



New York World-Telegram

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Local Forecast: Increasing cloudiness this afternoon, showers tonight and tomorrow morning, clearing tomorrow afternoon. Weather Forecast on Page 22.

VOL. 81—NO. 21—IN TWO SECTIONS—SECTION ONE

NEW YORK 15, N. Y., MONDAY, JULY 26, 1948

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7TH SPORTS
FINAL

Five Cents

Allies Halt Trains To Red Germany

All Traffic With Soviet Zone Stops

By the Associated Press

BERLIN, July 26.—The United States and Britain today halted movement of trains to and from the Russian zone of Germany, American officials said. The action appeared to be the most positive counter move yet taken by the Western Allies to break the Russian blockade of Berlin, some a month old.

Gen. Lucius D. Clay and Sir Brian Robertson, the American and British military governors, ordered the restrictions in effect at once. The prohibition is against the movement of all trains originating or terminating in the Soviet zone.

When the Russians stopped traffic on the zone railway between Berlin and the Western zone they said technical difficulties were the cause.

Economic Sanctions. U. S. and British officials in Frankfurt termed the railstoppage economic sanctions. A Berlin informant insisted that "technical difficulties are real and do exist."

The American-British action means that trains carrying goods from the Russian zone to Switzerland or to Bremen for shipment to Scandinavia no longer can travel through western Germany. The same ban applies to traffic from western Europe in the Russian zone.

International mail trains will be permitted to pass. Meanwhile, top level talks between Russia and the Western powers appeared to be shaping up for discussion of the Berlin crisis and other German problems.

American officials met in London with British and French representatives to chart new strategy after a conference here yesterday.

Communique Mixed. Indications pointed to acceptance by the United States, Britain and France of a Soviet demand for a new conference on all of Germany in London and Berlin there were reports of a new five-power foreign ministers conference or a meeting of President Truman and Prime Minister Aneurin Bevan.

In Washington, a White House spokesman said the President had received an official proposal for a meeting with Mr. Stalin. Secretary Charles E. Ross said Mr. Truman's reaction continued to be that Mr. Stalin would be welcomed in Washington, but that the President had no intention of leaving the U. S. for such a talk.

Other Berlin blockade news on Page Two.

S.I. Boy Saved From Drowning

Jamaica Race Results

(Charts and Other Racing Results in Sports Section.)

FIRST	1—Kibosh (Arcaro)	4.60	3.40	2.60
	2—Deep Pen (Borrenlino)	5.10	3.10	2.30
	3—Lady Alice (Jessop)	—	—	2.40
SECOND	1—Wing Messenger (Atkinson)	5.70	3.90	2.60
	2—Fighting Mad (Borrenlino)	4.90	3.60	2.80
	3—Mayes Riler (Larson)	—	—	2.40
THIRD	1—Flying Ship (Dodson)	5.60	3.10	2.30
	2—Bub (James)	—	—	2.80
	3—Piping By (Wholey)	—	—	2.60
FOURTH	1—Dr. Reed (McCreary)	15.20	6.10	4.60
	2—Witch Hunt (Atkinson)	—	3.80	2.30
	3—Newspaper (Clark)	—	7.60	1.80
FIFTH	1—Indique (Atkinson)	12.00	5.90	2.50
	2—State Kid (Combs)	—	7.10	2.20
	3—Lucky Draw (Dodson)	—	—	2.20
SIXTH	1—Chips Down (McCreary)	7.50	4.80	2.20
	2—Applause (Passmore)	—	9.60	4.30
	3—Army March (Atkinson)	—	—	2.60

A Fling for the Lions



Extra Session Meets in Spirit Of Rebellion

GOP Fighting Price Controls, Threatens Swift Adjournment

By LYLE C. WILSON, United Press Staff Writer

WASHINGTON, July 26.—The Republicans controlled Congress met in extra session today with GOP leaders hoping to wind up business in a few weeks and some urging almost immediate adjournment.

House Speaker Joseph W. Martin (R. Mass.) and Senate President Arthur Vandenberg (R. Mich.) savaged the two houses into session at noon in response to President Truman's call. Mr. Truman will appear before a joint session at 12:30 tomorrow to present his legislative requests. These are expected to include meat rationing and price controls to combat inflation.

The GOP is ready to say "no" to them.

Will Hear Truman First.

