

Hoover Requests Extension Of Reorganization Powers

WASHINGTON, Jan. 5 (AP)—Herbert Hoover today asked Congress to extend President Eisenhower's reorganization powers and perhaps to put up a little more money for the Hoover Commission's studies on streamlining the government.

Simultaneously a New York University report predicted the Hoover recommendations, soon to start appearing, could be "far more controversial" than the first Hoover report in 1949.

The university study also reported a few unannounced findings of the task forces set up by former President Hoover to do the research spadework for his 12-member, bipartisan commission on reorganization of the executive branch. These included:

1. The government carries on some 1,500 activities "which can be regarded as competitive with those undertaken by private industry."

One Billion a Year

2. Businessmen spend one billion dollars a year filling out federal questionnaires, of which "a large proportion are filed and forgotten."

3. Flood control projects have, upon occasion, cost more than the value of the land protected.

4. The government buys 800,000 pounds of tomato products on the West coast and ships them to the Atlantic coast. It also buys 700,000 pounds of the same products on the East coast and ships them to the Pacific.

5. In one case it cost a half-million dollars to fire a single federal employee. But 26 per cent of all federal employees quit the government every year.

Files Progress Report

The 80-year-old Hoover filed with Congress, at the moment of its convening today, a progress report disclosing that the commission will begin issuing instalments of its massive report "within the next few weeks."

He requested, upon unanimous vote of the commission, that Congress extend for two more years the Reorganization Act. The law, which expires April 1, empowers the President to file plans for the merger, abolition and reorganization of federal agencies.

Such presidential plans become law automatically if neither house of Congress rejects them after 60 days' consideration.

Democrats Promise Cooperation

WASHINGTON, Jan. 5 (AP)—The 84th Congress opened today under Democratic control, with its new leaders saying they will try to do business rather than battle with President Dwight D. Eisenhower and the Republicans.

As Rep. Sam Rayburn of Texas put it, in a two-edged speech upon taking over again as speaker of the House:

"Just because another party holds the executive branch of government, that does not mean we are going to look on legislation from a partisan standpoint."

Recalls Charges

Then, with this bow to harmony, Rayburn indignantly recalled charges by some GOP orators in the 1954 campaign. He said that Democrats "are not an accusing kind of people" who charge others with subversion and being "soft on communism."

While Democrats cheered, Rayburn declared:

"We're not going to indict people en masse. No Democrat is going to talk like that without being frowned upon, or repudiated, by me."

Fully Aware of Prizes

Practical politicians to the last man, the senators and representatives were fully aware of the political prizes at stake in the 1956 presidential year, and the effect their actions will have.

The very first bill officially introduced in the 84th Congress today could cause a real ruckus.

Offered by Rep. Cooper (D-Tenn), it would extend the reciprocal Trade Act another three years and give the President authority to cut tariffs by five per cent a year. Eisenhower asked just that of the 83rd Congress, but didn't get it after some leading GOP members balked.

Panama Police Jail Suspects

PANAMA, Jan. 5 (AP)—Secret police and national guardsmen have jailed 70 suspects in Panama City and an unannounced number outside the national capital in the all-out hunt for the killers of President Jose Antonio Remon.

One of those arrested, ex-President Arnulfo Arias, was transferred today from his coffee plantation to national guard headquarters at David, the capital of Chiriqui Province 200 miles west of here.

Authorities apparently decided against bringing Arias to Panama City, because they feared his presence might touch off demonstrations. A chief political foe of the slain President, Arias has many supporters here as well as political enemies.

Police said they were holding for questioning in the killing an American identified as Marvin Lipstein, who was arrested at the airport Monday night.

New Congress Acts
WASHINGTON, Jan. 5 (AP)—One of the first bills introduced in the new Congress today would raise the pay of members of Congress from \$15,000 to \$25,000 per year.
It was introduced in the House by Chairman Celler (D-NY) of the House Judiciary Committee.

Ladejinsky Named To Viet Nam Post

WASHINGTON, Jan. 5 (AP)—Wolf Ladejinsky, fired by the Agriculture Department as a security risk, got a key job today with the Foreign Operations Administration. He will work on land reform in Viet Nam, helping to fight off Communist pressure there.

The appointment was announced by FOA chief Harold E. Stassen. It came after the White House intervened to end a controversy which broke out when Ladejinsky was removed Dec. 16 from his post as agricultural attaché in the U.S. Embassy at Tokyo.

Ladejinsky, Russian-born but now a naturalized American, had security clearance from the State Department, but when his post was shifted to the Agriculture Department by act of Congress last year Secretary of Agriculture Benson ruled that he could not be retained. Benson acted on the advice of his security officer, John Glenn Cassity.

The security conflict between Agriculture and State brought demands for a congressional investigation, and in the end the White House stepped in.

