

hereby notified that the hearings scheduled for April 8, and postponed until April 15, have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

COMMITTEE ON ROADS

The House Committee on Roads will meet at 10 a. m., Friday, May 14, 1943, to consider H. R. 2113, a bill to amend the Federal Aid Highway Act.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 3 of the Committee on the Judiciary will conduct hearings on H. R. 2139, to provide improvement in the administration of parole, and H. R. 2140, to provide a correctional system for adult and youth offenders convicted in courts of the United States, at 10 a. m., on Tuesday and Wednesday, May 18 and 19, 1943, in room 346, House Office Building, Washington, D. C.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold hearings at 10 a. m. on Wednesday, May 19, and Thursday, May 20, 1943, on all bills dealing with the Chinese Exclusion Act, H. R. 1892, H. R. 2309, H. R. 2428, and H. R. 2429.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, May 20, 1943, at 10 a. m. on H. R. 2612, to extend the effective date of the act of December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINCENT of Kentucky: Committee on Naval Affairs. H. R. 2663. A bill to provide a penalty for the willful violation of regulations or orders respecting the protection or security of vessels, harbors, ports, or waterfront facilities; with amendment (Rept. No. 441). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 2634. A bill to provide for the training of nurses for the armed forces, governmental and civilian hospitals, health agencies, and war industries, through grants to institutions providing such training, and for other purposes; without amendment (Rept. No. 442). Referred to the Committee of the Whole House on the state of the Union.

Mr. BOREN: Committee on Interstate and Foreign Commerce. H. R. 1997. A bill to repeal section 3 of the Standard Time Act of March 19, 1918, as amended, relating to the placing of a certain portion of the State of Idaho in the third time zone; without amendment (Rept. No. 443). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 2634. A bill to extend the period during which direct obligations of the United States may be used as collateral security for Federal Reserve notes; without amendment (Rept. No. 444). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JONKMAN:

H. E. 2698. A bill to repeal section 403 of the Sixth Supplemental National Defense Appropriation Act, 1942, as amended, relating to renegotiation of war contracts and to promote the national war effort; to the Committee on Ways and Means.

By Mr. PACE:

H. R. 2699. A bill extending the maturity date of loans made or arranged for by the Commodity Credit Corporation on cotton of the 1941 and 1942 crops; to the Committee on Banking and Currency.

By Mr. VOORHIS of California:

H. R. 2700. A bill to amend Public Law 45, Seventy-eighth Congress, approved April 29, 1943, with respect to the payment of old-age assistance under the Social Security Act without regard to income and resources arising from agricultural labor; to the Committee on Appropriations.

By Mr. TOLAN:

H. J. Res. 123. Joint resolution authorizing the President of the United States of America to proclaim Armed Services Honor Day for the recognition and appreciation of the patriotic devotion to duty of all members of all branches of the armed military and naval forces of the United States of America; to the Committee on the Judiciary.

By Mr. PATMAN:

H. Res. 233. Resolution relative to increase in price of oil demanded to help war effort and prevent monopoly; to the Committee on Banking and Currency.

PETITIONS, ETC.

Under clause 1 of the rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

735. By Mr. ROLPH: Resolution of Bay Cities Metal Trades Council, San Francisco, Calif., relative to petitioning the President and the Congress to dissolve Executive Order No. 9328; to the Committee on Labor.

736. Also, Assembly Joint Resolution No. 2 of the State of California, relative to hearing instruments for persons who are hard of hearing; to the Committee on Banking and Currency.

737. Also, Assembly Joint Resolution No. 21 of the State of California, memorializing the President and the Secretary of the Navy to name a Navy cruiser of the United States Fleet, for the city of Long Beach, Calif.; to the Committee on Naval Affairs.

738. Also, Assembly Joint Resolution No. 30, of the State of California, relative to an increase of pay for employees of the Department of Employment; to the Committee on Ways and Means.

739. Also, Assembly Joint Resolution No. 40 of the State of California, relative to memorializing Congress to enact legislation to establish a military and a naval academy on the Pacific coast; to the Committee on Military Affairs.

740. Also, Senate Joint Resolution No. 1 of the State of California, relative to old-age assistance, memorializing the President and the Congress of the United States to amend the Federal Social Security Act to provide Federal participation at the present rate in the payment of aid in the amount of \$60 to any eligible individual in any month, or, if this is not possible to amend the Federal Social Security Act to permit the State agency, in determining need, not to take into consideration other income and resources of an individual claiming old-age assistance to the extent of \$20 or such greater sum as the President and Congress may determine to be proper and just; to the Committee on Ways and Means.

741. Also, Assembly Joint Resolution No. 32 of the State of California, relative to auditing the accounts of the Department of Employment; to the Committee on Ways and Means.

742. By Mr. GREGORY: Petition of 115 citizens of McCracken County, Ky., supporting House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

743. By Mr. GRAHAM: Petition of Worth Grange, No. 1421, Portersville, Butler County, Pa., urging the passage of House bill 2082, prohibiting the traffic and sale of intoxicants for the duration of the war as a necessary step in the conservation of our manpower; to the Committee on the Judiciary.

744. By Mr. GAMBLE (by request): Petition signed by parishoners of the Shrub Oak Methodist Church, Shrub Oak, N. Y., urging enactment of House bill 2082; to the Committee on the Judiciary.

745. By Mr. PFEIFER: Petition of the New York League of Women Voters, New York City, urging defeat of the so-called equal rights amendment; to the Committee on the Judiciary.

746. Also, petition of the Italian-American Labor Council, New York City, urging the enactment of House bill 1291; to the Committee on Immigration and Naturalization.

747. By Mrs. ROGERS of Massachusetts: Petition of the Andover (Mass.) Association of Congregational Churches and Ministers, urging the adoption of the plan of food relief which has been carried on in Greece; to the Committee on Foreign Affairs.

748. By Mr. GWYNNE: Petition filed by Mr. and Mrs. C. J. Estal and others of Marshall County, Iowa, regarding the Bryson bill (H. R. 2082); to the committee on the Judiciary.

SENATE

THURSDAY, MAY 13, 1943

(Legislative day of Wednesday, May 12, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, in this quiet and sacred place, where freedom reigns and none dare molest or make afraid, we hear the moaning of the oppressed, "How long, O Lord, how long?" Make us, we pray Thee, Thy instruments for battering down the doors of the bastiles of tyranny, as against entrenched evil Thou dost unloose the fateful lightning of Thy terrible, swift sword. Nerve and steady our hands to strike the blow that shall shatter prisons and break asunder chains of coercion. Hearten those who in the darkness keep alive the holy flame. Give strength to endure to those whose dear ones are snatched from their grasp as hostages and whose lives are snuffed out by a system that cannot bear the light of truth. Sustain those who suffer from wounds and sickness. Be Thou the Shining Presence in every fear-shadowed area of life. Take to Thyself those who in the fiery hurricane of battle give their lives that freedom may live. Hasten the

day when righteousness shall be triumphant and peace shall bless our land and every land. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 12, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting several nominations, were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Overton
Austin	Gerry	Pepper
Bailey	Gillette	Radcliffe
Ball	Green	Reed
Bankhead	Guffey	Revercomb
Barbour	Gurney	Reynolds
Blibo	Hatch	Robertson
Bone	Hawkes	Russell
Brewster	Hayden	Scrugham
Bridges	Hill	Shipstead
Brooks	Holman	Stewart
Buck	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Idaho
Bushfield	La Follette	Thomas, Okla.
Butler	Langer	Thomas, Utah
Byrd	Lodge	Tobey
Capper	Lucas	Tunnell
Caraway	McClellan	Tydings
Chandler	McFarland	Vandenberg
Chavez	McNary	Van Nuys
Clark, Idaho	Maloney	Wagner
Clark, Mo.	Maybank	Walsh
Connally	Mead	Wheeler
Danaher	Millikin	Wherry
Davis	Moore	White
Downey	Murdoch	Wiley
Eastland	Murray	Wilson
Ellender	Nye	
Ferguson	O'Daniel	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. BARKLEY], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. McKELLAR], and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Nevada [Mr. McCARRAN] is absent conducting hearings in the West on behalf of the Senate.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are out of the city conducting hearings on behalf of the Special Committee to Investigate National Defense.