After a 90-minute Republican leadership meeting, Mr. Martin said the GOP wanted to hear Mr. Truman before settling any course. Senate policy leader Robert A. Taft (R. Ohio) said the Senate will meet daily this week. "If we decide to stay here," he revealed a suggestion during the GOP meeting that Congress adjourn without considering any of Mr. Truman's proposals. But no decision was made, Mr. Taft said.

Rep. Frederick Smith (R. Ohio) told the House he would introduce a resolution for adjournment after Mr. Truman speaks.

Only about 200 members were on the House floor when Mr. Martin opened the session. But when the roll was called, 310 answered. The House met for nearly two hours during which Republicans and Democrats blamed one another for high prices and poor housing.

Sixty-five answered the roll call in the Senate, which met for 12 minutes.

Chairman Jesse P. Wadsworth (R. Mich.) of the House Banking Committee said he would like to sponsor any new housing or anti-inflation legislation. He said he believes the administration "is committed to high prices until after the election."

Calls to Party Leaders. Southern Senators called an afternoon meeting to discuss their opposition to the civil rights proposals.

Mr. Truman invited Democratic leaders to come in his office for a preview of his message this afternoon.

Despite an expected request for them by the President, there was little prospect the Republicans would permit the return of rationing and price controls.

But the GOP is worried about inflation and the smashing impact of high prices on the Presidential campaign. If Mr. Truman has some other ideas about what should be done, the Republicans might go along. There is much Congressional sentiment for action to end the "war money" policy which has been a factor in

Commie Chieftains Ordered Budenz to Aid Red Spy Queen

Out-of-Season Session



Empty seats are conspicuous as the House of Representatives convenes in Washington, Sunday, for the special session called by President Truman. Speaker Joseph W. Martin Jr. is on the rostrum at left.

City Dropping 400 Relievers a Day

By WALTER MACDONALD, World-Telegram Staff Writer

Nearly 400 relief cases are being closed every business day by Welfare Department staff members. The figures continued in this city must be done on a basis of eligibility under the law.

The same day he closed the posts of Miss V. Charlotte Aubler, director of public assistance; Mrs. Margaret L. De Wit, personnel director; and Miss Pearl R. Zimmerman, field operations head. These three officials, who had controlled

Renick Home Burglary Suspect Arrested

Police said today they had solved a series of apartment house burglaries, including one in the home of jockey Sammy Renick. The burglary suspect, who identified himself as Octavio Alberto Rankin, was arrested yesterday and is suspected of having stolen \$40,000 worth of jewelry and \$800 in cash from the Renick apartment at 125 E. 78th St. on July 17.

He was introduced to him, however, as "one of our most thoroughly trustworthy people" and a woman who would be able to take speedy stenographic notes under even the most difficult conditions.

But Ex-Editor Wasn't Even Told Her Name

By NELSON FRANK and NORTON MOCKRIDGE, World-Telegram Staff Writers

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Louis F. Budenz, former editor of the Daily Worker and for many years a leading Communist, once was assigned to be a partner in espionage with "Mary," the blond spy ring leader, he told the World-Telegram today.

Mr. Budenz, now a professor at Fordham University following his break with the party and subsequent return to the Catholic Church, said he was aware of the nature of the work performed by "Mary" spy for the Soviet Union during the war.

He met "Mary" regularly in a small cafe on University Pl. and supplied her with information gathered on assignments given him by "John," the leader of "Mary's" spy ring until his death in 1944.

He was instructed to get information about Communists who had obtained jobs in the Office of Strategic Services in Washington and also to find out what American agents—Oss, G. and other—were operating underground in Europe and other war zones.

Ignored Each Other. So secret was this working partnership that party leaders cautioned both "Mary" and Mr. Budenz not to discuss their relationship whenever they met in the ninth-floor command post of party headquarters, 35 E. 12th St.

It was obvious that the leaders did not want other Communists to know that the two were working together for fear of a leak within the party itself.

In fact, the party went to such lengths to safeguard "Mary's" identity that, in E. 12th St., she not told her name. He knew her as "Helen Johns" for months.

She was introduced to him, however, as "one of our most thoroughly trustworthy people" and a woman who would be able to take speedy stenographic notes under even the most difficult conditions.

2000-Lb. Blast Injures No One

Rains many

Ice Results

(Results in Sports Section.)

