L.T. - P&G Monday, June 9, 1952.

LEAD: The climax came on Koje Island today - the clash that had been expected. American soldiers forced their way into notorious Compound Number Seventy-Six.

That's the nest of Red fanatics where prison camp Commander, General Dodd, was held a hostage.

The Communists had been busy manufacturing homemade weapons, knives and spears, and digging military entrenchments. They were ready, when the paratroops moved in with fixed bayonets, backed by tanks and supplies of teargas grensdes. The Reds jeered and howled, and a bitter fight was on. One paratrooper was killed - and twenty-four Communists.

They say the Red bosses, with spears, murdered prisoners of war on their own side, when they tried to surrender.

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The battle lasted for ninety winutes before the Reds could be subdued. Then the work proceeded - of cutting notorious Compound Number Seventy-Six into smaller sections.

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The Communists have sent a note to General

Mark Clark -- the first official communication he had
received from them since he took over the Far Eastern

Command. The Reds protest against the recess in the
truce talks -- three days out. They call for a new big
effort to settle all questions of an armistice, The
big one being prisoner exchange.

The note to General Clark was announced over the Chinese Red radio -- with a lot of palaver, all rather vague. The Communists would seem to be distrubed and confused by that -- recess. Our delegation telling them -- that they were using the negotiations as a mere excuse for scurrilous propaganda. So we take time out -- hoping they'll get around to real negotiations. Now - they say they want to negotiate in a big way. What it all means is none too clear.

There's a rumor in Tokyo that Soviet Russia would be willing to send back one hundred and eighty two thousand Japanese prisoners of war. In return - for a peace treaty with Japan. The Tokyo foreign office immediately describes the report as -- "incredible."

It is known, of course, that the Soviets retain a great host of prisoners, rounded up when the big

Japanese Armies in Manchuria surrendered at the end of

World War II. The Japanese, ever since, have been asking for the return of the prisoners -- the Soviets ignoring all demands.

Today's report comes from a woman member of the Tokyo House of Counsellers -- who is in Peking, Capital of Red China. She's there as a private individual claiming to be negotiating a barter agreement with the Communists. In Peking, according to her story, she was informed of the offer -- and cabled it to a member of the Tokyo parliament, a right wing Socialist. All -- calculated to rouse intense interest in Japan. It could be an important diplomatic or propaganda move by Moscow.

A peace treaty was signed today between Japan and India - a separate pact. Other nations of the West made their peace with Japan at the San Francisco Ceremony some while ago. But India abstained, refusing to join.

The Government at New Delhi conducted it's own negotiations -- and, in Tokyo today, the Japanese foreign Minister and the Ambassador from India signed the pact.

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FRANCE - COMMUNISTS

France announces the smashing of a giant spy ring - transmitting military secrets to a foreign power. Soviet Russia, of course. Red hideouts raided in the neighborhood of the great naval port of Toulon - arrests made - confessions obtained.

This is the result of the nation-wide crack-down on the Communist Party - following the arrest of Red Leader, Jacques Duclos. The police taking over centers of the Communists - and, at Toulon - the startling discovery was made. Documents showing - wholesale espionage.

Among the Military secrets handed over were technical data on radar and rocket research. French Naval codes were stolen - and full information given on troop movements to French Indo China.

Secret documents were sent on to Red Espionage in Paris by a regular weekly courier service. Communist espionage -- in a big systematic way.

The news brings a strange story - in the troubled affairs of the Kingdom of Jordan. King Talal, suffering from a mental malady, was last reported in a clinic near Paris. But now he appears in Switzerland -- arriving at a Hotel where his Queen had been stopping. She --having with her the crown Prince of Jordan, and two of her younger children.

Because of King Talal's nervous illness, a regency now rules over Jordan -- and the Crown Prince may be proclaimed King when he becomes eighteen. He is seventeen.

Today's dispatch from Switzerland states that

Queen Zeine left her hotel -- before her husband arrived.

To avoid meeting -- King Talal, said to be suffering from Schizophrenia - split personality. All of which could sound like eerie family drama -- the realm of oriental royalty.

FOREIGN AID

Here in Washington where I am tonight, the foreign aid bill was passed by the Senate this afternoon -- and now goes to President Truman. The sum, six billion and four hundred million is a billion and a half less than the amount the White House wanted. The President is expected to sign -- better less than nothing.

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STEEL

After a day of mounting optimism, the steel talks collapsed suddenly tonight. We hear that an agreement had been reached on the subject of wages - the money part of it. The breakdown was over - the Union Shop. The steel industry refused to grant the system whereby all workers must be members of the Union.

