

# House OK's \$3.6 Billion Foreign Aid

## Bill Now Will Go to Upper House; Ike to Ask for \$339 Million More

WASHINGTON (AP)—The House defeated all attempts to cut deeper into President Dwight D. Eisenhower's foreign aid program yesterday and finally approved \$3.6 billion for the fiscal year starting July 1.

Passage was on a rollcall vote of 259-134.

## Senate OK's Increase Of Postal Rates

WASHINGTON (AP) — Senate House conferees last night finished work on a compromise bill increasing postal rates \$530 million a year and raising pay of the 500 thousand postal employees \$257 million annually.

The bill would boost the first class letter rate to four cents as compared with the present 3-cent stamp which has been in effect since 1932. President Eisenhower asked for five cents on out-of-town mail.

Air mail would be raised from the present six to seven cents. Post cards would go up from two to three cents.

These hikes in first class rates would take effect one month after the end of the month in which the bill is signed by Eisenhower.

The bill is still subject to final approval by Senate and House before going to Eisenhower.

It would raise second class rates on newspapers and magazines by 60 per cent on the advertising portion of a publication and 30 per cent on the reading portion.

These would take effect in three 20 and three 10 per cent annual jumps, the first being Jan. 1, 1959.

The pay increases for postal workers in the bill would amount to 10 per cent for the great bulk of the employees, those in the first six grades, 9 per cent for those in grade seven, and 7½ per cent for the higher-level employees.

The Eisenhower administration recommended a six per cent pay increase. But there had been indications it would go one or two percentage points higher.

## Clark Praises Bill For Area Redevelopment

WASHINGTON (AP) — Sen. Joseph S. Clark (D.-Pa.) expressed elation Wednesday at Senate passage of the area redevelopment bill and said "I fervently hope that the House will quickly follow our example so that this much needed legislation can become law as quickly as possible."

Clark is a co-sponsor of the bill, which would provide \$375 million for federal loans and grants to help industry provide new jobs in chronically depressed areas.

Pennsylvania's Republican Sen. Edward Martin voted against the bill.

The bill now goes to the Senate. Final passage climaxed three days of sometimes hot debate over America's foreign policy.

The bill is still \$339 million below what President Eisenhower said was the minimum needed to keep America and the free world strong. The administration planned to push in the Senate to get back some of money.

The recent wave of anti-American demonstrations in South America and the Middle East, where millions in U.S. aid has been distributed over the years, apparently cost the program little, if any, support.

Most House members appeared to agree with Eisenhower, who told his news conference Wednesday that many developing countries have economic difficulties and have to have aid.

Voting for the new measure were 150 Democrats and 109 Republicans. Seventy-six Republicans and 58 Democrats opposed it.

The House refused repeatedly to go beyond the reductions recommended by its Foreign Affairs Committee. Mutual security funds were cut \$1 billion dollars in 1957 and more than that in 1956.

More cuts may be made, however, when Congress considers the money bill for foreign aid. The bill passed today is only an authorization measure, setting the ceiling for foreign aid spending.

## McGonigle Pledges Aid

WILKES-BARRE, Pa. (AP)—Arthur T. McGonigle, organization-backed candidate for the Republican gubernatorial nomination, said yesterday relief must be given to homeowners hit by mine subsidence damage.

He called for strengthened efforts to attract new industry to the anthracite region.

# French Government Moves To Curb Algerian Difficulties

PARIS (AP)—The new French government moved firmly but carefully yesterday to curb a French parachute general's seizure of power in Algeria. On the French home front it had to cope with fresh rioting and subversive plotting.

Premier Pierre Pflimlin assigned complete power in Algeria to Gen. Raoul Salan and told him to maintain law and order after Gen. Jacques Massu took over in Algiers Tuesday night.

About 40 thousand rioters with the backing of French army rightist elements seized government offices at the port of Oran last night. The leaders of the mob identified themselves with Massu.

The Premier announced last night that Salan has made his first report. Pflimlin said he is convinced the army in Algiers will remain loyal to the Paris government.

In a major political development, the Socialist party agreed to enter Pflimlin's Cabinet to strengthen his hand in dealing with the Algerian situation.

The agreement was conditional. The Socialists asked that Robert Lacoste, long resident minister in Algeria, be sent back to that post, and that the Popular Republican Movement leader, ex-Premier Georges Bidault, also enter the Cabinet.

