

"All the News That's Fit to Print"

The New York Times

LATE CITY EDITION
U. S. Weather Bureau Report (Page 51) forecast: Mostly sunny today; fair tonight and tomorrow. Temp. range: 64-50. Yesterday: 65.8-52.6.

VOL. CVIII, No. 36,773.

© 1958, by The New York Times Company, Times Square, New York 36, N. Y.

NEW YORK, MONDAY, SEPTEMBER 29, 1958.

10¢ beyond 100-mile zone from New York City. Higher in air delivery cities.

FIVE CENTS

2 GROUPS STUDY LITTLE ROCK PLAN TO LEASE SCHOOLS

Board and Corporation Meet After Segregationists Win in Special Election

U. S. CONSIDERS MOVES

Department of Justice Aides Await Today's Opinions From Supreme Court

By CLAUDE SITTON

LITTLE ROCK, Ark., Sept. 28—Members of the Little Rock School Board and of the Little Rock Public School Corporation conferred tonight on arrangements for leasing the city's four high schools.

Under a plan proposed by the corporation and endorsed by Gov. Orval E. Faubus, the schools would be opened as private, segregated institutions supported in part by state funds.

In Washington, Justice Department officials decided to wait for Monday's Supreme Court opinions in the Little Rock case before deciding on legal moves. The opinions will explain the court's Sept. 12 refusal to delay school integration.

Virgil T. Blossom, District School Superintendent, and Dr. J. R. Raney, president of the corporation, met in a day-long session to talk over the private school plan.

Open Meeting Set It was announced late tonight that an open meeting would be held tomorrow when the board is expected to act on the leasing proposal.

Bruce Bennett, State Attorney General, also took part in the talks. He said he was called in at the request of both the board and the corporation.

Mr. Bennett, Dr. Raney and Leon Catlett, lawyer for the corporation, left the building this evening, but said they would be back.

Mr. Catlett said that he doubted that final agreement would be reached tonight because a number of details remain to be cleared up.

The conference followed a special school election yesterday in which voters backed the plan by balloting 19,470 to 7,561 against integration.

Governor Faubus, in commenting on the election's outcome, declared that "we shall move forward with all dispatch."

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INDUSTRIES TAXED HIGHEST LOCALLY

Study of 64 Tri-State Areas Shows Sharp Variance

By WILL LISSNER

Local taxes place a substantially higher burden than state taxes do on the average manufacturing concern in the larger localities of the metropolitan area, a report to the Regional Plan Association, Inc., said yesterday.

The report studies the role of taxes as a factor in the location of manufacturing plants as between one spot in the region and another. It finds there is a wide range in the average tax levels of sixty-four such localities. The highest average tax level is more than three times the lowest.

Alan K. Campbell, chairman of the Political Science Department of Hofstra College, Hempstead, L. I., prepared the report for the New York Metropolitan Region Study. Under the supervision of Raymond Vernon, the regional study is being made by the Harvard University Graduate School of Public Administration for the planning association. The study is aimed at identifying forces and characteristics of the region.

In the comparison of tax burdens, Professor Campbell and his aides took twenty-five manufacturing establishments for which they could obtain accounting data. They computed the state and local taxes that each of the concerns would have had to pay in 1955 at each of the sixty-four localities in the twenty-two-county region.

Thirty-one of the locations were in New Jersey, twenty-nine in New York State and

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Off-Track Betting Abroad Found to Vary in Results

Where It Is Legal, as Wagner Suggests, Systems Differ Widely—Survey Shows Little Opposition—Revenue Small

By WAYNE PHILLIPS

Off-track betting on horse races has had mixed results in places where it is now in effect. The good and bad sides of legal bookmaking were reflected in a New York Times survey of Britain, Ireland, France, Australia, New Zealand, Puerto Rico and Nevada.

New York has been weighing the question of off-track betting since Mayor Wagner suggested it as a possible source of revenue instead of an increased sales tax.

The differences in the experiences reported seemed to result from the wide variations in the systems of off-track betting. How the experiences would apply to New York, if at all, would be debatable.

In 1954, a state legislative committee headed by Senator Arthur H. Wicks made a study of the possibility of off-track betting in the state and concluded

that it was practical but "socially, politically and economically inadvisable." The committee studied the experience of Britain, Ireland, France, Australia and New Zealand. It cited official reports indicating that the results were often undesirable.

Correspondents of The New York Times in those countries now report, however, no serious signs of dissatisfaction with the way off-track betting is operating.

The New Zealand correspondent found it an "overwhelming success"; the correspondent in Ireland said most people believed that it was "the best way to deal with the problem," and the correspondent in France called it an accepted part of the French scene.

