

U. N. FIRM ON RIGHT TO SAIL OFF KOREA AFTER CEASE-FIRE

But Allies Agree to Withdraw Their Naval Forces Beyond the Territorial Waters

NO PROGRESS IS REPORTED

Communist Demand for Ceding of Captured Islands in North Meets With Rejection

By LINDESAY PARROTT
Special to The New York Times

TOKYO, Saturday, Dec. 8.—United Nations negotiators discussing an armistice in the Korean war offered today to withdraw Allied naval forces beyond territorial waters after a cease-fire, but demanded the right to sail the high seas north of the Thirty-eighth Parallel and hold captured islands offshore.

The Allied delegates scored these points during the morning session at Panmunjom. Maj. Gen. Howard M. Turner, one of the United Nations negotiators, told correspondents that no progress had been made.

"We repeated our intention of retaining the controversial islands unless appropriate adjustments are made," he said. "The Communists insist we give them up without adjustment. Thus far, they have not suggested any adjustments."

"During the discussion, we made it clear to them our naval forces will withdraw from their coast to the distance required by international law, but we do not intend to surrender our rights to sail the high seas, as they insist."

At yesterday's truce session, the United Nations delegates presented an eight-point revision of the Communist proposal made last Monday in an effort to explore what area of agreement existed between the two sides after their subcommittee meetings thus far.

To Discuss Withdrawal

At the same time, Maj. Gen. Henry I. Hodes, senior Allied representative on the scene, told the Chinese and North Koreans that the United Nations, at a later stage of the conference, would be willing at least to listen to further Communist arguments for withdrawal of foreign troops from the peninsula. Previously, the Allies had insisted that troop evacuation was a political question beyond the scope of the military armistice negotiations.

Yesterday's meeting, according to dispatches from Korea, was marked by a stronger spirit of compromise on the United Nations side than the previous four-man sessions in a roadside tent. At one point General Turner told the Communists, "We are receptive to any changes which you consider would resolve the differences and on which we would mutually agree."

At the United Nations base camp, it was stated unofficially that it was not unreasonable to expect important developments within forty-eight hours, despite the wide cleavage of opinion still existing between the two delegations to the subcommittee on the third point of the agenda—an exchange of guarantees that the armistice would not be endangered by a build-up of forces for a resumption of hostilities.

Held a Major Concession

General Hodes' suggestion that the Communist views regarding troop withdrawal might be heard at the conference table appeared to be a major concession to the enemy. It has been an enemy contention that the only true guarantee of a cease-fire would be such an evacuation by both sides—although the North and South Korean armies presumably would still continue to confront each other in the field.

The pooled dispatches from Panmunjom said General Hodes had told the enemy that the United Nations would not agree to any withdrawal during the early stages of the truce. The general added, however, that the Allied delegates would listen to Communist arguments when the negotiations reached the fifth and final item of the agreed agenda—recommendations to be made by the negotiators to the governments concerned.

"Withdrawal of troops is a certainty after a peaceful settlement of the Korean problem," General Hodes said. "It is possible that, at some undetermined time after the armistice has been in effect and working satisfactorily, there may be a tactical redistribution."

The statement committed the United Nations to no time schedule.

Continued on Page 2, Column 2

ACCIDENT THAT KNOTTED TRAFFIC IN TIMES SQUARE



Some of the spectators watching police and ambulance workers attending injured after collision involving bus, in the center, and two taxicabs. One taxi spun around and hit the subway kiosk at the left, while the other was pushed into a private car parked at the curb. The accident occurred at Forty-third Street and Broadway, resulting in the injury of both taxi drivers, one passenger in each cab, one person in the bus and three pedestrians.

The New York Times (by George Alexander)

SLANSKY ACCUSED AS CZECH TITOIST

Gottwald Says Jailed Red Was American Agent, Caught Fleeing to the West

Special to The New York Times

VIENNA, Dec. 7.—President Klement Gottwald of Czechoslovakia, denouncing former Vice Premier Rudolf Slansky as a Titoist, declared last night that there would be more arrests and another reorganization of the Communist party's Central Control Commission. He said that M. Slansky had been arrested just as he was about to flee to the West.

