

L.T. P. & G. MONDAY, JANUARY 10, 1949.

GOOD EVENING EVERYBODY:

The President's record peace-time budget calls for five billion, nine hundred and sixty million dollars in new taxes, with the hint that future Government costs will be even higher. The total of the budget adds up to forty-one billion, eight hundred and fifty-eight million. Half of which will be used in the Cold War. This Mr. Truman described as a rock bottom estimate. He spoke of his budget as paying for past wars, as well as for carrying on the Cold War, and giving all Americans a sound social welfare program.

Today's budget message was thirty thousand words in length. A record of one thousand, four hundred and twenty-nine pages -- weighting over six pounds.

Mr. Truman told Congress that the costs of our military preparedness are unavoidably higher this year than formerly, and that they are likely to be steeper still in years ahead. He described the United States as the strongest bulwark of freedom in the world. And that our budget is large

because the nation's responsibilities are large.

In the tax program, the President advocated that four billion dollars of the increased revenue shall come from higher corporation taxes, and from increased estate and gift taxes. He wants one billion seven hundred million to be raised from the Social Security Payroll Tax, a hike here from one per cent to one and a half per cent. Two hundred and sixty million is scheduled for compulsory National Health Insurance, this to be payroll tax - to start at one point two of one per cent. But no word yet as to whether this is to be levied on employees alone, or divided equally between workers and the employers.

Fourteen billion, three hundred million goes to National Defense. Of which three billion, six hundred million is for the air force. In respect to this, the President urged the United States to maintain the most powerful military force. And he promised a continuance of the U. S. Firm Policy

towards the Soviet Union, with the continuation of our Lend-Lease program to Anti-Communist Nations.

Forty-one billion dollar budget as reckless and dangerously inflationary. The Democrats say it's the least the nation can stand - a practical budget.

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BUDGET - 4

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ACHESON

Republican Foreign Policy expert John Foster Dulles visited the White House today. This visit followed quickly the nomination of Dean Acheson to succeed George Marshall at the State Department. Apparently Dulles approves of the Truman choice. Later he told reporters that Mr. Acheson has shown the necessary capacity for carrying on our Foreign Policy without disruption. Said Dulles: -- "Any disruption and vacillation now, would be disastrous." Which indicates that the Dean Acheson appointment will be okeyed by the Republicans.

In Washington we hear that Mr. Truman appointed Dean Acheson on a personal recommendation of retiring Secretary of State Marshall. For six months Dean Acheson was Marshall's right hand man. That was in ~~the~~ early Nineteen Forty-seven. When the General took the top cabinet post Acheson wanted to quit. But General Marshall persuaded him to stay on. It was during that period that ^{Dean Acheson played,} what Secretary Marshall describes as, a major role in drawing up the Marshall plan for European recovery.

CHINA

Generalissimo Chiang Kai-Shek is getting ready to leave China. From Nanking we hear that the Generalissimo's personal luggage, secret files, and six automobiles, have already been sent to the Island of Formosa.

The Nanking cabinet is reported to be going ahead with plans for a compromise peace with the Reds -- a peace considered impossible as long as the Generalissimo remains in China.

Formosa, the beautiful, as the Chinese call it. Years ago, when China was overrun by the Manchus, exiled members of the Ming Dynasty set up their Kingdom under Chen-Chung-Kung -- a descendant of Confucius, who then held out for forty years on Formosa, where Chiang, head of the so called "Soong Dynasty" is now going into exile.

Some Nanking sources say that the Generalissimo is planning a government - in-exile in anticipation of a final sweeping victory by the Reds in China: Also, that he feels he can fight them better from Formosa.

A dispatch from Washington says the Generalissimo is asking our Navy to divert two ships now at Sea. These are loaded with arms^o and instead of sending all that stuff to Shanghai, or Tientsin, to be seized by the Reds, why, take it to Formosa.

At Tientsin, an old story is being reenacted:- the American consulate has ordered all the seventy Americans left in the besieged city to take refuge in the consulate. Just as in the days of the Boxer Rebellion, Tientsin is expected to fall to the Reds at any moment. They already have the north railway station ; and the population is reported to be in a state of panic. One report has it that the Communist generals are promising their troops they'll be allowed to sack the rich residential sections of that number one North China seaport.

PALESTINE

What does Uncle Sam think about the recent air battle between airmen of Great Britain and Israel? Merely a regrettable incident! Our State Department says it has confidence that the shooting down of the five British planes by the Israeli on the Egyptian frontier - will not interfere with the peace negotiations. The latter are set for the Island of Rhodes - when Dr. Bunche, U N mediator, arrives.

Washington announces that information has come from Egypt and from Britain. Word about shooting down of the planes. But our State Department denies that London has asked us to take "any kind of stand".

The British meanwhile have ordered His Majesty's Mediterranean fleet to the scene.

In Tel Aviv today, the Israeli government announced that it had rejected the British note of protest. That it was wrongly addressed - to "the

Jewish authorities in Tel Aviv". Obviously that was done because London hasn't recognized Israel.