Therefore, the strike will go on - so stated Union President Philip Murray. But Murray made one concession - declaring that steel production will be resumed in special cases for American defense. Steel for the manufacture of such emergency equipment as jet engines.

The collapse of negotiations is a national disappointment - a settlement having been expected confidentally tonight.

SUPREME COURT

The Supreme Court agrees to rule on the constitutionality of racial segregation in Southern s schools. The High justices had before them two cases.

One in Kansas City, the other -- Clarendon, South Carolina, Negro parents -- protesting.

The South runs on a principle of schools for negroes -- equal but separate.

So now the court agrees to consider the question -- is that constitutional. The justices are going on summer vacation -- and a decision cannot be given until autumn.

In South Carolina, Governor James *. Byrnes, himself a former Justice of the Jupreme court, makes a drastic statement. He says that, if the justices rule segregation in public schools to be unconstitutional -- South Carolina will probably close it's public school system and depend on private schools.

Today the government cut the down payments required in the purchase of new homes. This applies to all types of residential buildings, from one family houses to apartment units.

The cuts in the down payments vary -- the largest being at the bottom and the top. The percentages are the largest in the case of homes below twelve thousand dollars and above eighteen thousand dollars.

In the middle, the percentages are the smallest. In all this there's special favor for veterans -- they getting larger cuts in the down payment.

However, there's immediate warning from

Government officials -- and from Builders and Real

Estate people across the country. Washington may change
the Government restrictions -- but, after all, the
financial arrangements are actually up to the banks. The
mortgage market is said to be "tight." So the government action may not mean so much.

DIAMONDS

The Federal Government has indicted two diamond associations, which include virtually all diamond dealers in the United States. They are charged with conspiring to violate the Anti-Trust Laws - by keeping diamond imports from Germany out of the United States.

The indictment, handed down by a Federal Grand Jury in New York, names the "Diamond Dealers Club" and "Diamond Center." Their members are said to number twenty-four hundred throughout the nation.

Just about the entire American trade in the sparkling stones.

The charge is that, in 1948, they formed an agreement with a world federation for the diamond trade, with headquarters in Belgium - to boycott German diamonds. Because of the lower cost of labor in Germany and a low rate of currency exchange.

About one hundred and thirty million dollars

worth of diamonds per year are imported into the

United States. A considerable proportion - for

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industrial purposes. About twenty-five percent of the imports are used in American Armament plants. Hence, there's a defense angle - in addition to the question of anti-trust laws.

Well, diamonds have long been known for their peculiar position in the world of commerce.

The market in flashing gems - controlled by that famous outfil, the South African Syndicate.

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New York City becomes the scene of a spectacle campaign to raise funds - for the American Olympic team, which is a half million dollars short.

Municipal employees, headed by the City Comptroller, have been mobilized for an appeal to the public. There will be a dinner at fifty dollars a plate, with an address by Governor Dewey. Athletic shows, with admissions charged - and ticker tape parade of Olympic athletes down Broadway.

Olympic Official Lyman Bingham tells me that at last the Soviets will be represented at the games - Russian athletes competing. So wouldn't it be a fine how-do-you-do for Americampride, if our Olympic team couldn't get there - because of a lack of that last half million?

At the Olympics, Finland is also holding a big international Chess Tournament. The Soviets will be in that - and how. So what about an American Chess team? That would require ten or fifteen thousand dollars. - to finance four players and two alternates. but even

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so, the prospects look dubious.

From the Manhattan Chess Club comes word that we may not be able to send any team at all. Or - only players who can pay their own expenses. Which would leave out the top American masters like Reshevsky, one of the world's foremost.

He says that, if a teamof our best players went, they'd have a good chance to beat the Russians. The the Olympic Tournament is for the Chess team championship. And, in the past, American teams have beaten Soviet teams.

But the worst would be - if we were not to sent any team. That would make Red Propoganda gloat. So, let's all back our Olympic teams. As a matter of national pride we can do no less!

You've heard old-time tall stories - about a fisherman catching a cooked fish. Well, it happened - and in abig way. Off the shore of the Mediterranean fishermen today cast their nets and caught thousands of cooked fish.

The name "Stromboli" reveals the secret.

The famous volcano - in erruption. Thundering with violent explosions, lava pouring from three craters - streams of molten rock flowing down into the sea.

Creating a maelstrom of boiling water and steam. The water heated far and wide - Nelson the fish actually cooked by the thousands - cooked by a volcano.