

C.I. - P. + G. Tuesday, Jan. 27, 1948.

MACARTHUR-- In a dispatch from Washington, John O'Donnell of the New York Daily News, reports tonight that General Douglas MacArthur will return ~~xxx~~ from Japan to address a joint session of Congress "on or about March Fifteen!" O'Donnell says that MacArthur is coming back to his native land to "report to the nation his beliefs on how this country of ours can best prosper." That's how he puts it. ~~Well, many~~ ^{Many have} ~~people have~~ been expecting the General to ^{return} ~~make a trip~~ to America which he hasn't seen for ten years; so the report of ~~General~~ MacArthur ^{returning} ~~going~~ home in this momentous year of Nineteen-Forty-Eight may well be true.

GERMANY - (To replace previous bulletin)

The United States Army is to give up the job of governing Germany - by July first. The present military government to give way to American civilian control - the State Department to take over. This was announced in Washington late to-day -- an official statement by the Army - The State Department to run things in Germany.

The decision comes after two and a half years of strenuous efforts by the Army to get rid of the responsibility of military government - in Germany especially. No plans have as yet been ^{announced} ~~formulated~~ for ~~a change over in~~ Japan and Korea. In Germany however there will be no more ^{of the} divided responsibility, which hasn't always worked smoothly. Up to the present the State Department has formulated U. S policy there, and the Army has carried it out. Henceforth the State Department will do both, with the Army merely undertaking the job of occupation.

The Army's announcement of the termination of its

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administrative chore comes less than a week after the bitter criticism of its operation by Republican John Foster Dulles. Dulles told Congressional ^{al} committees ^{working} ~~on~~ the Marshall Plan that the civilian-military division of authority in Germany should end at once. But, it was General ~~Dwight~~ Eisenhower who started the Army's ~~xxx~~ campaign to turn over its military government to the State Department. Two and a half years ago ^{the} General ~~xxx~~ got President Truman to agree to the change, ~~xx~~ "to be made," so he put it, "at the earliest possible moment."

No news yet as to who will take over the job from General Lucius ~~D~~ Clay our present military governor in Germany. ^{Gen} Clays says he is going to retire; but some ~~people~~ ^{believe} are speculating whether he will carry on the job as a civilian. He must know more about it than anyone. Another name mentioned is that of General Bedell Smith, now U.S. ambassador to Russia. Who gets the appointment is anyone's guess - it will call

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for a strong man. The important news is that the U.S State Department is taking over the Military Government of the American zone in Germany - as soon as possible.

The French financial drama took a new turn today when vital parts of the new economic program were rejected. ~~The Finance Committee of the National Assembly turned down two important provisions of the plan that involves the devaluation of the Franc.~~

~~For days we've been hearing about the international uproar raised by the decision of the government of Premier Schuman to make drastic changes in the realm of money. The British Government protested vigorously, and so did the International Monetary Fund, on the grounds that it would disrupt European finance.~~

One point of the Schuman program was to cut the value of the Franc, which the Paris Government proceeded to do immediately - having the power, not needing the consent of the National Assembly. But two other important measures did need legislative consent. One was to permit open trading in ^{gold,} ~~commodities~~ people free to exchange Francs for gold at whatever prices might prevail in an open market. The other was to forgive

people who have been hoarding gold and securities - permit them to come forward ^{and} ~~with their hoarded gold and securities and~~ sell them - the government taking a tax of twenty-five per cent. In this way, the Schuman Cabinet hoped to draw in gold and securities, as backing for the Franc.

So ~~These~~ were the provisions that were ~~turned~~ ^{voted} down by the Finance Committee of the National Assembly today - the Socialists who have been supporting Schuman turning against him on this issue.

The decision of the Committee now prevents the Schuman financial proposal from going to a vote in the Assembly - and that would seem to be that, the end of the financial program which raised so much international hullabaloo. However, the premier can appeal to the Assembly for what would amount to a vote of confidence, on the financial issue. In this way he might say - if you don't okay the new money policy, we resign/.

