

KLAN IN TROUBLE IN NORTH CAROLINA

Group Is Split and Bankrupt
—'Real Trouble' Feared

By JON NORDHEIMER

Special to The New York Times

CHARLOTTE, N. C., Sept. 16

—This is the state where the Ku Klux Klan placed welcome signs on the outskirts of small towns next to the usual Kiwanis and Rotary Club emblems.

It is known as "Klansville U.S.A." and red, white and blue billboards along the highways proclaim: "This is Klan Country."

But today the Ku Klux Klan in North Carolina, the largest state klan in America, is in deep trouble, riddled by dissension and broke. The Klan has developed so many ailments that some respectable citizens have expressed fear that the terrorist band may be in danger of dying.

"Whatever you may think of the Klan, it at least served as an outlet for the racists who might turn to real violence instead of implied violence if they didn't have a forum," said a Charlotte newsman.

"Without the Klan organization these same people may be forced underground."

Although billed as a "secret organization," the active Klans in the South have been so thoroughly infiltrated by Federal and state agents that even Klansmen joke that they would go bankrupt without initiation fees paid by F.B.I. informers.

One Out of 10 Is a Spy

Informed sources have estimated that one out of every 10 Klansmen in North Carolina was on the payroll of some other organization as a spy.

For this reason—and the irony does not escape them—many lawmen are concerned that the Klan might be on the brink of going out of business in North Carolina because of mismanagement.

The latest blow came last night when a rebel group inside the North Carolina Chapter of the United Klans of America broke away from the parent organization by publicly burning U.K.A. membership cards on a 16-foot cross at a rally near Concord, 25 miles northeast of Charlotte.

The revolt was led by Joe Bryant, a stubby gray-haired naturopath—a healer who treats disease by "assisting nature"—has been the nominal head of the state Klan since Grand Dragon Robert Jones was imprisoned last March. He has asserted that half of the state's active membership has followed him to form an independent Klan with no national ties.

Mr. Bryant sat behind the desk today at his Charlotte clinic, which advertises private appointments for massages by female attendants, and discussed the reasons behind the secessionist movement. He placed most of the blame on the heirs to Robert Shelton of Alabama, the Imperial Wizard of the United Klans of America who, like Jones was imprisoned for refusing to turn Klan records over to congressional investigators.

Trade Accusations

Mr. Bryant has accused Melvin Sexton, who is in command of the national Klan apparatus while Shelton is in prison, of attempting to grab money from state treasuries while he is temporarily in power.

Mr. Sexton has subsequently accused Mr. Bryant of using his temporary office in a similar fashion.

Mr. Bryant has also contended that the Imperial Wizard pro tem ran away when North Carolina Klansmen had a shoot-out with Negroes last July in the eastern part of the state.

"I was lading a rally there when the niggers started trouble and which as decent white people we could not stomach," Mr. Bryant said. "It was hell. Our wives and children were out there in the blackness with those niggers while we were in jail—and who came forward to help us—Melvin Sexton? No! Melvin was gone!"

Mr. Bryant and 20 others Klansmen were fined \$1,000 each and given suspended jail sentences after state troopers arrested them for inciting to riot. The police said they confiscated pistols, two shotguns, an automatic rifle and an M-1 rifle from the Klansmen.

Whatever the motives behind the feud, it has effectively torn apart the strongest and richest unit in Shelton's kingdom—damage that may be beyond repair by the time Shelton and Jones finish their prison terms.