The Senator from Wyoming [Mr. O'MAHONEY] is necessarily absent.

Mr. McNARY. The Senator from California [Mr. JOHNSON] is absent because of illness.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

PETITIONS

Petitions were presented and referred as indicated:

By Mr. HATCH:

A petition, numerous signed, of sundry citizens of Torrance County, N. Mex., praying for an appropriation to continue the Farm Security Administration; to the Committee on Appropriations.

By Mr. CAPPER:

A petition of sundry citizens, members of the First United Brethren Church, of Chanute, Kans., praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

RESOLUTION OF CITY COMMISSION OF LAKE LAND, FLA.—SOCIAL SECURITY PARTICIPATION BY MUNICIPAL EMPLOYEES

Mr. PEPPER presented a resolution adopted by the City Commission of Lakeland, Fla., which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas there is now a number of municipal governments operating utilities in the United States employing a large number of employees, and said employees are not covered by the Social Security Act and cannot receive any benefits thereunder; and

Whereas there are a large number of employees working for municipal governments in different phases of the municipal government who are not covered by the Social Security Act and can receive no benefits thereunder on account of old age or death; and

Whereas it further appears to the City Commission of the City of Lakeland, Fla., that it would be to the interest of the said citizens of the said city of Lakeland and would promote a more harmonious accord among said employees if they were placed in the category of the Social Security Act which would allow the employees to receive benefits by participating under said Social Security Act; and

Whereas said city commission further desires that the Congress of the United States amend said Social Security Act and does hereby petition the Representatives and Senators from the State of Florida to vote and urge the passage of such amendment which would allow any municipality if they so elected to participate and the employees of said municipality to further qualify and participate under said act when said municipality had elected to come under the act for its employees: Now, therefore, be it

Resolved by the City Commission of the City of Lakeland, Fla., That the said city commission by this resolution go on record as favoring amendment to the present Social Security Act which would allow municipalities if they so elected to participate under the social-security benefits for their employees who are working in utilities or for the different phases and functions of the municipal governments, and further that a copy of this resolution be sent to the Honorable CLAUDE PEPPER, United States Senator; Hon. CHARLES O. ANDREWS, United States Senator; Hon. J. HARDIN PETERSON, Representative from the First Congressional District; and the Honorable LEX GREEN, Representative in Congress, State of Florida, at Large.

Passed and approved as to passage at Lakeland, Fla., this the 23rd day of April 1943.

H. W. GIBSON,
Mayor-Commissioner.

RESOLUTION OF CITY COUNCIL OF SEBRING, FLA.—EXPRESSION OF GRATITUDE TO PERSONNEL OF HENDRICKS FIELD

Mr. PEPPER also presented a resolution adopted by the City Council of Sebring, Fla., which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Whereas the establishment of Hendricks Field was authorized in June of 1941, and since that time the officials and citizens of the city of Sebring have been in daily contact with the Government personnel; and

Whereas due to the foresight, cooperation, and efficiency of the personnel of Hendricks Field, the many problems which arise by the establishment of a large army base in a small community have been handled agreeably, satisfactorily, and in all instances fair and just to the civilians of this community; and

Whereas this council, from its knowledge of the method and manner of administration by the executive officers of Hendricks Field has a very high regard for such officers; and

Whereas the city council, individually and as representatives of the citizens of the city of Sebring, are deeply appreciative for the cooperation and understanding given to the citizens of this community by the personnel of Hendricks Field and for the unselfish and loyal devotion of the executive officers of Hendricks Field to their war duties: Now, therefore, be it

Resolved by the City Council of the City of Sebring, That we take this means of expressing our personal gratitude and the gratitude of the citizens of the city of Sebring for the meritorious services rendered to this community by the personnel of Hendricks Field and for the complete cooperation that has existed between the personnel of Hendricks Field and the citizens of this community since the establishment of Hendricks Field; be it further

Resolved, That a copy of this resolution be sent to Col. Carl B. McDaniel, commanding officer of Hendricks Field, to the commanding general of the Southeast Training Center, Maxwell Field, Ala., and that copies be sent to Senator Claude Pepper, Senator C. O. Andrew, Hon. J. Hardin Peterson, and Hon. Lex Green, Washington, D. C., and Maj. Gen. Barton K. Yount, commanding general, Army Air Forces Flying Training Command, Fort Worth, Tex.

REPORTS OF COMMITTEE ON NAVAL AFFAIRS

The following reports of a committee were submitted:

By Mr. WALSH, from the Committee on Naval Affairs, all without amendment:

S. 391. A bill for the relief of Jack Lacle Haas (Rept. No. 228);

S. 397. A bill for the relief of Lt. (Jr. Gr.) Svend J. Skou (Rept. No. 229);

S. 954. A bill for the reimbursement of certain enlisted men of the Navy for personal property lost in the loss of the *Hugh L. Scott* (Rept. No. 230);

S. 972. A bill to amend section 7 (c) of the act of May 21, 1920 (41 Stat. 613), as amended by section 601 of the act of June 30, 1932 (47 Stat. 417) (Rept. No. 231);

S. 1065. A bill to abolish certain naval trust funds and deposits thereto, and to simplify naval accounting procedure, and for other purposes (Rept. No. 232);

S. 1086. A bill to provide an additional sum for the payment of a claim under the act

entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11-12, 1940," approved April 23, 1941 (Rept. No. 233); and

S. J. Res. 16. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States a hospital, dispensary, or other memorial, for heroic services to men of the United States Navy (Rept. No. 234).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GILLETTE:

S. 1102. A bill for the relief of Helene Murphy; to the Committee on Claims.

By Mr. McNARY:

S. 1103. A bill for the relief of Henry White; to the Committee on Immigration.

By Mr. MEAD:

S. 1104. A bill to reclassify and adjust salaries of supervisors in the first- and second-class post offices; to the Committee on Post Offices and Post Roads.

(Mr. LANGER introduced Senate bill 1105, which was referred to the Committee on Post Offices and Post Roads, and appears under a separate heading.)

By Mr. REYNOLDS:

S. 1106. A bill to prohibit the allowance of credit in the computation of lump-sum payments to Air Corps Reserve officers under the provisions of section 2 of the act of June 16, 1936, as amended, for active service hereafter performed during the present war and for 6 months thereafter; to the Committee on Military Affairs.

