal government passes Congress.

At the same time, he put an apparent quietus on any private operation of a portion of the government facilities, at least for the time being.

He told members of the North Carolina delegation, Gov. Kerr Scott and state officials, and representatives of the Buncher Shipbuilding Company, that proposed operation of a dry dock at Wilmington where the company wants to put it "would be incompatible with the shipbuilding program the government proposes."

The delegation had convened in an effort to pressure commission officials into accepting the Buncher Company proposals to operate shops and other facilities in conjunction with a dry dock.

Cochran said that in his opinion, the State Ports Authority will not now get the naval dry dock that has been available to it for two years.

He said he would be surprised if the

Atlantic Pact Chiefs Agree On Germany

LONDON, Dec. 12.—(UP)—The chiefs of staff of 12 Atlantic Treaty nations agreed tonight on German participation in an Eastern "shield army" under an Allied supreme commander—Gen. Dwight D. Eisenhower.

Appointment of Eisenhower probably the most open military secret on record—must await the meeting of the foreign and defense ministers of the Atlantic pact nations in Brussels next Monday and Tuesday.

But today's meeting of military men indicated the pact members were smoothly that the timetable for building Europe's defense was stepped up.

Definite Agreement
They issued a communique which said the military committee of the North Atlantic Treaty Organization held its fifth meeting today in London. Definite agreement was reached in the discussions and the committee will meet again tomorrow, in joint session with the North Atlantic Council deputies.

The deputies have been working on the defense plan since July 17. Out of the joint meeting tomorrow is expected to come the announcement that details have been worked out to the satisfaction of the Atlantic Powers. U. S. Ambassador to France David L. E. Bruce flew today for Washington to brief the State Department on the agreement.

The announcement will mean the naming of Eisenhower to command the alliance. Then, after the Monday-Tuesday meeting in Brussels, the "Big Three" foreign min-

isters are expected to meet in London.

"We must build quickly. Always we must keep in mind that terribly tragic fact that all-out war may come in spite of our efforts," the bureau president said.

No less important, production is needed, he added, to support the type of mobilization required, to buff the tide of Russian military action and ideological warfare.

Advanced Technology
This is the sort of period when advanced technology in agriculture has the best chance. Information with regard to size of business, use

of farm machinery, and other factors should be available to the farmer.

He said the government should make plans to conserve the

Old Figure Is Nearly Doubled

Harsher Law Expected

WASHINGTON, Dec. 12.—(UP)—The Army called today for a total of 160,000 draftees in January and February, nearly doubling the quota it had announced previously for that period.

It acted in line with President Truman's decision that the U. S. must raise its military manpower sights beyond the goal set before the last reverses in Korea—2,800,000 men by next June 30.

January's quota was raised from 40,000 to 80,000 and that for February from 50,000 to 80,000. The Navy and Air Force continued to rely on volunteers.

Selective Service Headquarters said the Army's increased calls would require the states to dip at a faster pace into the pool of men now subject to the draft. This pool is composed of those aged 19 to 25, inclusive.

A Selective Service spokesman told a reporter that he believed the new January and February quotas could be filled without changing the draft law or the existing regulations issued by the President, like the one which exempts a man who has any dependents.

Law Change Seen
But he added that the law undoubtedly will have to be changed at the session of Congress beginning January 3 if the new draft pace is to be long maintained.

A move to marshal support at that session of Congress for a system of universal military service was started during the day by 25 scientists and other public figures.

Under their proposal, every man except the totally unfit "would be called up for two years' service of teaching, 18 or on graduation from high school. Sponsors said the plan would protect the nation against the atomic bomb."

In the first statement by a newly formed Committee on the Present Danger, President James B. Conant of Harvard University and the 24 other committee members said:

"The hour is at hand when our country faces a choice between a life-and-death struggle for the present and resources on a scale great enough to meet the real and present danger, and that scale is very great indeed."

The group, which includes the chief of War II scientific chief, Dr. Vannevar Bush, said Russian fear that its strategic centers might be A-bombed has been the chief reason it has not moved against Western troops.