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r the Lions



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But the GOP is worried about inflation and the smashing impact of high prices on the Presidential campaign. If Mr. Truman has some other ideas about what should be done, the Republicans might go along. There is much Congressional sentiment for action to end the "easy money" policies which have been a factor in boosting prices. Democrats and Republicans recognize high prices as the best issue Mr. Truman has in his campaign against Gov. Thomas E. Dewey, the GOP Presidential nominee.

Committee Chairman Ordered Budenz to Aid Red Spy Queen

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Empty seats are conspicuous as the House of Representatives convenes in Washington, simultaneously with the Senate, for the special session called by President Truman. Speaker Joseph W. Martin Jr. is on the rostrum at left.

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She was introduced to him, however, as "one of our most thoroughly trustworthy people" and a woman who would be able to take speedy stenographic notes under even the most difficult conditions.

When the two were detailed to work together, "John" indicated that one day Mr. Budenz would be put in charge of his own unit. "John" told me that a new and larger effort soon would be made to penetrate all American intelligence agencies," Mr. Budenz said.

City Dropping 400 Reliefers a Day

By WALTER MacDonald,
World-Telegram Staff Writer.

Nearly 400 relief cases are being closed every business day by Welfare Department staff members shocked into unprecedented activity by the State-ordered reorganization of the agency which lopped off the heads of three top officials, the World-Telegram learned today.

The demotion of the three officials—announced three weeks ago—removed from control, executives who for years allegedly permitted the Communist-led United Public Workers of America, CIO, to influence relief policy. The feverish closing activity has resulted in a net reduction of 1016 relief cases in the first nine days of July. While 1916 cases were closed, 900 were added.

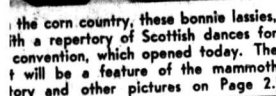
Renick Home Burglary Suspect Arrested

Police said today they had solved a series of apartment house burglaries, including one in the home of jokester Sammy Renick, with the arrest of a 24-year-old Cuban former medical student. The burglary suspect, who identified himself as Octavio Alberto Rankin, was arrested yesterday and is suspected of having stolen \$40,000 worth of jewelry and \$800 in cash from the Renick apartment at 125 E. 78th St., on July 17.

2000-Lb. Blast Injures No One

SPECIAL TO THE WORLD-TELEGRAM.
KENVIL, N. J., July 26.—An explosion this afternoon at the Hercules Powder Co. plant here destroyed a building housing 2000 pounds of smokeless powder. No one was injured. The building was unoccupied at the time of the blast, which occurred within a radius of

r the Lions



LONDON, July 10, the hottest day of the season, with a midday high of 83.

Bernie
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 days,
 nbush
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Rockaway Girl Hurt In 2-Story Plunge

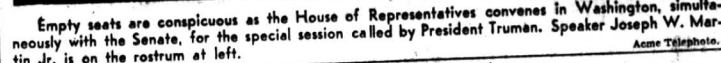
Karen Seiderman, 2, of 87-15A Bruce Rd., Rockaway Beach, was playing on a bed near a second-story window today. She pushed against the screen and toppled out.

Her brother, Joseph, 11, who was playing in the street, carried her into the house. Taken to Rockaway Beach Hospital suffering from a possible skull fracture, she was reported in fair condition.

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More Comics!
o-Last Page



On June 30, in compliance with a State Department of Social Welfare order, Welfare Com-

L. I. Town
my Crow Law
away, the keys, case and all, t

(Continued on Page Two)

(Official United States Forecast.)
New York and Metropolitan
area: Today sunny in morning,
increasing cloudiness in after-
noon; high in the mid-80s; mod-
erate southwest winds. Tonight
scattered showers and a few
thunder showers, low in the 70s;
moderate to occasionally fresh
southwest winds. Tomorrow con-
tinuing cloudiness with a few

ROME, July 26.—Magazine editor Samuele Dina wrote in *l'Espresso* that "dogs would have voted better" than Italians in the April elections, when Communists were beaten badly. He was sentenced to a year in jail today for denigrating the nation.

away, the keys, case and all, were

TO SEE LIVES...
instrument used to collect weather data.

Boardwalkers at Asbury Park this morning reported, all agree, that they had seen a "mysterious chain of what seemed to be white balloons flashing in the sky."