MARKETS AFTER THE WAR (S. DOC. NO. 40)

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed as a Senate document, with the illustrations, a most informative and instructive article entitled "Markets After the War—An Approach to Their Analysis," prepared by the Department of Commerce. An estimate of the cost has been obtained, and the document will comprise less than 50 pages.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

The order was reduced to writing, as follows:

Ordered, That the manuscript entitled "Markets After the War," prepared by the Bureau of Foreign and Domestic Commerce, Department of Commerce, be printed as a Senate document, with illustrations.

EXPANSION OF WAR HOUSING PROGRAM (H. DOC. NO. 203)

The VICE PRESIDENT laid before the Senate the following communication from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Education and Labor and ordered to be printed:

THE WHITE HOUSE,
Washington, May 13, 1943.

THE PRESIDENT OF THE SENATE.

SIR: Since last I communicated with the Congress on the subject of war housing in May 1942, much has happened in the war and much has happened in housing.

It is a noteworthy fact in relation to the whole war effort that under the existing war-housing program more than 3,000,000 workers in intense war production have been provided or are being provided with necessary shelter. In addition to placements in existing structures, the present program embraces more than a million and a half units of construction, approximating twice the total volume of homes built in the United States in a better-than-normal building year. The size of this program, founded as it is upon minimum absolute need, affords some measurement of the disastrous impairment of war production that would confront us if war housing were not provided in sufficient volume and on time.

It is hard to build houses in time of war. It is even harder in time of war to combine the building of houses with maximum economy in the use of men, money, and materials. It is, therefore, encouraging to know that more than half of the necessary war-housing accommodations thus far projected is being provided through the more effective use of existing structures; that another substantial portion is being attained through the prudent and economical repair, enlargement, or "conversion" of existing dwellings so that they may shelter additional war workers; that only about two-fifths of the need is being supplied by new construction; and that more than one-half of this new construction is being financed with private funds.

Housing used to be divided among several agencies and several programs. Today, as a product of the reorganization and unification of the housing agencies 14 months ago, the National Housing Agency is pursuing one unified housing program under which all of our housing resources and techniques are being focused upon the winning of the war. There is no room now for any kind of housing but war housing.

I have been particularly gratified to see that this new spirit with regard to housing activities pervades the Congress. Certain recent and interesting reports of investigatory congressional committees have emphasized in a most striking fashion the acute continuity of the need for even more war housing in specified critical areas. Generally speaking, proposals in the Congress for the effective use of our manpower are linked with proposals for the adequate provision of war housing wherever needed.

The war is not over. War production and the employment of men and women in war plants have not reached their peak even where the plants are completed. The constant rearrangements

in the nature and disposition of our total working force produced by the increasing inroads of Selective Service development gaps that must be filled in part by the migration of women and older workers and consequently intensify old needs or develop new needs for war housing.

Even after making every reasonable allowance for the use of local labor supply, including the training of new types of workers, the best estimates indicate an in-migration of 1,100,000 war workers into areas of war-production activity during the fiscal year 1944. These workers must be housed or they cannot do their job.

It is not proposed to house even the majority of these workers with Federal funds. Almost two-thirds of them will be taken care of by placement in existing structures, and a large part of the balance will be served by privately financed construction encouraged and insured by the Government. The Congress will recall that to serve workers in-migrating during the fiscal year 1943, it recently increased the authorization of one branch of the National Housing Agency to insure private investment in war-housing construction by \$400,000,000. Likewise, it is contemplated that recommendations for additional authorizations for private financing will be forthcoming, to serve a large portion of the workers who will in-migrate during the fiscal year 1944. This further expansion of private financing will maintain and confirm in the war-housing program the principles which point toward maximizing our utilization of existing resources, and particularly the resources of small enterprise, during the war. We are allocating to private initiative as large a segment of the war-housing program as it possibly can produce under war conditions and war risks.

But in order to meet that portion of the needs of 1,100,000 workers migrating to war centers during the fiscal year 1944, which cannot be met in any other way, some publicly financed war-housing construction is essential. The main vehicle for this purpose has been the act of October 14, 1940, as amended, known as the Lanham Act. The funds under this act, and under other acts to provide war housing, are practically all committed to serve needs arising during the fiscal year 1943. I am therefore suggesting to the Congress at this time the enactment of legislation providing an increase of \$400,000,000 in the authorization contained in the Lanham Act, as amended. A substantial portion of these funds will be returned to the Government in the form of rents during the emergency and realizations thereafter. In making this recommendation, I am sure that the Congress and the National Housing Agency will continue to look upon all phases of the war-housing problem as part of a total and unified picture.

No expenditure of funds can be too large if that expenditure is necessary to win the war or to win it with a greater

economy in time and lives. But I cannot refrain from pointing out how small a fraction of the cost of the war is involved in all the appropriations of money and use of materials for war housing, particularly when measured against the contribution which the shelter of war workers is making toward the winning of the war. If the total outlays for war housing were regarded as part of the cost of the plants in which the workers produce, or the cost of the munitions and war implements which they fabricate, these outlays would shrink to very minor proportions in this proper perspective. But the cost to the war effort, in delay and blood and treasure, if decent and sufficient shelter were not provided for those who produce, would be great beyond calculation.

In view of the urgency of the need for more war housing now, I suggest that the proposed expansion receive the earliest consideration of the Congress. There is attached draft of a bill which, in addition to providing for an increase in the amount authorized, would accomplish certain other highly desirable amendments in existing legislation.

Respectfully,

FRANKLIN D. ROOSEVELT.

**REFUGEE CONFERENCE IN BERMUDA—
LETTER FROM PETER H. BERGSON IN RE
NEW YORK TIMES ADVERTISEMENT**

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter addressed to me by Peter H. Bergson, national director of the Committee for a Jewish Army of Stateless and Palestinian Jews.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE FOR A JEWISH ARMY OF
STATELESS AND PALESTINIAN JEWS,
Washington, D. C., May 13, 1943.

Hon. EDWIN C. JOHNSON,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: In the course of the last week, some of your distinguished colleagues have expressed, on the floor of the Senate, their dissatisfaction with the publication of their names in connection with an advertisement published by our committee.

To our complete surprise, a list of names of signatories of the proclamation on the moral rights of the stateless and Palestinian Jews, appended to a quotation from that document and placed in a separate box to the left of our May 4 advertisement in the New York Times has been interpreted as using those names for an unauthorized endorsement of the contents of that advertisement.

On behalf of all my colleagues on the executive board, and myself, I wish to assure you that this definitely was not our intention and that nothing was further from our minds.

We are extremely sorry that such an interpretation has been made and we wish to take this opportunity to express to you and your colleagues our sincere regrets. Please convey our apology to those of your distinguished colleagues in the United States Senate who have taken this view.

Please accept, my dear Senator, our highest consideration and esteem.

Respectfully yours,

PETER H. BERGSON,
National Director.

**MARFLEET LECTURES AT THE UNIVERSITY
OF TORONTO BY SENATOR PEPPER**

[Mr. PEPPER asked and obtained leave to have printed in the RECORD two lectures on the subject *The World War and the Post-War World*, delivered by him at the University of Toronto, Canada, on February 26 and 27, 1943, which appear in the Appendix.]