Immediately after Stassen's announcement today, James C. Hager, presidential press secretary, issued this statement:

"The White House asked the heads of departments and agencies involved to use their best judgment in working out this situation and we believe that judgment has been exercised."

The new responsibilities given Ladejinsky was in effect a rejection of the security assessment made by the Agriculture Department.

After FOA's announcement, Benson told a news conference he still feels he made the "correct" decision in refusing to re-

tain Ladejinsky as an agricultural attaché.

A reporter, saying FOA had employed Ladejinsky with White House approval, asked whether Benson considered this to be "a rebuke to you."

Benson shot back: "You'll have to draw your own conclusions."

Stassen announced that FOA reviewed Ladejinsky's file and found him "eligible for certification for security and loyalty." An FOA spokesman said the review included "a full field background investigation by the FBI." Stassen has said previously that FOA's security requirements are high.

Rulers Arouse Controversy

WASHINGTON, Jan. 5 (AP)—President Dwight D. Eisenhower's order curtailing certain future benefits for ex-servicemen went under attack as new bills poured into the House today.

Rep. Edith Nourse Rogers (R-Mass), outgoing chairman of the House Veterans Affairs Committee, introduced a measure which would completely knock out Eisenhower's controversial Jan. 1 order.

Rep. Teague (D-Tex.), the new chairman, sponsored a bill to provide that men already in service by the end of this month would at least keep on accruing educational benefits at the present rate.

Prospects seemed brighter for the comparatively mild Teague bills than for Mrs. Rogers' more far-reaching measure.

In addition, Teague introduced a bill to provide a free college education for the estimated 100,000 children whose parents died in World War II or Korea battles.

FBI Reports New High In '54's Serious Crimes

WASHINGTON (AP)—FBI Director J. Edgar Hoover's year-end report to Atty. Gen. Brownell today said serious crimes in the United States climbed 5 per cent to a new record high in 1954. Hoover said this occurred in the face of increased police efficiency.

The report said that although homicides and auto thefts declined in 1954, "the past year will record a new high for the past 10 years in crimes of robbery, aggravated assault, rape, burglary and larceny," along with sharp increases in the looting of banks by raid or embezzlement, frauds against the government, and theft of government property.

4 Women Among New Lawmakers

WASHINGTON, Jan. 5 (AP)—Solemn, serious-eyed and maybe just a bit nervous, four new women lawmakers raised their right hands today and were sworn in as members of the 84th Congress.

Along with the 12 who have served before, they gave the capitol its greatest feminine representation in history. And the ladies could also count Hawaii's nonvoting delegate, Mrs. Betty Farrington, in their fold.

The newcomers, all Democrats, were Reps. Iris Blitch of Georgia, Edith Green of Oregon, Martha Griffiths of Michigan, and Coya Knutson of Minnesota.

\$60,000 Beginning

TACOMA, Wash., Jan. 5 (AP)—A lone, calm bandit held up the Parkland branch of the National Bank of Washington today and wished everybody a "Happy New Year" as he walked out with approximately \$60,000.

House Investigators Hit 'Questionable Practices'

WASHINGTON, Jan. 5 (AP)—House investigators today said a "wide range of questionable practices" in handling employee welfare and pension funds warranted a continuation of the probe by the new Congress.

The interim report by a House Labor subcommittee also urged that fund trustees be required to make a tighter accounting to the Internal Revenue Service.

The group, headed in the 83rd Congress by Rep. McConnell (R-Pa), said the Revenue Service also should demand more information from trust funds claiming tax-exempt status. Tax law and regulations already require fund trustees desiring tax-exempt status to file certain data every year.

The subcommittee said it could not make definite legislative recommendations because of its inability to get at proper records.

Among what it called "notable abuses" the subcommittee found: On the part of some employers a lack of interest and "fear" of asserting their rights in joint employer-employee administration of welfare funds.

Some employer contributions negotiated by "threats and violence." "Irregular practices by some insurance companies," including excessive charges and commission payments.

"Irregular conduct by insurance brokers and consultants, including collusive arrangements with insurance companies and union officials to obtain business."

"Trustee conduct ranging from laxity to breach of faith" and "squandering of assets by administrators of so-called self-administered noninsured funds."

"Discrimination against non-union employees through the requirement that eligibility for benefits is invariably conditions on being a union member in good standing" despite employer payments on all employees.

Russia, Yugoslavia Sign Trade Pact

MOSCOW, Jan. 5 (AP)—Russia and Yugoslavia, bitter foes in the final years of the Stalin era, signed a 20 million dollar trade agreement today.

The pact, to run for a year, marks a further step by Premier Georgi Malenkov's government to normalize relations with President Marshal Tito's Communist nation, which was ousted from the Cominform in 1948 in a row over party politics.

The pact is a barter agreement under which Yugoslavia will export chiefly meat, canned meats, tobacco and soda and Russia will send her cotton, crude oil and gasoline.

There had been no formal trade links between the U.S.S.R. and Yugoslavia for six years.

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