The correspondent in Puerto Rico said that off-track betting was "the best way to deal with the problem," and the correspondent in France called it an accepted part of the French scene.

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Mayor Still For Bet Plan, Though Governor Bars It

By PAUL CROWELL

Mayor Wagner still has off-track betting in mind as a source of additional city revenue despite the probability that Governor Harriman would veto legislation permitting such wagers. The Mayor said yesterday he would go ahead with a plan to name a committee to study the situation.

Governor Harriman announced his opposition to legalized off-track betting last week soon after the Mayor had announced that he would appoint a small committee of "distinguished citizens" to study and report on its moral, economic and mechanical feasibility.

Opposition also was expressed by District Attorney Frank S. Hogan, Democratic candidate for United States Senator.

Proposal in Estimate Board A proposal to ask the 1959 Legislature to approve off-track betting is being considered by the Board of Estimate as an alternative to increasing the city's 3 per cent sales tax to 4 per cent. The city needs \$80,000,000 to \$100,000,000 of additional revenue to balance the expense budget for 1959-60. The proposal assumes that the state would permit the city to share in the revenue from a tax on off-track betting.

"I will proceed with the appointment of the committee," the Mayor said. "When its report is made, the Board of Estimate will be able to decide whether to ask for the legislation needed to legalize off-track betting. I do not feel that Governor Harriman's statement of opposition necessarily means

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Parties' Heads Take Campaign to Nation

By ALLEN DRURY

WASHINGTON, Sept. 28—The battle for Congress goes into high gear this week. Vice President Richard M. Nixon will start a campaign tour for the Republicans and the Democrats' newest United States Senator will do the same for his party.

Sharing the political spotlight with the Vice President and Senator-elect Edmund S. Muskie, Democrat of Maine, will be other political figures, such as former President Harry S. Truman, who began his campaigning a week ago; Senator Estes Kefauver, Democrat of Tennessee; and the Democratic Presidential nominee of 1952 and 1956, Adlai E. Stevenson.

Mr. Nixon is scheduled to speak tomorrow afternoon in Muncie, Ind., at the dedication of the Muncie Airport, and to

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AIDE TO SHARE JOB WITH GEN. PERSONS REPORTED PICKED

Choice of Fred Scribner Jr. as Deputy Would End Reorganizing of Staff

Special to The New York Times.

WASHINGTON, Sept. 28—President Eisenhower, it was reported tonight, will complete the reorganization of the White House staff with the appointment of Under Secretary of the Treasury Fred C. Scribner Jr. of Maine as the Deputy Assistant to the President.

It is understood that Mr. Scribner, a highly respected lawyer and former Republican National Committeeman from Bath, Me., will share with Maj. Gen. Wilton B. Persons the responsibilities previously administered by Sherman Adams, who resigned under political pressure last week.

General Persons, who is 62 years old, was given Mr. Adams' title as the Assistant to the President yesterday. His appointment was praised in some quarters on Capitol Hill but has been the subject of considerable private criticism elsewhere.

Loss of Influence Seen The general reaction to the reorganization is that it will decrease the influence of the White House staff and increase the authority of the Cabinet.

General Persons has been a personal friend of the President for twenty-five years, and as such will have easy access to General Eisenhower. He is also more popular on Capitol Hill than was Mr. Adams, for he spent much time there as the Pentagon's legislative liaison officer before performing a similar job for the White House as Mr. Adams' deputy.

He does not, however, have the authority enjoyed by Mr. Adams in the Cabinet and among the heads of the other Executive agencies whose operations he must now coordinate for the President.

Responsibility Shared Accordingly, it is widely assumed here that General Persons will not attempt to run the White House staff, as did his predecessor. Instead, he will share his responsibilities with Mr. Scribner, Brig. Gen. Andrew J. Goodpaster, the White House staff secretary, and James C. Hagerty, the press secretary.

Washington is greatly interested in the quality of the men put into these top posts in the White House office because, under President Eisenhower's reliance on a version of the military staff system, they have immense power.

As the dominant figure on that staff in the last six years, Mr. Adams had a great deal to say about what papers went to the President in what form, who saw the President, and when interdepartmental disputes

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G. M. Strike Deadline Delayed; Reuther Rejoins Chrysler Talks

Thursday New Walkout Date—Union Chief Acts to End Wildcat Stoppages

By DAMON STETSON

DETROIT, Sept. 28.—The United Automobile Workers suddenly postponed today its Tuesday strike deadline against the General Motors Corporation. The new deadline is 10 A. M. Thursday.

At the same time, Walter P. Reuther, president of the U. A. W., announced that negotiations with General Motors had been recessed until Tuesday morning. He said he would return to the bargaining table tomorrow at the Chrysler Corporation and attempt to achieve a settlement there.