**AMERICA'S ACCOMPLISHMENTS—ARTICLE
BY SENATOR THOMAS OF UTAH**

[Mr. MCFARLAND asked and obtained leave to have printed in the RECORD an article entitled "Consider America's Accomplishments," written by Senator THOMAS of Utah, and published in the *Women's Democratic Digest* for April 1943, which appears in the Appendix.]

**FOURTH PRESIDENTIAL TERM—ADDRESS
BY HON. M. M. NEELY**

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. Matthew M. Neely, Governor of West Virginia, in support of the affirmative of the question, Should the President of the United States have a fourth term? which appears in the Appendix.]

**CONTROL OF FOOD PRICES AND WAGES—
BROADCAST BY RAYMOND GRAM
SWING**

[Mr. GUFFEY (by request) asked and obtained leave to have printed in the RECORD a broadcast by Raymond Gram Swing on Tuesday, May 4, 1943, which appears in the Appendix.]

**THE NATIONAL INTEREST IN FREIGHT
RATES—ADDRESS BY C. E. CHILDE**

[Mr. STEWART asked and obtained leave to have printed in the RECORD an address on the subject *The National Interest in Freight Rates*, delivered by C. E. Childe, member of the Transportation Board of Investigation and Research, on May 6, 1943, before a meeting of the Southern Policy Association, which appears in the Appendix.]

**IDEALS AND PURPOSES OF THE SOUTH-
EASTERN STATES PRISON ASSOCIATION—
ADDRESS BY THOMAS P. GORE**

[Mr. STEWART asked and obtained leave to have printed in the RECORD an address on the subject *Ideals and Purposes of the Southeastern States Prison Association*, delivered by Thomas P. Gore, warden of the penitentiary of the State of Tennessee, which appears in the Appendix.]

**FATHER GEORGE HILDNER, MISSOURI'S
"FIGHTING PRIEST"**

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an article by Justin L. Faherty, entitled "For God and Country," paying tribute to Father George Hildner, Missouri's "Fighting Priest," published in the *St. Louis Globe-Democrat* of May 9, 1943, which appears in the Appendix.]

**EXTENSION OF RECIPROCAL TRADE
AGREEMENTS ACT—EDITORIAL COM-
MENT**

[Mr. CHANDLER asked and obtained leave to have printed in the RECORD two editorials relating to the extension of the Reciprocal Trade Agreements Act, one published in the *Saturday Evening Post* and one in the *Washington (D. C.) Daily News* of May 13, 1943, which appear in the Appendix.]

**VISIT TO THE SENATE BY HIS EXCEL-
LENCY EDVARD BENEŠ, PRESIDENT OF
THE REPUBLIC OF CZECHOSLOVAKIA**

Mr. HILL. Mr. President, the President of the Republic of Czechoslovakia in exile, His Excellency Edvard Beneš, will arrive in a few moments to address

the Senate. I ask unanimous consent that the Vice President name a committee of four Senators to escort President Beneš into the Senate, and that the Senate then take a recess subject to the call of the Chair.

The VICE PRESIDENT. Without objection, it is so ordered.

The Chair appoints the Senator from Alabama [Mr. HILL], the Senator from Oregon [Mr. McNARY], the Senator from Texas [Mr. CONNALLY], and the Senator from Kansas [Mr. CAPPER] as the committee to greet the President of Czechoslovakia and to escort him into the Chamber.

Pursuant to the unanimous-consent agreement, the Senate will now stand in recess, subject to the call of the Chair.

The Senate being in recess, at 12 o'clock and 20 minutes p. m.,

His Excellency Edvard Beneš, President of Czechoslovakia, escorted by the committee appointed by the Vice President, consisting of Mr. HILL, Mr. McNARY, Mr. CONNALLY, and Mr. CAPPER, preceded by the Secretary of the Senate, Edwin A. Halsey, and the Sergeant at Arms, Wall Doxey, entered the Chamber and took the place assigned him on the rostrum in front of the Vice President's desk.

The members of the party accompanying the President of Czechoslovakia, including the Honorable Jaromir Smutny, Chief of the Cabinet; His Excellency Vladimir Hurban, Minister of Czechoslovakia; Dr. Eduard Taborsky, private secretary; the Honorable Jan Papanek, information service; Col. Oldrich Spaniel, military attaché, Czechoslovak Legation, Washington, D. C.; Brig. Gen. Edward W. Smith, United States Army, military aide; Capt. Walter E. Moore, United States Navy, naval aide; and Mr. G. T. Summerlin, Chief, Division of Protocol, Department of State, entered the Chamber and were escorted to the seats assigned them to the left of the Vice President's desk.

The VICE PRESIDENT. Members of the Senate, distinguished guests, ladies and gentlemen, the President of Czechoslovakia, Mr. Beneš, will now address you.

[Applause, Senators and occupants of the galleries rising.]

**ADDRESS BY THE PRESIDENT OF
CZECHOSLOVAKIA**

Mr. President, Members of the United States Senate, it is now a quarter of a century since Thomas G. Masaryk, the first President of the Czechoslovak Republic and my great predecessor, came, in the last year of the first World War, to Washington to inform American leaders how his Czechoslovak countrymen were fighting for their freedom and independence and to obtain the American support for their struggle. His mission in the United States met with favor and encouragement everywhere. He found a great understanding of, and sympathy with, the national aspirations of the Czechoslovak people in the President of the United States, Woodrow Wilson, in his Government, and the people. It was known that for centuries, beginning with the Middle Ages, this small nation in the

heart of Europe had been a glorious independent kingdom, the Kingdom of Bohemia—and a prosperous state—the state that first began the fight for religious freedom in Europe. In the fifteenth and sixteenth centuries, Prague, its capital, was a great center of learning, contributed largely to European cultural, spiritual, and material development, and played an outstanding role in European history and particularly in the history of the Holy Roman Empire and the Austro-Hungarian monarchy. Perhaps your Government knew, too, the famous declaration made by the German Chancellor Bismarck after his victory over Austria in 1866:

Whoever is master in Bohemia is master of Europe. Europe must, therefore, never allow any nation except the Czechs to rule it, since that nation does not lust for domination. The boundaries of Bohemia are the safeguard of European security, and he who moves them will plunge Europe into misery.

In my estimation, there can be no better comment on the position of my country even today. The recognition of our cause here in this country in 1918 was also undoubtedly due to the unmistakable determination of our people to live as a free and independent nation. More than 150,000 Czechoslovak soldiers fought for their country's liberation in the First World War in Russia, France, and Italy. When the war was drawing to a close, the epic march of the Czechoslovak legionnaires across the Siberian plains to Vladivostok fired the imagination of the American people.

When the collapse of the Central Powers was imminent, Masaryk made our Declaration of Independence in Washington on October 18, 1918. It was promptly accepted and recognized by the American people and by their Government. That is why Czechoslovakia was considered and often called the god-child of the United States of America.

Czechoslovakia's 20 years' record as a free and independent democratic state is one of which we are justly proud. Surrounded on all sides by authoritarian countries and governments, she remained faithful to the democratic traditions which came to her very largely from the United States. Her social legislation and her educational system were progressive and advanced; her financial system was stable, her currency, one of the soundest in Europe; her general economic standard was very high, and her import and export trade greater than that of Italy. Until 1938 this Republic was one of the most prosperous and happy countries in Europe. Even the concentrated campaign of Nazi Germany, beginning in 1936, using corruption, lying propaganda, and threatening war and violence, failed to shake the inner harmony of the Czechoslovak Republic.