Opinion in Paris tonight is that the Assembly might

hesitate to overthrow the Cabinet. In particular, the Socialist group might prefer to accept the Schuman program, rather than risk an overturn, because this might result in a Communist government - or General Charles DeGaulle might assume power as the leader of the Right.

ALBANIA

From Albania - new ferocities of the Red terror.

(Seven political leaders, including three former members of the Albanian Parliament, were today sentenced to death - twelve others to imprisonment.) They were condemned on charges of joining a plot with American and British representatives - a plot to overthrow the Communist regime in Albania and restore King Zog. ¶ Details of this American-British plot are not given, but there is the usual Red mention of - imperialism. A Supreme Military Court, in ~~Paris~~ passing the sentences, declares that the American and British imperialists will not be allowed to interfere in Albanian affairs - hence the doom imposed on the seven political leaders, including three former members of the Albanian Parliament.

IRAQ

There was uproar in Baghdad today - the Cabinet of Iraq resigned, while crowds rioted in disorderly demonstrations. It was all because of the treaty between Great Britain and Iraq, in which the Baghdad government made large concessions. The ultra-nationalists are against it, and today they raised so much turmoil that the Cabinet resigned - in an uproar, in the old city of the Arabian Nights.

TAXES

The Republican tax reduction bill is on its way - *today* pushed through the Ways and Means Committee of the House of Representatives. The Committee has okayed the Knutson Bill, which provides for a cut of thirty per cent in the lower brackets, increasing to ten per cent in the upper brackets. ^R The Democrats on the Committee made a gesture in favor of President Truman's tax-reduction-plan - the forty dollar "cost of living cut" for everybody and dependents. It was hardly more than a gesture, because four Democrats joined the Republican minority in tossing out the tax-cut-proposal of the Democratic President. The vote - nineteen to five. ^R Whereupon other Democratic suggestions were defeated, and the Knutson Bill okayed - fifteen to nine. Which now sends it to the floor of the House.

^R ~~It is virtually certain to pass, the Republican majority being what it is, but will it survive a White House veto - a similar Republican tax cut bill having been vetoed on two previous occasions, and the veto stuck.~~

President Truman today removed the head of the Federal Reserve System. He displaced Marriner Eccles as Chairman of the Board of Governors. Which might seem to indicate a clash, ^{with} a row and recrimination - as is frequent when an official is ousted from office. But not at all - the White House dismissal of Marriner Eccles being accompanied by displays of amity and good feeling. So much so that, at the President's request, Eccles, removed as Chairman, agrees to stay on as Vice-Chairman for what might seem to be a loss of prestige, stepping down from a top ranking post to a lower one. His successor, named by President Truman, is Thomas B. McCabe, ~~with~~ a Pennsylvania paper manufacturer, who has hitherto been Chairman of the Philadelphia Federal Reserve Bank.

Eccles has been head of the Federal Reserve System since Nineteen Thirty-Five, and has played a prominent part in the regulation of the nation's banking. ~~system since Nineteen~~
~~Thirty~~ Recently, he has been in controversy on the subject of inflation - ■ Eccles advocating drastic means of checking

the rise of prices. In particular, he urged that banks be required to set aside special reserve funds, thus taking out of circulation a lot of ready money that's available for lending. Reduce the amount of spending cash - and thereby check the buying spree that pushes up prices. But the Eccles ~~method~~ method was opposed by Secretary of the Treasury Snyder, and many bankers. All of which is in the background, as Eccles now steps down - with expressions of good feeling on all sides.

QUAKES

In the Philippines, they had two more earthquakes today, violent shocks - for a total of twenty-two tremblers since early Sunday morning. And more quakes are expected.