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The Israeli government claims the British planes were flying over Palestine not over Egypt. Out there in the desert the frontier line is not marked. It would be difficult for any airman to locate himself with any certainty while flying over the ancient wilderness of Sinai, where Moses guided his people more than three thousand years ago. History tells us they were lost part of that time.

U N FOLLOW PALESTINE

At Lake Success today, U N Secretary Trygvie Lie made a personal appeal to Great Britain and to Israel. He asked them to keep their dispute out of the Security Council. This in order not to jeopardize the meeting on the Island of Rhodes.

Israeli officials at Lake Success, however, say they have contrary orders from Tel Aviv. They have been told to make their complaint in the Security Council.

The western powers are said to be in a little worried that Russia may attempt to intervene; perhaps offer to mediate ~~it~~ between Britain and Israel.

HUNGARY

A party of refugees from Hungary arrived in Munich, Germany, by plane today. They tell of Soviet air bases being built ~~in~~ at top speed in western Hungary. Soviet authorities taking over whole blocks of houses in Budapest, and screening off the areas. A large part of the former gay city on the Danube now off limits even to Hungarians. Everywhere signs of great activity: labor gangs working frantically - with more and ~~more~~ more Red planes arriving, daily.

FRANCE

France in the grip of an epidemic of
grippe. Forty thousand cases in Paris alone. Hospitals
are crowded. Factories closed with more than half
their employees staying at home. Business in
metropolitan Paris almost at a standstill. The city
government today evacuated two homes for the aged,
sent the old folks to the country, and gave their
quarters ^{to} ~~xxxxx~~ grippe victims.

So many people are now affected in all
parts of the country that the authorities are
recalling the great ^U ~~xxxxx~~ epidemic of Nineteen
Eighteen -- one that I'll never forget, because it
hit me, and when I came too I was in a strange hospital
on the outskirts of Paris - taken there I never knew
how.

MITCHUM

Movie Actor Robert Mitchum, and two others appeared in a Hollywood court today. It all concerned the smoking of reefers. Attorney Jerry Geisler surprised everyone by declining a jury trial for his client. Reason -- no defense. Mitchum, with the others throwing themselves on the mercy of the court, which found them guilty.

Attorney Geisler, addressing the judge, described his client, Mitchum, as a forthright and honest young man -- who would not stoop to perjure himself. He added that when Mitchum comes up for sentence on February Ninth, he will ask for probation.

WEATHER

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Snow in Los Angeles today. Another freak of the weather, as residents in Southern California are warned of a new cold wave. This is expected to drive temperatures down as low as eighteen degrees -- almost unprecedented. The last week's cold wave cost the California farmers crop losses amounting to millions of dollars -- and now there's more to come.

In Watsonville, California, early this morning a motorist saw a chilled figure using his thumb on the highway between Watsonville and Salinas. A celebrity in trouble. The motorist was a movie goer: so he quickly recognized Bing Crosby. And he pulled up to hear from Bing how he had left his car out all night. He didn't know it had frozen up on him, and soon after he started this morning the engine gave out. So Bing set out to walk in the freezing cold -- with lots of other motorists driving by with that frosty look they bestow on hitch-hikers.

BLACK DAHLIA

The Los Angeles police tonight booked Jack Sands, a twenty-seven year old bell hop, ^{They want him —} as a suspect in a two-year-old crime -- the Black Dahlia murder case. Sands, we are told, got in touch with Police Psychiatrist & Paul De River and offered to help him write a book on an ~~obscure~~ ^{obscure} subject. So the Police Psychiatrist arranged a meeting, at which the conversation turned to the Black Dahlia case. Whereupon the suspect began to reveal details of the murder which had never been printed. Clues that the police were keeping secret in the hope of trapping a possible suspect. And Police Chief Horrall says that the arrested bell hop could not know so much about the Black Dahlia murder unless he had access to the Police Department's files -- or had firsthand knowledge.

ANTARCTIC

The Chilean government is sending a third expedition to the Antarctic. A group now well on its way to Marguerite Bay -- a thousand miles south of Cape Horn. Three hundred people, scientists and garrison troops, going to back up Chile's claim to those wastelands around the South Pole, in which the U.S., Argentina and Britain are all much interested.

Our Antarctic slice of frozen pie if you can call it that, is several hundred miles nearer the South Pole than Marguerite Bay. But that's the supposed destination of this Chilean expedition, which left Valparaiso last week. London regards Marguerite Bay as a dependency of the Falkland Isles, and a part of the British Empire.

When the Chileans arrive at the bottom of the world they'll find, waiting for them, a well established base occupied by Americans, and ^{British,} ~~British,~~

It sounds like it might result in some frosty fireworks. If Explorers Finn Ronne is listening I'd like to ask him to tell us just what he thinks the Chilean explorers are going to say to the Americans and British when they meet on the Antarctic ice? What would be the polite remark to open such a conversation, Finn? Or maybe you would know, Nelson.