In a speech to the party's Central Committee, reported tonight by the Prague radio, President Gottwald said that M. Slansky and his accomplices were "agents of American imperialism" who had sought to reintroduce capitalism into Czechoslovakia.

In September, when M. Slansky was removed from his party post as General Secretary because of an "incorrect organization policy," there had been no evidence, M. Gottwald said, that he was an "enemy of the party and state."

He was believed merely to have made mistakes and was given other public offices, the President added.

M. Slansky, however, had attempted to make use of his new employment to build a position of power for himself, M. Gottwald said. During the examination of other conspirators, he continued, new facts had come to light, proving that M. Slansky had played an important part in the plot in which Otto Sling, party secretary in Brno—arrested last autumn—had been implicated.

The attempt of M. Slansky and his group to set up a capitalist re-

Continued on Page 4, Column 5

Bus, 2 Taxis, 6 Cars Crash In Times Square; 8 Injured

A collision in Times Square between a bus and two taxicabs at 2:20 P. M. yesterday set off a spectacular chain reaction in which nine vehicles were damaged and eight persons injured. Only one of the victims was seriously hurt.

Although there were conflicting stories, this much was clear: A southbound bus and two taxis collided during a traffic light change at Broadway and Forty-third Street. In the crash one cab spun around and hit a subway kiosk and the other was crushed between the bus and the rear of a line of six parked automobiles.

The driver and the single passenger in each of the cabs were injured, as well as one of the three passengers in the bus and three pedestrians caught in the middle of the street. The six parked cars, progressively smashing into one another along the east curb of the Times Tower, suffered dented fenders and radiators.

Within minutes of the crash a crowd estimated at 7,000 persons swarmed into the area. The immediate vicinity was roped off as firemen washed away spilled gaso-

Continued on Page 3, Column 4

STREIT SCORES HEAD OF BRADLEY IN 'FIX'

Basketball Player Corruption Laid to Peoria Citizens as 3 Athletes Go Free Here

By ALFRED E. CLARK

General Sessions Judge Saul S. Streit administered a strong rebuke yesterday to David Blair Owen, president of Bradley University, as he suspended penitentiary sentences on three former basketball stars at the Peoria, Ill., school who had taken bribes to fix games.

Judge Streit, carrying forward his criticism of the commercialism and over-emphasis in intercollegiate sports program, accused Mr. Owen of considering that "the basketball team was the most important department" in the university.

Following the recommendation of District Attorney Frank S. Hogan, Judge Streit freed the three "repentant" defendants, Eugene (Squeaky) Melchiorre, the 24-year-old former All-American forward,

Continued on Page 6, Column 3

World News Summarized

SATURDAY, DECEMBER 8, 1951

The House Ways and Means Subcommittee investigating tax irregularities heard an attorney of the Bureau of Internal Revenue testify that Charles Oliphant, who recently resigned as the bureau's chief counsel, had personally intervened in a tax case involving Abraham Teitelbaum, Chicago lawyer. [1:8.]

United Nations negotiators in the Korean truce talks put forward points for compromise in the interest of resolving differences that bar the way to agreement. Observers felt that the meetings might produce some major developments soon. [1:1.]

Except for patrol actions all was quiet on the battle front. [2:1.]

A Chinese Communist correspondent at Panmunjom indicated that the enemy did not hold more than 5,000 United States prisoners of war, although more than 10,000 have been reported missing. [2:3-4.]

Dr. Luis Padilla Nervo, president of the United Nations General Assembly, presented a confidential memorandum on the Big Four disarmament talks, summarizing what he believed to be agreements and disagreements. He said the memorandum was for the most part acceptable to Soviet Foreign Minister Vishinsky, but the Western powers considered the document overoptimistic. [4:6.]

The Assembly approved a resolution urging that Italy be admitted to the United Nations, but the Soviet Union, which has vetoed Italy's application four times, was expected to do so again when the question came before the Security Council. [1:3.]

Rome will approach the

signatories of the Italian peace treaty with a formal request for its revision. [4:2.]

Opposition in France's National Assembly to the Schuman Plan forced Premier Plevin to set a confidence vote for Tuesday on the issue. [4:8.]