π The disturbances are shaking the island of Panay mostly, hitting hardest at the city of Ilo Ilo. Seismologists out there explain that Ilo Ilo is right on top of a section of the crust of the earth where violent readjustments are going on. That is, deep down below, the underlying layers of rock have got out of balance and are shifting - the city standing just above a subterranean cataclysm. *π* As a result of the shaking, a million dollars of damage has been done, and the death list now numbers twenty-one. Great fissures have ~~been~~ opened in the earth, where the ground cracked - cutting across highways and railroads. One fissure ^{near} ~~at~~ Ilo Ilo is a huge chasm, three hundred and twenty-five yards long and sixty-five yards wide. — *indefinitely deep.*

Relief is being rushed - also good advice. Scientists from the Manila Weather Bureau are being sent to quiet the terror of the people. They are panicky about more earthquakes,

especially about tidal waves. Ilo Ilo is on the coast, and the quakes have brought great waves rushing in - though nothing like the tidal catastrophe, ^{the} a deluge from the ocean, that is feared. ^π The Weather Bureau officials are on their way to give the people of Ilo Ilo a rational explanation, and assure them that the fantastic talk about tidal waves is all nonsense.

^π Maybe the Filipinos on Panay won't understand the scientific part so well, but there is one angle of the tidal wave theory that they ^{will} ~~can~~ comprehend easily enough: ~~the~~ panicky stories are being spread by thieves, who want to keep the people away from the city - so they can rob and loot. Thousands have left - taking refuge in the hills, to be safe when the ocean engulfs Ilo Ilo, as they fear it will. So now they are being informed that ^{all} the panicky rumors are being spread by thieves, and the Filipinos, like everybody else, understand about robbers. Si, Si ladrones.

BANK ROBBER. From Tokyo a new ~~xxx~~ method of bank robbery is reported - robbery by the poisoned cup. As daring and phantastic a method of banditry ever concieved by the fraternity of crime.

Yesterday a meek looking individual walked into a bran^{ch} of the Bank of Tokyo. He introduced himself to the manager as an official of the Health Department. His orders were that all bank employees were to be dosed with a special medicine as a prèventative against dysentry.

~~Now with the~~ Japanese obedience to Government ~~decrees~~ decrees is second nature. So the manager set out the tea cups and lined up his staff. The meek looking visitor filled each cup with his "health cocktail" and ordered everyone to drink. The twelve members of the bank staff obeyed. Immediately six of them fell dead, the others callapsing to writhe in agony on the floor. The false health depàrtment official immediately made his way to the bank vaults, and helped himself to whatever he pleased. He was interrupted however, when

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one of the women tellers managed to crawl to the door and give the alarm. At that the thief fled leaving three hundred thousand yen on the manager's desk, and twelve victims - poisoned, by ~~potassium~~ cyanide. From the four survivors Tokyo police detectives obtained the story of the crime - but no clue as to the identity of the cold blooded killer.

Today we have another disclosure about the war. This time - the war between the Army and the Navy. Those of you who were in the global conflict, campaigning on the ground or in the air or at sea, may have sometimes been inclined to wonder - who was really the enemy? The Nazis and Japs, or ~~the~~^o other branch of the service? Sometimes the Army, especially the Air Forces, appeared to be most concerned about defeating the Navy - and the Navy reciprocated in the same way, if not more so.

Today's revelation does not come from an impartial source. The Ladies Home Journal publishes the second installment of the Memoirs of Henry L. Stimson, when he was Secretary of War. So naturally his heart was with the Army, and the Navy gets the benefit of his choicest remarks.

He tells us that the biggest battle between the Army and the Navy was on the subject of ^{the} anti-submarine campaign - when the Nazi U-boat packs were raising havoc in the North Atlantic. The admirals didn't want a centralized command against the German submarines, and they ~~asked for aircraft~~

under-estimated aircraft equipped with radar - says the former Secretary of War. He ^{adds} ~~says~~ that British experience proved that air power plus radar was the most effective weapon against the U-boats - but the Navy believed in convoys, with aircraft as an auxiliary.