The General Motors strike postponement, according to Mr. Reuther, is to give the union an opportunity to end a rash of wildcat walkouts that have made 44,466 workers idle in twenty G. M. plants.

The union president said these premature strikes were a violation of constitutional procedures of the U. A. W. and were undermining efforts to arrive at a settlement with General Motors.

Some observers felt the moves were to pave the way for a Chrysler settlement in advance of General Motors, thereby concentrating full pressure on additional gains at G. M. Others felt the union was backing down. But a union spokesman pointed out that the new deadline was only forty-seven hours later than the

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DE GAULLE CONSTITUTION APPROVED BY FRANCE IN 4-1 LANDSLIDE VOTE; WINS IN ALGERIA BY BIGGER MARGIN

MOSLEMS LOYAL Defy Rebel Boycott in Algeria to Give Huge 'Yes' Vote

By HENRY TANNER

ALGIERS, Monday, Sept. 29—Premier Charles de Gaulle has won the referendum on Algeria by a majority of about 96 per cent, according to returns at 4 o'clock this morning.

About 83 per cent of the registered voters went to the polls in defiance of the nationalist rebels' call for abstention. The latest returns showed 805,535 votes in favor of the new French Constitution and 17,911 against, with about three-quarters of the vote still to be counted.

The results of the three-day vote surpassed the most optimistic hopes of the French authorities to the point of being embarrassing. Officials had hoped the majority of "yes" votes would be more modest—say, 70 per cent.

Rural Voters Take Risk Moslem voters in rural areas accepted a risk of brutal rebel reprisals by going to the polls. Having made their decision, they were in no mood, apparently, to provoke also the anger of the French Army by voting no. This, most observers believe, was the principal reason for the lopsided vote.

Also the Moslem women, who never had the right to vote before, contributed the major share to the French success. They went to the polls in great numbers.

Those who were questioned by this correspondent said almost without exception that they had "voted for peace" or "voted for de Gaulle."

All the political parties that participated in the campaign urged the voters to say yes. The voters, especially, the Moslems, thus may well have felt that the choice that mattered was between abstention and participation.

Salan Cites Army's Role The most surprising fact is that the nationalist rebels apparently made no serious attempt to obstruct the referendum by military force.

A spokesman for General Raoul Salan, military and civil commander of all of Algeria, attributed this lack of military initiative by the rebels to "preventive operations" by the French Army.

The army has been exceedingly active for several weeks. It staged a multitude of small scale operations throughout Algeria for the purpose of keeping the rebels off balance and preventing them from getting set for well-planned attacks on voting places and communications during the referendum.

The spokesman again denied reports that rebel forces coming from Tunisia had launched a general offensive on Algerian territory. He said the denial applied specifically to a dis-

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Chiang Sees Setback For Reds at Quemoy

By ROBERT TRUMBULL

TAIPEI, Taiwan, Monday, Sept. 29—President Chiang Kai-shek said today that Nationalist efforts, aided by the United States, had "nullified" a Communist blockade of Quemoy Island.

The Chinese Nationalist leader assailed "misunderstanding" of the Taiwan Strait situation by people in the United States. He also declared that Nationalist plans for defending the offshore islands and an eventual counter-attack on the mainland would not involve United States ground troops.

Generalissimo Chiang in his first press conference since 1955 said the Nationalist Government opposed negotiations with the Communists at Warsaw or elsewhere. He added that if the Communists attempted

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FRENCH LEADER VOTES: Premier Charles de Gaulle at polling place yesterday in Colombey-les-Deux-Églises.

2-Party Backing on Taiwan Sought by Administration

By DANA ADAMS SCHMIDT

WASHINGTON, Sept. 28—The Administration has been systematically seeking bipartisan support, through individual and collective contacts with Congressmen, for its policy on the situation in the Taiwan area.

The latest effort is a confidential letter and memorandum signed by William B. Macomber, Assistant Secretary of State for Congressional Relations, summarizing military developments at Quemoy and in the diplomatic situation in Warsaw. It was received this week-end by the twenty-four Congressional leaders across the country.

A general public statement of the Administration's China policy that the State Department originally planned to issue at the end of last week has been postponed without explanation until some time this week.

Details Not Disclosed While not disclosing the details of Mr. Macomber's letter or of the projected China policy statement, a high official summarized the status of the Warsaw talks as follows:

The Chinese Communists have taken an "all-or-nothing" position, focusing not on Quemoy but on Taiwan. They demand that the United States withdraw from the area, and they are willing to talk about the length of time that would take.

If the United States will do that, they say, problems between the Chinese Communists and Nationalists will solve themselves. They are not asking the United States to persuade the Nationalists to do one thing or another but to abandon them altogether.