Boldly Radar Net
Russia held a news conference that Bush has been building a radar network, developing jet planes and otherwise strengthening itself against the danger of atomic attack—what the country, he said, has paid more attention to building a television network.

By the time the Russians feel they can stop A-bombs from reaching their primary targets, he said, "we must have other means for stopping the Russians."

Among its members, besides Conant and Bush, are Julius Ochs Eberly, general manager of the New York Times; Robert P. Patterson, former secretary of war; Robert E. Sherwood, author and playwright; and Will L. Clayton, former undersecretary of state.

They urged that the nation should speed up its mobilization program to meet the danger of atomic attack.

BIGGER QUOTA EXPECTED FOR NORTH CAROLINA
RALEIGH, Dec. 12.—(UP)—The state's draft quotas for January and February will probably be doubled this week, according to an official from State Procurement Officer O. S. Slauswhite after an announcement from Washington that the nationwide draft calls for those two months were being stepped up by 70,000.

The state's original January figure was 1,210, while the February figure was 1,500.

Slauswhite said that by December 15 the State will have sent 7,100 draftees into the Army since the Korean war began.

Today's Chuckle

The new golfer, leading his caddy a merry chase, said: "Do you think I'm the worst player you've seen on these links?"
The caddy: "Well, sir, I wouldn't exactly say that, but I've certainly seen places here today that I've never seen before."

Cease-Fire Proposal Backed

U. N. Members Ask Action

LAKE SUCCESS, Dec. 12.—(AP)—The United States and Britain today endorsed a proposal by 13 Asian and Middle East countries for the United Nations to see if there can be a cease-fire in Korea. The U. S., however, parred any political decisions on the Far East until a cease-fire is in full effect.

The proposal was laid before the U. N. Assembly's Political Committee by India's Sir Benegal N. Rau, Rau told the delegates China apparently is moving toward a Monroe Doctrine for the Far East. He said also that Red China's ambassador here, Wu Hsiu-chen, had told him Peiping wants peace.

The doctrine laid down by President Monroe in 1823 said the U. S. would regard as an unfriendly act any interference by Europe in the affairs of independent American states.

Group Adjourns
The committee adjourned until tomorrow so several delegates could obtain instructions on the cease-fire idea. With the backing of the U. S. and Britain and various other resolutions, however, it appeared the resolution would be approved by the committee and go speedily to the General Assembly.

If the resolution finally is approved, Assembly President Nasrollah Entezam of Iran would appoint two other persons to help him and then would determine the basis on which a satisfactory cease-fire in Korea can be arranged. He would report his recommendations to the General Assembly.

The resolution supported by the United States and Britain is one of two proposals put before the committee today by Rau on behalf of the 13 Asian and Middle East countries. The resolution now being considered was put ahead of all other business by a committee vote of 48 to 5 (Soviet bloc). Four countries, Ecuador, Turkey, Thailand, and Nationalist China, abstained.

The second resolution, sponsored only 12 countries, recommends that the assembly set up a committee to meet as soon as possible and make recommendations for the peaceful settlement of existing issues.

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Countries Suggested
This involves a political settlement in the Far East and Warren R. Austin, U. S. delegate, and have to see a full cease-fire before they would even consider that proposal.

In discussing his plan, Rau suggested that Communist China, the United States, Britain, France, the Soviet Union, Egypt, and India make up the committee.

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The Economic Stabilization Agency announced that it has telegraphed leading producers in the steel, copper, lead, and zinc industries to conferences here the first week in January.

Alan Valentine, the administrator, said the meetings will discuss a number of stabilization programs on which the agency needs tin producers' advice and counsel.

Higher Gear
Representative Vinson (Democrat, Georgia), chairman of the House Armed Services Committee, conferred with Secretary of Defense James V. Forrestal on the production of tank production. Vinson wants three eight-hour shifts at tank plants instead of the eight-hour day, 40-hour week that an Army spokesman said they are now generally working.