On the Army side, the Air Forces were the most vigorous and outspoken, and Stimson describes the clash as follows: "To the Air Forces, the Navy was a backward service with no proper understanding of air power. To the Navy," he goes on, "the Air Forces were a loud-mouthed and ignorant branch."

He describes the state of mind of the Navy Department with the following eloquent words - ^{"Q"} ~~The~~ peculiar psychology that frequently seemed to retire from the realm of logic into a dim religious world, in which Neptune was God, Mahan his prophet, and the United States Navy the only true church." All you fellows who served in the Navy, ought to enjoy that!

Anyone who was out there in the Pacific theatre of war,

will be particularly interested in the Stimson remarks on the big row ^{in that theatre.} ~~out there~~. He writes: "General MacArthur was a constant bone of contention. The extraordinary brilliance of that officer was not always matched by his tact. But," ~~Stimson~~ Stimson goes on, "the Navy's astonishing bitterness against him seemed childish."

As for the reasons ^{for} ~~for~~ that war between the Army and the Navy, Stimson propounds the following theory. He thinks that the jealousies and conflicts between the two branches of the service went right back to the beginning - West Point and Annapolis. ^{He believes} ~~He thinks~~ it derived from the spirit of rivalry inculcated into cadet-officers at the military and naval academies. The cadets and the middies learned ^{ing} ~~ed~~ the antagonism in school, and ^{keeping it warm} ~~kept it~~ when they were generals and admirals. In other words, it was the Second World War, but they thought it was still the Army ~~and~~ Navy Game.

And now speaking for the Navy - I mean for Ivory - Nelson.

It is rather cloudy in these parts, and we haven't much of a glimpse of the full moon. But in places where it is clear, you can go out and take a long look at the gleaming orb of the queen of night, and perhaps shed a tear over the fate that is about to overtake our old friend, the moon. They're going to check her ^{past--} - a thing that could be ^{for a lady--} disconcerting, even

^{for} a queen. What is more, they're going to check with minute detail, on her future - still more disconcerting, ^{ask} any lady: - "how would you like to have the glare of publicity turned right now on all the things you're going to do? ^{Especially} ^{with that 'New Look?'} "

The story today tells of - an electronic brain, one of those fabulous calculating machines devised by modern science. This is to be used to calculate the position of the moon on every date during the past hundred years, and also the hundred years to come - all about the moon during the Nineteenth and Twentieth Centuries. The job, it is said, ^{would} ~~would~~ take the labor of a million mathematicians for a whole lifetime - the astronomy of the moon involving that much complicated mathematics.

The new fangled mechanical brain, which contains twelve thousand, five hundred electronic tubes, will work out the mathematics in a couple of years.

Shades of Sir Isaac Newton and his famous apple!

The scientists of today don't go in for apples - nothing so simple. Actually, the renowned affair of Newton and the apple was quite simple - although sometimes our school books don't make it so clear. Some three hundred years ago, the young Newton was sitting in his mother's orchard, wondering about the moon - wondering why that satellite of this earth stayed in its orbit, kept swinging around the earth, instead of flying away into space. What held it? ^{π} Then it was that Newton noticed an apple fall to the ground from a nearby tree, and it set him thinking. The apple was drawn to the earth by gravitation - and how far up did gravitation extend? Could it be that the force that made the apple fall, extended all the way to the moon? If it did, gravitation attracted the moon as well as the apple, and ^{that} ~~it~~ would explain why the satellite did not

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fly away into space, but kept swinging around. ^{Which} ~~That~~ was the birth of the theory of universal gravitation.

I don't know what the man in the moon had to say about it then, and I don't know what he'll say now. Maybe he'll just go on grinning, as the electronic brain starts calculating the position of the moon during the Nineteenth and Twentieth Centuries.

So much for the man-in-the-moon.
Now for the man-in-the-Ivory Tower.