At Honolulu ceremonies marking the tenth anniversary of Japan's attack on Pearl Harbor, Vice President Barkley said that if the United Nations failed in its purpose "the last hope of mankind to organize the world for peace in our day will be lost." [3:1.]

Czechoslovakia's President Gottwald asserted that Rudolf Slansky, former general secretary of the Communist party in that country, had been arrested because he and accomplices were serving as "agents of American imperialism." [1:2.]

A B-29 bomber with sixteen persons aboard crashed after a take-off from the Azores. [1:2-3.]

General Sessions Judge Saul S. Streit strongly condemned Bradley University authorities as he suspended penitentiary sentences of three former basketball stars of the school who had accepted bribes. [1:5.]

The Interstate Commerce Commission authorized an increase of from 15 to 20 cents in fares on the Hudson and Manhattan Railroad from Manhattan to Hoboken and Jersey City. [1:6.]

NEWS BULLETINS FROM THE TIMES

Every hour on the hour
7 A.M. through Midnight

WQXR AM 1580
WQXR FM 98.3

Index to other news appears on last page of this section.

HIGHER TUBE FARES APPROVED BY I. C. C.; STEP TO BE FOUGHT

20c Tariff Between New York and Jersey City and Hoboken Goes Into Effect Dec. 28

INJUNCTION TO BE SOUGHT

Mayor Kenny Maps Fight on 5c Increase Held Necessary for Road by U. S. Agency

An increase from 15 to 20 cents in the tube fares of the Hudson and Manhattan Railroad Company between Jersey City and stations in Jersey City and Hoboken was approved yesterday by the Interstate Commerce Commission in Washington.

The order, which becomes effective Dec. 28, drew immediate protest from Mayor John V. Kenny of Jersey City, who said he would seek to restrain the railroad from increasing its fares by applying in Federal District Court, Newark, for an injunction.

The railroad had filed tariffs to make the increase effective last May 13, but, on vigorous protests from Jersey City, Hoboken and a dozen other New Jersey communities, joined by the City of New York, the Federal agency suspended the increase.

Corporation Counsel John B. Graf of Jersey City said he would apply for an injunction as soon as he received a copy of the new order. Mayor Kenny said he would invite the cooperation of other northern New Jersey communities in fighting the increase.

Cited Operating Costs
The 15-cent fare, now in effect, dates to last March 19, when it was increased from 10 cents. The railroad based its request for the 20-cent fare on subsequent increases in operating costs.

The railroad, in applying for the increase, said that a reduction of 125 employees from May, 1950, to May, 1951, had reduced payroll costs by \$390,000. Of this number, 104 employees were dropped when the road equipped its cars with multiple-door controls.

Despite this reduction in employees, the company said, estimated salaries and wages in 1950 showed an increase of \$610,033 over 1949, and estimated salaries in 1951 would exceed those of 1949 by one million dollars.

The I. C. C. described the road's service as "expensive" and said it consisted of peak loads in the mornings and evenings, with light loads at other hours and on Saturdays and Sundays. Since 1943, the agency reports, except in 1947 and 1948, the traffic on the line has decreased steadily, due to the opening of the George Washington Bridge and the Lincoln Tunnel. In the period since 1943, the agency observed, bus lines were authorized to carry passengers between New York and points in New Jersey through the Lincoln and Holland tunnels.

In an effort to increase its passenger traffic, the railroad has sought to acquire land in "a certain section of Jersey City" where persons may park their autos and then use the tube trains to reach New York.

The agency estimates that the proposed fare increase will divert about 15 per cent of the line's interstate passenger traffic to other modes of transportation.

Continued on Page 12, Column 6

GETS A SUBPOENA



Henry W. Grunewald
Associated Press

6 FIREMEN ACCUSED IN PURCELL INQUIRY

Face Departmental Trials in Alleged False Signing of Stationhouse Logbook

In a new move to combat corruption in the Fire Department, Commissioner Jacob Grumet announced yesterday that a captain and five firemen would be brought to departmental trial in connection with the alleged false signing of a fire station logbook for Gerard W. Purcell, recently dismissed fireman.