Andre Mutter, designated as Lacoste's successor, has not yet gone to Algeria.

Pflimlin asked for time to consider the Socialist demands.

The Socialists probably would get several Cabinet posts, displacing some conservatives and it was indicated the Socialist party leader, ex-Premier Guy Mollet, would become vice premier.

The second night of rioting fashionable Champs Elysees in the west to workers' quarters around the Bastille in the east. Rioters defied a government ban on public gatherings.

Gen. Charles de Gaulle, wartime resistance hero, left the city during the day to return to his country home outside Paris.

# Ike Blames Riots On Economics, Envy

WASHINGTON (AP)—President Dwight D. Eisenhower blamed the anti-Nixon demonstrations in South America on economic difficulties, envy of the United States—and probable Communist agitation.

Eisenhower told a news conference he'd like to do something special for Nixon on the vice president's return to the capital today—maybe even join in a big welcome-home demonstration at the airport—because he admires Nixon's calmness and fortitude and his courage under mob attack.

## Business Asked To Support Bid Of Lawrence

NORRISTOWN, Pa. (AP)—Mayor David L. Lawrence of Pittsburgh issued another invitation Wednesday night for businessmen to support his bid for the governorship.

The Democratic organization candidate urged "enlightened" business management to reconsider what he said was its automatic support of Republican candidates.

Meanwhile, Lt. Gov. Roy E. Furman, who is opposing the Pittsburgh mayor in the primary election next Tuesday, charged that a Highways Department truck driver had been fired because he refused to buy a ticket to a Democratic fund-raising dinner.

He said Amos P. Aunsbach was dismissed from the Lebanon highway shed May 2 "due to his refusal to be maced" (forced to make political contributions).

Eisenhower likewise defended sending troops into the Caribbean, for Nixon's possible protection, as the simplest precautionary measure in the world. He said the troops were made available in case Venezuela asked for them and that is all there was to it.

Eisenhower himself maintained a calm in the midst of crisis attitude during his half-hour session with newsmen, sometimes cross-questioned his questioners and even poking a bit of fun at a couple of queries.

He began by saying current situations in Lebanon and Algeria are very delicate and can well be very grave as they develop.

So to avoid the risk of complicating them, he said, he would make no comment beyond: "We are watching them closely."

Eisenhower touched on several home front matters:

● He said a decision will have to be made soon on a possible income tax cut—something he has resisted so far.

● He said he deplores the use of federal troops to enforce civil rights decisions, but declared he had to use them at Little Rock, Ark., because Gov. Orval Faubus wouldn't enforce the law.

Eisenhower said he expects agreement soon with this country's allies on a reply to Soviet Premier Nikita Krushchev's recent proposal on technical talks aimed at attending atom tests.

# Biggest Plunge of Year Hits Market; Production Hits Low

NEW YORK (AP)—The stock market had its sharpest break of the year yesterday in heavy trading.

Profit taking on the recent climb to new highs for 1958 combined with unsettling news from abroad and about the American economy were cited as factors in the decline.

An estimated \$2.4 billion was

WASHINGTON (AP)—Industrial production was reported Wednesday to have slacked off in April to the lowest point since 1954.

shorn from the quoted value of stocks listed on the New York Stock Exchange based on the fall in the Associated Press average. Although the drop was the biggest of '58, this year has not produced any really large day-to-day price movements so yesterday's decline was only moderately severe in the light of history.

Pivotal issues dropped from fractions to more than a point. The lower-priced, more speculative stocks, showed similar losses. The latter continued to dominate trading as they have in recent sessions when they rose sharply. It was a different story Wednesday. Most of them declined. Nine of the 15 most active stocks sold for under 20.

## Nixon--

(Continued from page one)

He was greeted by the junta president, Wolfgang Larrazabal. Nixon's car was escorted by motorcycle outriders. Five truckloads of soldiers followed.

Meanwhile, 1000 U. S. Marines and paratroopers from U.S. bases took up posts in Cuba and Puerto Rico, about three hours flying time from Caracas. They were ordered there by President Dwight D. Eisenhower to protect Nixon if requested by the Venezuelan government. The government gave assurances it could handle the situation, however.

Eisenhower followed up his order with a telephone call to Nixon. He expressed concern for the vice president's safety but was told by Nixon everything was all right and that Caracas was calm and under control.

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