In her foreign policy Czechoslovakia resolutely and consistently followed the policy of peace, international arbitration and collective security. She fostered and encouraged friendship with her neighbors—Austria, Yugoslavia, Poland, and Rumania. She was the most loyal member of the League of Nations. She supported the Locarno policy, was an original signatory of the Briand-Kellogg Pact,

and was ready to play the part demanded of her in any generally accepted system of collective security. In Geneva she resolutely opposed the Japanese invasion of Manchuria and China; I was President of the Assembly of the League of Nations when we voted the sanction against Italy upon her invasion of Abyssinia. Czechoslovakia was ready to oppose militarily the occupation of the Rhineland and Austria. Our Army and air force were ready and thoroughly efficient. Up to the year 1939 we did our duty completely, not only to our nation, but to Europe and democracy as well.

Czechoslovakia was in mortal danger from the moment that Hitler and the Nazi leaders came to power.

When Hitler saw that the policy of sanctions against Italy was not strictly applied and when the German remilitarization of the Rhineland was not opposed by force, he thought that the countless seeds of bitterness and mistrust sown by the dictators would permit him to reap a harvest of destruction of democracy in Europe and bring about the realization of his pan-German plan. The success of the annexation of Austria in March led to the September crisis in 1938.

My own view then was that Hitler's demands and attacks against Czechoslovakia should have been rejected even at the cost of a war. We were ready, but the western powers were not. By the sacrifice of Czechoslovakia, Europe and the world gained a year's time in which to prepare for the defense against the coming onslaught. In my opinion, the Second World War began with the criminal occupation of Prague. And from the very day of occupation, March 15, 1939, all Czechoslovak citizens have been at war with Germany.

Since 1938 the Czechoslovaks at home have endured great hardships, sorrows, and suffering. They know that many of their soldiers and airmen, who escaped from their enslaved homeland, lost their lives while fighting for its liberation in Poland and in France. They know that after the Franco-German armistice, Czechoslovak soldiers and airmen reassembled in Great Britain and that in the decisive battle of Britain, Czechoslovak airmen played an honorable part. They know, too, that Czechoslovak soldiers are now fighting in Russia and in Africa and manning the defenses of Great Britain. On the other hand, they see their own country being converted into an arsenal for a war against the United Nations. Many are now working as forced laborers in Germany and elsewhere. Those who resist the oppressors are either executed in masses or tortured in prisons and concentration camps. Their country is pillaged and Germanized, their national education completely destroyed. The undying memory of the martyred village of Lidice forbids us ever to relax in the world struggle now waged against the powers of evil and darkness. The all-out participation—after Pearl Harbor—of the United States in this fight for the freedom of the world has turned into certainty what until then had been the hope of the ultimate liberation for the

Czechoslovak people and the other occupied nations.

Mr. President, permit me to say before this august body, in conclusion, with gratitude and appreciation:

It was here in this great democratic country that in October 1918 the freedom and new independence of my nation were solemnly proclaimed and its first free government recognized. When on March 15, 1939, Nazi Germany destroyed the new Czechoslovak liberty, and I personally, as member of the faculty of the University of Chicago, respectfully asked President Roosevelt to refuse to recognize this insulting and lawless act of violence, it was the Government of the United States which first among all great powers categorically repudiated this wanton aggression. It gave its full approval to the refusal of the Czechoslovak Minister in Washington to hand over his Legation to the Nazi authorities. The Government of the United States never recognized the German occupation of the Czechoslovak Republic. By this decisive act this great historic land of freedom defended the national liberty of my country at the most tragic moment of our modern history. Later your Government recognized our reconstituted government and independent country and accepted our republic as a free and equal member of the United Nations. Through all these acts the immortal spirit of the great American tradition, of Washington, Jefferson, and Lincoln, rose to defend the highest undying principles of human and national liberty at the time when a small, democratic, peace- and freedom-loving nation was assassinated by a vulgar authoritarian aggressor.

The entire Czechoslovak nation expresses its warmest thanks and gratitude to the great American people, not only for all that they have done on behalf of Czechoslovakia but also for the enormous and outstanding contribution of your great country to the war effort of all the United Nations.

They do not doubt that this great struggle, in which the United States are playing so decisive a role, will end with one of the greatest victories in your and our national annals. They are greatly encouraged and proud that I have the privilege of addressing the Members of the Congress of the United States. I know that they will accept the promise I make to you, today, as theirs.

As President Masaryk in 1918, I, today, feel authorized to declare on behalf of my Nation, here in the Washington Capitol, that after the final victory in this great war is achieved, the Czechoslovak nation will reconstruct its old home rapidly and successfully by its untiring efforts, remaining faithful—as it always was during the difficult period of its long, checkered, and glorious history—to the democratic way of life, to the principles of spiritual and religious freedom, to the ideals of peace and peaceful international collaboration, considering itself again the godchild of the great and glorious Republic of the United States.

[Prolonged applause, Senators and the occupants of the galleries rising.]

Following his address, the President of Czechoslovakia and the distinguished visitors accompanying him were escorted from the Chamber.

At 12 o'clock and 39 minutes p. m., the Senate reassembled, when it was called to order by the Vice President.

FREEDOM OF THE PRESS—DENIAL OF SECOND-CLASS MAILING PRIVILEGE TO CERTAIN PUBLICATIONS

Mr. LANGER. Mr. President, I know that Senators will be interested in the reaction of the Chairman of the Democratic National Committee to the words uttered upon this floor last week in behalf of freedom of the press and the criticism of the action of the Chairman of the Democratic National Committee, Mr. Walker, as Postmaster General of the United States, in barring 70 magazines and newspapers from the mails and revoking their second-class mailing privilege.

In a desperate effort to protect himself from possible attacks from the larger publishers the Chairman of the Democratic National Committee has restored the privileges of 4 magazines. So 4 of the 70 are back; and strangely enough, these 4 represent the largest publishing firms, the names of the magazines being as follows: Front Page Detective, Headline Detective, Crime Detective, and True Confessions, published by Dell Publishing Co., Fawcett Publishing Co., and Hillman Periodicals. Actually many other magazines whose privileges have not been restored follow much the same policy as those to whom the privilege of being reinstated has been granted, but I know that the Senate will be interested in the fact that the richer publishers apparently had one distinct advantage over those of less financial means. It is strange that the publishers who were financially able to hire a high-priced attorney just incidentally happened to be able to get results.