The Commissioner announced also the suspension of a fireman for "attempting to shake down companies engaged in fuel oil installations."

The captain, Gustave A. Olsen of 25 Salem Lane, Levittown, L. I., in command of Hook and Ladder Company 119 at 26 Hooper Street, Brooklyn, has been suspended. The five firemen accused with him are remaining on duty. It was indicated that Captain Olsen would be charged with the issuance of an unlawful order and conduct unbecoming an officer in command.

Mr. Grumet said that Purcell's supposed signature had appeared 111 times in the logbook of Hook and Ladder Company 119, his home station, since last April 18.

Others May Be Implicated
The department believes, the Commissioner asserted, that "more than 100" of these alleged signatures were inked in by others and that the five firemen accused with Captain Olsen were responsible for some ninety of the spurious signatures. Mr. Grumet said it was possible that "one or two" more firemen might be implicated.

The five accused firemen, according to Mr. Grumet, apparently took their cue from Captain Olsen in forging the station journal for Purcell. At a station formation Captain Olsen reportedly said to the men, in effect: "Purcell is a fellow fireman; take good care of him."

"The men very likely could have interpreted that as an order," Mr. Grumet said, adding that as far as he could ascertain no money was involved in the false signing of Purcell's name.

Looking stern and grave, Commissioner Grumet said:

"I am determined to root out corruption in this department. I will not permit a small group who are greedy and grasping to destroy the fine reputation of the large mass of honest, law-abiding men we have in the Fire Department."

Mr. Grumet pleaded with the

Continued on Page 6, Column 5

OLIPHANT PRESSED TEITELBAUM CASE, TAX INQUIRY HEARS

U. S. Aide Says Resigned Chief Counsel Intervened After a Phone Call From Creditor

HOUSE GROUP IN SQUABBLE

It Clashes Over Shakedown Testimony—Grunewald, Key Witness, Subpoenaed

By PAUL F. KENNEDY
Special to The New York Times

WASHINGTON, Dec. 7.—A Bureau of Internal Revenue attorney testified today that Charles Oliphant, resigned chief counsel of the bureau, had personally intervened in a tax fraud case following a telephone conversation with a man to whom he owed \$1,300.

The case was that of Abraham Teitelbaum, wealthy Chicago attorney. Mr. Teitelbaum testified Tuesday before the House Ways and Means subcommittee investigating tax scandals that two men had tried to get \$500,000 from him last winter to settle his tax difficulties. He said the two contended they had connections with a clique of five high present or former Government officials and that the two men had named Mr. Oliphant as one of these officials.

The Teitelbaum testimony set off a quarrel in the subcommittee this morning when Representative Thomas J. O'Brien, Democrat of Illinois, publicly expressed displeasure over the admission of the Teitelbaum evidence. Mr. O'Brien also charged the subcommittee's counsel, Adrian W. DeWind, with "error" in allowing the testimony to be given in public. The evidence, he said, was hearsay and not supported by proof.

F. B. I. Serves Subpoena
Other developments today included the following:

1. Attorney General J. Howard McGrath announced that a Federal Bureau of Investigation agent had served a subpoena on Henry W. Grunewald, a Washington private investigator. The subcommittee wants to question Mr. Grunewald in connection with a \$1,300 loan that Mr. Oliphant said he received from Mr. Grunewald.

2. Mr. Oliphant did not appear to testify today, and his attorney, Joseph J. O'Connell, said he had advised Mr. Oliphant not to appear. He said Mr. Oliphant seemed almost "suffering from shock."

3. A former Department of Justice attorney said that a potential tax fraud criminal prosecution was abandoned after information asked of Mr. Oliphant months before did not arrive until a few hours before the statute of limitations had expired. Mr. Grunewald, a key witness whom the subcommittee has been trying to find for several days, was found in Georgetown University Hospital here. It had not been decided today when he would be scheduled to testify.

Statement Brings Replies
Representative O'Brien's statement, about which he said he had not previously informed his fellow-subcommittee members, brought replies from other members led by Representative Cecil R. King, Democrat of California and chairman of the group. All upheld the propriety of Mr. Teitelbaum's testimony and the right of Mr. DeWind to produce it.