The Georgian told a reporter that tank output can be expected to shift into higher gear after Truman makes known his program.

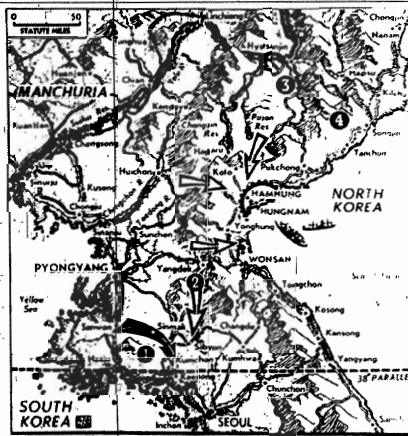
Sen. Lyndon B. Johnson (Democrat, Texas), chairman of a Senate subcommittee on preparedness, demanded quick development of a long range global plan of strategy instead of the "make-habit mobilization that has just gone on for six costly months."

He added that the government must make plans to conserve the

All Allied Troops Elude Red Traps In Northeast

TOKYO, Wednesday, Dec. 13.—(AP)—A fleet of ships today was reported evacuating United Nations forces from northeast Korea. An Associated Press photographer said men and material were being loaded aboard transports and freighters at Hungnam when he flew over the area Tuesday.

U. N. forces of the U. S. 10th Corps in Korea have been estimated at 60,000 men. Today a field dispatch disclosed that all the corps' scattered forces had eluded traps set by 100,000 Chinese Reds and had made their way out of the mountains to the coast.



(Associated Press Wirephoto Map)

REDS SHIFT WEIGHT TO CENTER
While the bulk of the Allied Eighth Army was being withdrawn to the 38th parallel (1) in position to fight an orderly retreat along the main road to Seoul, Chinese Reds appeared yesterday to be turning toward the center of the peninsula (2), where there is no Allied line. In the northeast, a defense box (sawtooth line) has been set up around Hamhung, and evacuation transports wait off shore.

Capital Signs Indicate Shift To War Footing

WASHINGTON, Dec. 12.—(AP)—Signs that the U. S. economy is about to be shifted sharply nearer to the extent needed for a total Truman arranged to give the nation a radio report on the world crisis Friday or Saturday night.

The indication was given in advance of a conference of Democratic and Republican congressional leaders and top officials at the White House tomorrow to consider the proclamation of a national emergency.

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Farm Bureau Delegates Hear Pleas For More Production For Defense

BY RANSOM H. AUSTIN

DALLAS, Tex., Dec. 12.—World events caught the attention of the annual convention of the American Farm Bureau Federation here today.

Convention speakers, mindful of agriculture's role in the last world war, called for a greater home front effort and a unity of purpose in the present war crisis.

Confident H. Harman, President Truman's top adviser, was unable to appear on the program.

Special Message
However, Harman forwarded a special message in which he called upon agriculture to acquire the "intangibility of atomic world war," and warned that "time is short—depressantly short."

Casualties

(Defense Department Official Report)

ARMY
Killed In Action
CPL. TROY PENLAND, son of the late E. Penland, Route 2, Leicester.

Wounded
CPL. WILLIAM R. BULLOCK, son of Mrs. Octavia H. Bullock, Route 2, Rocky Mount.

TSGT. JACK P. HUMPHREY, husband of Mrs. Jack P. Humphrey, Fairmont.

SECOND LT. ROBERT L. McFARLAND, husband of Mrs. Robert L. McFarland, Jacksonville.

SGT. WARREN R. WILSON, husband of Mrs. Warren R. Wilson, Charlotte.

MARINE CORPS
Wounded
M/S/SGT. JOHN T. BUSH, husband of Mrs. John T. Bush, Jacksonville.

SGT. PETER FISCHETTI, husband of Mrs. Peter Fischetti, Jacksonville.

SGT. WARREN R. WILSON, husband of Mrs. Warren R. Wilson, Charlotte.