Who represented these publications? Who, do you suppose, Mr. President, represented at least one of these publications? I give you one guess, and you have guessed it. A former chairman of the Democratic National Committee who happens to be a lawyer. Mr. President, the rumor is that this former chairman of the Democratic National Committee received an enormous legal fee for getting the present Chairman of the Democratic National Committee to take his advice and permit one of these magazines again to have its second-class mailing privilege. Senators can well imagine the terribly arduous task that the former Chairman of the Democratic National Committee had to convince the present Chairman of the Democratic National Committee as he whispered to him that this publishing company has 54 publications and that by readmitting True Confessions, which has a circulation of over a million copies, in all likelihood all the 54 publications will be supporting the Democratic candidates in 1944. It may be that that did not occur. I do not know. It may be that the former Chairman of the Democratic National Committee received his allegedly enormous

fee from this millionaire publishing company merely by promising a campaign contribution, or perhaps he obtained it by promising that the publishing company would print certain campaign literature in its magazines during the coming campaign. I do not know, but I will let the Senate judge for itself as I proceed to tell what happened to another magazine that supported President Roosevelt in 1936 and did not support him in 1940.

No true American publisher wants to take charity from the National Democratic Party, because it would naturally follow that in accepting such a favor, he would also be declaring himself ready to take dictation from this group of politicians. But I firmly believe that this so-called gift is not one which Frank Walker or the party he represents should be able to give and take away. This subsidy is one which our great American Government has granted alike to all those who fall within its just rulings. I believe the present chairman of the Democratic National Committee has tampered with these rulings until the definition of the second-class law, which grants these privileges, has been interpreted to mean a charitable subsidy granted to those publications which unquestionably and unhesitatingly are ready to support Frank Walker's political party.

There is nothing to prevent the chairman of the Democratic National Committee from using the second-class mailing privilege as a whip to beat the American publications into party lines. It was never intended by Congress when it passed the original law in 1879 that any one man should be given the power to wield such a whip. In the hands of the chairman of the Democratic National Committee the very laws of this Government are receiving a merciless lashing so that they may conform with his personal bias and his political beliefs. No Postmaster General in the entire history of this Nation has ever dared to abuse such a power and employ it for his political benefit.

Mr. President, in 1936 Franklin Delano Roosevelt was a candidate for reelection as President. Some of the party chiefs were fearful of the result. They wanted to make the result certain in Mr. Roosevelt's favor. They wanted newspaper and magazine stories. Thereupon, I am informed that Mr. Charles Michaelson, publicity man for the Democratic National Committee, consulted with Mr. Harold Roswell, publisher of the Police Gazette, who previously had announced that he was for the President's reelection. Mr. Michaelson and Mr. Roswell conferred. An article was prepared. I am told it was first submitted to Mr. Stanley High, then a man in high standing in the Democratic councils, and that thereafter it was submitted to others on the Democratic National Committee, with the result that it was deemed advisable to submit it directly to President Roosevelt at Hyde Park. I am informed that the article was then taken to Hyde Park and that the President read it and gave it his personal approval. I have a pho-

tostatic copy of that article before me, and I shall now read it into the RECORD.

At the top of the article there appears an endorsement of President Roosevelt by Jack Dempsey. Mind you, a quarter of a million copies of this article were paid for by the Democratic National Committee. Mr. Dempsey said:

I only wish that I could be an orator so I could go out onto the street corners and tell people the way I feel about President Roosevelt. I wish I had the words to write here how I feel about him and about his fight for reelection. To me he is the champion of champions, big enough to be the little fellow's friend and to go in there swinging for him when he needs it most. I don't know a single person, man or woman, who isn't better off in every way because of him, and I don't know of a single person, man or woman, who wasn't down in the dumps when he was elected. And now it seems like we're all on the road to prosperity, despite what his political opponents say. I'm heart and soul behind him, and I urge everyone—and I mean everyone—to pitch in and help him in the White House.

Sincerely,

JACK DEMPSEY.

At the top of this sheet, in a large headline, appears the following:

ALL VOTING FOR LONDON ARE FIRST-CLASS SUCKERS

It is signed "The Publisher."

The article reads as follows:

[From the National Police Gazette]

Anyone in the sporting world who votes for Alfred Mossback Landon for President of the United States is a first-class, grade A sucker—the kind of a guy who'd bet on Brooklyn.

The National Police Gazette minces no words in this matter—any more than it minces words in its opinion of any sporting event. * * * We of the Police Gazette reserve that right: The right to voice our opinions as we choose. If there are any objections; well, it's your dime. Keep it.

We believe that you, our readers, wouldn't have it otherwise. We believe that you want us to speak our mind. You may disagree. That's your privilege. But, at least, you'll have no misunderstanding.

For that reason, then, and because a lot of other publications of various sorts—from daily newspapers to monthly magazines—have been bluffed out, or bought out, we are in this campaign to reelect Franklin Delano Roosevelt, and we're in it to the last drop of good, black ink, the ultimate scrap of bright, pink paper. Herewith is the second statement from the pen of the Gazette's publisher:

(By Harold H. Roswell, publisher of the National Police Gazette)

"If you owned a big-league ball club with a chance for the pennant, would you entrust it to the undergraduate manager of a small-town high-school team?

"Would you turn over a race track to a dirt farmer; or, a \$1,000,000 theater to a grocery clerk?

"Of course you wouldn't—who would?

"Well then, be darn sure to vote for Franklin Delano Roosevelt because if Alf Landon is elected President of the United States this November 3, it's going to be the greatest tragicomedy that ever came to afflict a horror-ridden world."

I will say in passing that I have been informed that the President of the United States personally passed upon this article before it was published, and

a quarter of a million copies of the article were sent all over the country.

The article continues as follows:

"Imagine a schoolboy on Man-o'-War.
* * * Imagine an old maid at the wheel of Gar Wood's 125-mile-an-hour hell-cat speedboat. * * * Imagine a baby with a steamshovel.

"And then imagine Alf Landon, small-town politician, at the helm of the Ship of State.

"We may seem a little bitter about it. Well, we are bitter. It seems to be a pretty good time to be bitter. I, as publisher of the Police Gazette, which is intended primarily for sporting people, hope that by the time you finish reading this you'll be bitter, too.

"Let's put the so-called issue aside for a moment—we'll get to them presently—and consider the race on the basis of man for man.

"On the one hand is Alf Landon, citizen of Independence, Kans., disciple of all that is intolerant, snoopish, bigoted, whose sole claim to political distinction lies in that he balanced the State's budget at the expense of its school children, hand-picked for office by Hearst, Mellon, the du Ponts, Morgan, and Wall Street, because, forsooth, he is worthy of the title: 'A second Coolidge.'

"And on the other is Franklin Roosevelt, citizen of the world, humanitarian and friend, wise and able head of a going concern, which he rescued from bankruptcy and which he is steering into an era of security and prosperity such as has never been known, damned by Landon backers because, forsooth, he insists on wider opportunity, greater prosperity, and a fuller life for every man, woman, and child in the country.

"These are the two contenders—yours is the choice.

"Kansas is a great State. We have no quarrel with Kansas. It's a little dry, perhaps, and still echoes with the whacks of Carrie Nation's ax. It's good for jack rabbits, too, and the finest racing greyhounds in the country are bred and trained on Kansas prairies. We have no doubt but that Independence is a fine, bright, modern little city, but we hesitate to think of it as the Bethlehem of a new Messiah who is going to save the Nation from a wave of too much big-heartedness toward its underprivileged.

"As a matter of fact, a suspicion lurks around in the echoing shadows to the effect that Roosevelt is going to carry Kansas, anyway.

"We can and will, however, quarrel with that State's chief executive, who happens, by a chance that he, himself, does not yet quite understand, to be the Presidential candidate of the most reactionary group of hide-bound economic racketeers which ever passed a dividend.