The subcommittee's morning session started with Mr. King announcing, half an hour after the session was scheduled to have begun, that Mr. Oliphant had failed to appear for the hearing, which Mr. Oliphant himself had requested.

This announcement was followed by Mr. O'Brien's denunciation and this in turn called for a series of executive conferences by the subcommittee. Finally Mr. King called a recess until afternoon.

Richard C. Schwartz, assistant chief of the Penal Division in the Internal Revenue Bureau, testified that the tax fraud case against Mr. Teitelbaum had received Mr. Oliphant's personal attention last July. Mr. Schwartz said he had sent the case back to the Chicago regional office for reconsideration and clarification but that it was caught at the post office here and returned at the request of Mr. Oliphant.

Mr. Teitelbaum's case had been put in the racketeer classification last May 29 by Internal Revenue investigators, and Mr. Schwartz said he had questioned whether it would come within the bureau's definition of that term. A memorandum he had attached to the

Continued on Page 6, Column 5

412 Tickets for Southern Trucker Bring Threat of \$5,000 Fine Here

The president of a North Carolina trucking concern that has garnered at least 412 parking summonses by leaving large trailers on the West Side waterfront was advised yesterday by Chief Magistrate John M. Murtagh to be in Traffic Court Monday with a sizeable wad of bills.

The trucking man, L. Worth Harris, head of Harris Express, Inc., of Charlotte, N. C., was not present as the Chief Magistrate expressed indignation over the number of summonses that had been ignored by the company in the last year. He informed Mr. Harris' representative, William E. Coughlin, office manager of the 497 Trucking Company, Inc., of 497 West Street, that Mr. Harris would not be fined a small sum. The Magistrate indicated the total would exceed \$5,000.

Mr. Coughlin told the court that the parent concern was at Charlotte and that the 497 Trucking Company was a subsidiary of Harris Express. According to the police, drivers employed by the company have made it a practice to detach cabs from large trailers and leave the trailers parked along the waterfront.

The office manager said that when the tickets were handed to him by the drivers he sent them along with the regular mail to the parent concern and had "assumed" that appropriate action had been taken. Mr. Coughlin said, however, he would telephone to Mr. Harris to inform him that he must appear in court. The Chief Magistrate advised him to tell Mr. Harris "to be prepared to bring more than petty cash—a great deal more than petty cash."

Magistrate Murtagh said he had ordered a search of court records to determine the total number of traffic violations marked against the trucking company. He said he would not be surprised to find it exceeded 500. He expressed

Continued on Page 9, Column 2

B-29 Carrying 16 Falls in Azores; C-47 With 10 Missing Near France

By The Associated Press

LISBON, Portugal, Dec. 7.—A B-29 Superfort with sixteen men aboard crashed five miles off the island of Sao Jorge in the Azores last night, reports from Lages said tonight. Rescue and search ships and planes were mobilized to seek survivors.

[A United States C-47 cargo plane, en route from Tripoli to Marseille, France, disappeared Thursday with ten persons aboard after having radioed that it was preparing to land near Marseille.]

On the Azores crash the Air Force in Washington reported it had received word that the wreckage of the plane and one body were found today, but that there was no sign of survivors. The search was continuing in moderately high seas and violent rain. The plane was reported to have been based normally at March Air Force Base in California.

First reports on the big plane came from Hamilton, Bermuda, in

press dispatches saying that a B-29 was overdue there on a flight from the Azores, and that a search was under way. The plane was reported to have left the Lages military air transport base in the Azores last night at 11:25 P. M.

Soon after this report, Air Force headquarters in Washington told of the recovery of one body and the sighting of the wreckage. The Air Force said that the bomber, on a routine training flight, was on the way to MacDill Field, Tampa, Fla.

The plane was reported to have crashed only about five minutes after its take-off from the Azores base. The one body was recovered by a Portuguese Air Force rescue boat.

Lages told Washington that the last radio contact with the bomber had occurred three minutes after its take-off. The aircraft was at Kindley Air Force Base in Ber-

Continued on Page 4, Column 7