The United States has countered with a proposal in two stages, the official continued. It asks a cease-fire first, on the ground that negotiations at gunpoint are not possible; second, it proposes negotiations affecting Quemoy.

Break Held Possible Jacob D. Beam, United States Ambassador to Poland, has presented this proposal several times, in different ways, in hopes of finding an acceptable formula. But the Chinese Communists, represented by Wang Ping-nan, have rejected the entire United States frame of reference. They have not been willing even to talk about a cease-fire.

Therefore, it has never been possible for Mr. Beam to go on to his second point. The Communist Chinese have not wanted to hear spelled out what President Eisenhower might have had in mind that would make Quemoy less of a thorn in the side of peace.

According to the official the only encouraging feature about the talks is the Chinese Communists' willingness to hold them, and to continue going through the motions of meeting

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TALLY A SURPRISE

Test on 5th Republic Brings 85% Poll—Reds Overwhelmed

By ROBERT C. DOTY

PARIS, Monday, Sept. 29—France and her empire voted yesterday overwhelming approval of the new Constitution designed to provide a strong, stable Government under the leadership of Premier Charles de Gaulle.

Complete returns from continental France announced shortly after 3 o'clock this morning by Emile Pelletier, Minister of Interior, showed the voters had approved the text setting up a Fifth Republic and drastically revising and loosening France's links with the overseas territories by a 4-to-1 margin.

Of 26,600,000 registered voters in continental France 22,590,000, or 84.9 per cent, cast ballots, reducing the proportion of abstentions from more than 20 per cent in 1956 to only 15.1 per cent. There were 17,666,828 votes approving the new Constitution and 4,624,475 against it.

A Disaster to Reds The outstanding result of the French voting was a severe beating administered to the Communist party—its worst since World War II. It involved the loss of a fifth to a fourth of the party's normal voting strength.

Less complete but still decisive returns from the overseas territories in the world-girding referendum showed that most of the French-ruled peoples—in sub-Saharan Africa, Madagascar and French islands of the Caribbean and of the Indian and Pacific oceans—had chosen to participate in the new French Community offered by de Gaulle. In this they will enjoy a greater degree of self-government than in the highly centralized French Union set up after the war.

Only French Guinea, in French West Africa, voted "no" by a big margin, thus signaling the desire of its citizens to sever ties with France and become independent.

Algerians Flock to Polls In Algeria, wracked by nationalist rebellion for nearly four years and under French army rule, Moslem voters, including women for the first time, flocked to heavily guarded polling places Friday, Saturday and Sunday to pile up an indicated majority of 97 per cent for the new Constitution.

Whether this reflected accurately the sentiments of the Moslem masses was subject to debate, in the opinion of most observers, because of the wartime conditions under which the polling took place. In France proper, most of 350,000 Algerian workers stayed away from the polls in deference to threats by nationalists who have unleashed

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THOR IS SELECTED OVER THE JUPITER

Air Force Missile Chosen for Mass Production—Army IRBM Gets Lesser Role

By JACK RAYMOND

WASHINGTON, Sept. 28—The Air Force's Thor has been chosen over the Army's Jupiter as the basic mass-produced intermediate-range ballistic missile weapon of the United States.

Authoritative sources, here for the convention of the Air Force Association, which ended today, disclosed that a decision had been made to turn out two or possibly three squadrons of Jupiters at the most.

All other squadrons of the nuclear armed 1,500-mile range ballistic missiles will be Thors, it was said. There are said to be fifteen missile launching platforms to a squadron.

The Jupiters are expected to be sent to Italy about the end of this year or early next year. However, negotiations with the Italian Government have not been completed.

The choice of the Thor over the Jupiter ends a bitter interservice rivalry that officials said had cost more than \$100,000,000 in duplicative effort. The decision was said to have

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Tanks Ring East Algerian Hills, Halting a Drive by Rebel Army

By MICHAEL JAMES

NEAR SOUK-AHRAS, Algeria, Sept. 27—In an unusually strong show of force, the French have ringed the hills of eastern Algeria with armor and apparently brought to a halt the Algerian Nationalist Army's first general offensive.

For the last five days, increasing numbers of French tanks, armored cars and trucks have been lined up along the crests of the hills that range to the north and southeast of Souk-Ahras. This town, with a population of 40,000, nestles in a valley directly under this encampment of an insurgent command group.

The rebel group has already cut two holes in the vaulted Morice Line, a barbed-wire and electrified fence complex on both sides of a road running south from the Tunisian border.

In effect, the Algerian forces operating to the east of the Morice Line are now threatened on two sides of a triangle. That of massive French

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Walter P. Reuther talking to reporters in Detroit.