"It is an amazing story, that of how the lightning came out of a clear Kansas sky to tap Alf Landon on the shoulder with the accolade of Grand Old Party approval. He, somehow, got the impression around that he was a good business executive.

"As he was taking his bows for that, the reason was not quite clear to the average citizen. Only now are his business methods being exposed.

"By a trick of legislative legerdemain he tossed the State's schools plump into the laps of each and every community in the commonwealth. If you can't support 'em, close 'em' was the edict from Topeka's gilded dome. And close 'em they did, though some stayed open through the subterfuge of cutting teachers' pay until it reached an all-time low of \$25 a month.

"Then he went after the State's relief rolls.

"Now anybody with any sense at all knows that the great depression came simply and only because there weren't, under a Republican regime, enough jobs to go around. Millions needed relief. Millions got relief. And millions are still getting relief.

"In Kansas, under the lash of the budget-balancing whip of Topeka's Little Corporal, relief for needy families was reduced to \$1.03 a week.

"Then, his budget balanced, and the Federal Government taking care of the rest of it, the miniature Mussolini rested on his laurels. But, not for long. Presently a dust cloud came over the horizon, resolving itself into a special train, carrying the Hearst brain-trust. They looked at Landon in purely clinical fashion, asked him the proper question, and, like the wise men of old, went forth with Oh, hosannas! to make known their discovery.

"Governor Landon is strictly a Hearst build-up—and if that isn't amusing, you should have seen Wall Street's face when it found that it had to take him and like him.

"The Cleveland convention is history. The bellowing of Col. Frank Knox, who used to be a sergeant in the Hearst army, is history of another sort.

"Echoed by John D. M. Hamilton, the Little Boy Blew, of the opposition.

"The Landon campaign, at the moment, is one of afterthoughts.

"The President suggests crop insurance—and Landon echoes with, 'I thought of that a long time ago.'

"The President suggests a drought program—and Landon says, 'Oh, yes; that's what I've been saying all along.'

"And he says, 'Relief must go on,' but he doesn't say how it can go on under the terms of the Republican platform.

"There's no equivocation in the Roosevelt platform. It is summed, for all that is 'for the greatest good of the greater number.'

"And what could be fairer than that?

"This magazine is published for sporting people and this statement is intended for sporting people, so let's consider the sporting angle of the national campaign.

"To begin with it is difficult to believe that Alf Landon knows the difference between a catcher's mask and a home run. It is difficult to believe that he has ever been to a racetrack, but he may have attended a county fair where the gee-gees ran in harness.

"It seems likely that he may know something about college football.

"Roosevelt, on the other hand, is a first-class sportsman, well-versed and interested in sporting events, eager to encourage them because he knows just how important they are to every Tom, Dick, and Harry in the Nation. Take away a nation's sports and you can bet your bottom dollar that revolution is just around the corner.

"What has happened to sports under the Roosevelt regime?

"One hundred thousand rabid fans stormed the Polo Grounds a few days ago to fight over the 64,000 seats available for a game between the Giants and the Cards.

"Forty-five thousand horse players jammed every nook and cranny at Narragansett Park on Labor Day, and 15,000 jammed Aqueduct where every program printed for the day was sold out before the beginning of the first race.

"The day of the \$1,000,000 fight gate, only a memory of the halcyon era of Tex Rickard, is again upon us, and every major football game is already sold out.

"Basketball has become a major sport capable of selling out Madison Square Garden, and the hockey moguls are getting ready for their biggest financial season.

"That's what happened under Roosevelt, because people have money again—people have

money, not individuals—and they're willing and eager to spend it on sporting events.

"What would happen to the sporting world if everyone suddenly became frightened and panicky, if the 'rugged individualists of Republicanism' started to work their will on the people, firing as they've been itching to do for the last 3 years, closing up little businesses to make way for monopolies, taking over the banks and finances of the Nation—all of which they're sure to do if Landon is elected.

"There is a new and happier spirit abroad in the land, too—a spirit of friendly tolerance, a keep-your-nose-out-of-your-neighbor's-affairs kind of an attitude.

"What will happen if that Kansas Savonrola, Landon, moves into Washington? Don't forget that they still have dry raids in Kansas.

"To sum up, and there's only one possible sum-up—

"Reelect Franklin Delano Roosevelt."

On the same page there is an article by Gen. Hugh Johnson entitled "Johnson Speaks a Piece."

Then on the front there is a photograph of President Roosevelt with the caption "Hail the Chief—President Roosevelt, great and able leader, is here shown engaged in his favorite sport, yachting."

Down below the picture appear the words:

Jack Doyle, Broadway betting commissioner, reports that odds on the Presidential race are now 8 to 5—with no Landon money showing for the long end. All Broadway gamblers, he reported, are taking the short end, betting heavily on the President. The odds are the same on New York State.

The President of the United States apparently did not deem the National Police Gazette obscene. The Democratic National Committee did not hesitate, because they bought and paid for one-quarter million copies of the National Police Gazette for October 1936, just before the election, and mailed it all over the United States to every village, to every town, to every city, to every hamlet. There was no talk then of barring the National Police Gazette from the mails of the United States.

NOW THE TROUBLE STARTS

When, then, did the trouble start for this magazine? In February 1940, when Mr. Harold Roswell, publisher of the National Police Gazette, decided that he had had enough of the Democratic Party and decided to support a Republican. In February 1940, there was published in the National Police Gazette an article entitled "Governor Saltonstall Will Fight Legalized Lotteries," written by Matt K. Perlow, together with a picture of Governor Saltonstall entitled "Governor Saltonstall Behind His Gubernatorial Desk. Note the seal of the State of Massachusetts in the back of his chair."

I hold in my hand a photostatic copy of the article published by this magazine in behalf of Governor Saltonstall, and I submit it to any Senator who may care to look at it. I ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER (Mr. MURRAY in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Police Gazette, February 1940]

GOVERNOR SALTONSTALL WILL FIGHT LEGALIZED LOTTERIES

(By Nat K. Perlow)

"Darnit," darned Leverett Saltonstall, Governor of Massachusetts, with naive candor, "if we legalize any more gambling, lotteries, or what not, we'll be putting it into the hands of politicians. Politics and corruption will creep into the lotteries."

"You know," he continued, "that legalized lotteries existed in America several generations back and they were repealed because unscrupulous political hands spoiled the pie. If legalized lotteries were to return they would be legalized rackets."

"But," we asked, "advocates of this plan suggest that the State can make tax money by adopting the idea."

Saltonstall smiled, debunking this angle.

"This would be the most immoral form of taxation. It is the people who can least afford it that play the number pools. Out of sheer desperation, believing that their luck will change, the poorest people gamble. It is the men, women, and children that can least afford it that will pay the taxes."

If, long-limbed, rawboned Leverett Saltonstall, Governor of Massachusetts, is the thoroughbred aristocrat blueblood, trimmings and all, that newspapers have tagged him, then the mighty Jack Dempsey is Little Lord Fauntleroy in diapers.

Staid Massachusetts, key to puritanical New England, is the last State in the Union where anyone would expect to find a "regular guy," of the New York pedigree, seated in the statehouse. Saltonstall does not sport the pretentious airs of dignity that less cultured and bred Governors assume. "Lev," as most everybody calls him, speaks the lingo of the masses, adjectives and all.