Over the week end, however, other parts of the country, reported that the flying saucer, or something like it, was back again, according to the Associated Press. "It" was described from widely separated sources, the AP said, as

Atlanta-Houston flight Saturday. Then an Atlanta hunter stalking game in North Georgia reported "an unusually bright light—as a lighted room," at about the same time the Eastern Airlines

something. Right away dozens of persons from all over the country said they had seen the same thing—or some-

Tips on Tables, Robert Dana...
Thomas L. Stokes...
Weather Forecast...
William Philip Simms...
Woman's Page...
11 and...
13 keys...
22 eyes...
14 Swift...
8 Jimmy...

NEW YORK WORLD-TELEGRAM, MONDAY, JULY 26, 1948.

Budenz Knew Red Spy Queen

(Continued from Page One)

and she continued her espionage activities.

Charter Member.

Within hours after "John's" death Mr. Budenz was summoned to the ninth floor of party headquarters and directed to write the spy leader's obituary for the Daily Worker. He was told not to describe "John" as a party member but as "a good friend of the Soviet Union." And that was the way it appeared.

Actually, he was a member of the party and for years headed one of its most important committees.

Mr. Budenz said that few of the comrades had any idea who the mysterious blonde was and only a select handful of the leaders had any notion of what she was doing.

"The comrades, however, looked at each other significantly when she swept into the building (party headquarters)," he said.

Mr. Budenz plans to tell many of the fascinating details of this intrigue in a book he is preparing under the title "Men Without Faces."

Writer Involved.

Mr. Budenz, as did the blond spy, told the World-Telegram that the Soviet espionage rings were kept so secret that workers from different circles often bumped into

each other without knowing they both were working for the same boss—Russia.

As an example of this he cited the time he wanted to use one of "Mary's" friends—a Hollywood writer—in connection with some work he was doing. He had worked with him before on literary matters but this time a party official immediately warned him off and told him the man already was working for another network.

About the same time that the blond came to realize her spying actually amounted to sabotage and confessed to the FBI, Mr. Budenz also experienced a change of heart.

While the FBI was investigating the blond's almost unbelievable recital—a probe which led to the grand jury's indictment last week of the nation's top Communists—Mr. Budenz abandoned the party and returned to his original faith.

Although Mr. Budenz refuses to discuss it, it is known that he was among the numerous witnesses who appeared before the jury.

"As the party attempted to draw me more and more into these undercover activities with Russians," Mr. Budenz said, "I became increasingly certain that Communism held no hope for the betterment of mankind."

It was at that point that he quit his job as editor of the Daily Worker, resigned from the party and re-entered the church.

U.S. Must Stand Firm In Berlin, Dewey Warns

Special to the World-Telegram.

PAWLING, July 26.—This country must not surrender her rights under duress in Berlin, Gov. Thomas E. Dewey, speaking as the Republican nominee for President, declared.

Mr. Dewey said that the Republican leadership would "seek every method of peaceful settlement

The three men met here Saturday for a conference on the Berlin problem.

"Peace depends upon being firm in essentials, conciliatory on non-essentials and eternally competent in every detail."

"Republicans have been trying to bring these qualities into the conduct of our foreign affairs."

Lions' Conclave Off to Roaring

Mirth and Music Abound; Mayor Greeted D



Fred W. Smith (left), international president of the Lions, greeted by Mayor William O'Dwyer in the convention opened. At right, Frank Spielser of Baltimore gets his convention hat from Margaret Tremlin.

A man having trouble because people were sticking his Venus plant with toothpicks and a tall, blue-eyed blonde trying to explain how come North Carolina grows VIRGINIA peanuts were among the more harried folk in Madison Square Garden today as the 31st annual convention of the International Assn. of Lions got under way.

Then, too, there were voice-weary delegates from Florida and Indiana trying to shout each other

diana booth. "THIS is from INDIANA."

Nearby in the Arkansas booth was Wayne C. Fletcher, extolling the virtues of his state, but keeping a wary eye on a diamond ore exhibit. "Not that anybody would try to pick out the little chips of diamonds—" he said.

Music of a dozen bands, led by curvaceous young ladies in shorts, filled the Garden. Colors of every hue, provided by the gaudy shirts, blazers, weekies, jackets and caps of the delegates, flooded the main

and snaps at any fly unwary enough to light on it.

"No, no, no," he said, as some spectator poked the plant with a toothpick, causing it to open and snap. "The Venus plant doesn't know the difference between a fly and a toothpick."

At the other end of the booth pretty, blond York Kiker rather despairingly explained a sign which read: "North Carolina grows more Virginia peanuts than any other state."

"I don't know exactly why," she said with just a touch of exas-