A Republican, Saltonstall lavishes his guests with the most democratic hospitality. Five minutes after we were seated in the spacious living room of his private home, an old wooden colonial mansion at 240 Chestnut Hill Road in Newton, we felt that the deed to the place was in our pocket. We sat near the blazing fireplace, rows of books filled the adjacent wall, and a document-laden desk stood nearby. We chatted informally for 2 hours.

Ever since Saltonstall took office last January a political, scandalous storm, has raged over the Bay State. Shocking exposures of graft and corruption during preceding administrations have disturbed New England placidity. On top of the inherited headaches has been Levvie Saltonstall, working diligently to restore confidence in the State government.

Most recently, reformers' fires have been directed at the pari-mutuels at race tracks (Massachusetts legalizes pari-mutuels at the dog and horse racing tracks). The numbers pool racket, for years a consistent headache to New Yorkers, has been flourishing throughout Saltonstall's domain. Some quarters have suggested legalizing lotteries, but Levvie has balked at the plan.

Saltonstall's administration has been one of the most humane, catering to the down-trodden. Massachusetts is one of the few States that pays 50 percent of its relief bill.

"I won't balance the budget on empty stomachs," says Saltonstall. Yet the Governor doesn't add that under his guidance the State finances are well on their way out of the red.

Although Leverett Saltonstall is a Republican Party stalwart his intellectual honesty and absolute sincerity is a marked contrast from other Grand Old Party bigwigs. Salton-

stall is in harmony with many of Roosevelt's New Deal policies and objectives.

"Many of Roosevelt's policies are commendable. He has made some appreciable achievements." Saltonstall remarks, "but in a few of the cases bad executive directions have marred the objectives."

Saltonstall admires many of the President's personal qualities, although he formally met Franklin Delano Roosevelt only once. It was at Hyde Park, during a Governors' conference, that Levvie shook Frank's hand. Saltonstall, however, is very well acquainted with the other members of the Roosevelt clan. While abroad, a short time ago, the Governor was a house guest of Jimmy Roosevelt who had rented a home in Ireland during a vacation. In fact, Jimmy loaned Saltonstall his tennis shoes and went barefooted himself.

Like the President, Saltonstall graduated from Harvard. He received his Bachelor of Arts degree in 1914, after being one of the school's greatest athletes, captaining the famed Harvard crew that won the Royal Regatta at Henley in 1914, playing right center on the hockey team, and engaging in other sports. Levvie is sentimental about his graduating year; for years his private cars, his latest being a 1937 Packard, have had license plates numbered 1914 dangling from the bumpers.

Twenty-four hours after Saltonstall was elected Governor he began to think it would have been better for him if he had lost. He was so depressed by the influx of patronage seekers cluttering all roads to Newton, all clamoring for jobs and favors.

"The worst thing about being elected Governor," Saltonstall will tell you, "are the patronage seekers and some politicians casting their eyes on favors. For 3 months straight over 100 people and 400 letters came in every day. It almost drove me nuts."

Saltonstall shifted the patronage hounds to his secretaries who diplomatically smothered their ambitions.

Unlike the assumed importance of lesser officials, Saltonstall has not yet flattered himself into marching around with a vanguard of burly bodyguards. He has no bodyguard. After his election, officials of the telephone company advised him to change his number to a private listing. He replied that he would keep on trying staying in the book a while longer and his name and number are still there.

"I get very few crank calls," the Governor reports.

Everybody in Newton knows the Governor. He strolls around the corner of his home at 9 each morning and catches the train for Boston. It takes him merely 15 minutes to reach the Huntington station. On the train, or along the way, he chats amicably with all who recognize him.

Saltonstall, until he became Governor, glided a razor across his beard himself. A few weeks after having been seated, Saltonstall was approached by a bashful, stammering, old Negro, attired immaculately in white. "Mr. Governor," the Negro began, "I shaved 14 Governors without missing one and it now looks like you'll break my record."

Now Saltonstall stops in the State barber shop to be prettied by John H. Charleston, who has been in the statehouse barber shop 42 years.

Saltonstall has many intimate acquaintances. His closest associate, always at his side, is Allan Larrivee, his official chauffeur, who incidentally is also a sergeant in the State police. Russell Gerould, his secretary, handles press relations; Carroll L. Meins, administrative matters; and Daniel J. Lynch, legislative problems. All are experts in their fields.

Saltonstall's favorite hobby is reading. His study is studded with books. Only books on biography, history, crime, and politics can arrest the Governor's interest. During a re-

cent illness he read attentively, Nicholas Murray Butler's biographical reminiscences, "Through the Years." Lately the Governor has been absorbed in tomes dealing with the problems of crime.

A staunch defender of the parole system, Saltonstall goes into a lather upholding its principle.

"Many of these people make mistakes," the Governor holds, "that we should recognize as being beyond their control. Unemployment breeds crime. We must rehabilitate the people that fall. While parole fails in some cases it has made more worthy accomplishments, far in excess of its failure."

Saltonstall is not a rabid movie fan. He sees about three pictures a year. He thought the much-publicized epic, "Gone With the Wind," was not a very good picture.

"Greta Garbo is beautiful," Levvie blushes on. "My kids named my favorite pet, a donkey, Greta Garbo. I guess she wouldn't mind," he says apologetically.

During his year in the gubernatorial chair, the 47-year-old Governor has restored sane, efficient government in Massachusetts. He has put a stop to the pardon and parole racket, which had become a public scandal. He reorganized a demoralized department of education. Saltonstall placed the racing commission under the leadership of men with integrity. The State budget, long tinted in the reddest hue, is now seeing streaks of black. He gave Massachusetts an honest, incorruptible civil-service board. Saltonstall's administration in the Bay State is a milestone in its history of honest government.

There is something of the humbleness and spirit of Abe Lincoln in Leverett Saltonstall, and maybe some day soon the White House will be Levvie's station. He seems tailor-made for the job.

Mr. LANGER. Mr. President, this article on Gov. Leverett Saltonstall, of Massachusetts, compared his stellar qualities with those of Abraham Lincoln. Carried away by his enthusiasm for the great man, the Gazette reporter was so rash as to suggest that Saltonstall had great Presidential possibilities. I can well see why Walker, the chairman of the Democratic Committee, should take exception to such a suggestion, and attempt to throttle a publication making it.

Later Gov. Arthur H. James, of Pennsylvania, in another issue, blamed crooked politics for many existing evils and corruptions. That must have hit home in many cases. Governor James' picture was also published.

I hold in my hand a photostatic copy of the article to which I have just referred, and ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Police Gazette]

WHY PAROLE IS CORRUPT—GOVERNOR JAMES BLAMES CROOKED POLITICS FOR EVIL

(By Nat K. Perlow)

"That's an unfair question!" barked small, bespectacled Arthur H. James, Governor of Pennsylvania, seated behind his massive desk in the executive chamber. "My views on legalized pari-mutuels aren't important. That issue has been up in the legislature from time to time. It's for them to decide."

For several years now the question of legalizing pari-mutuels in the Keystone State has been brought up in the legislative chambers

and time and time again it has been buried in committee, defeated, and compromised out.

Zealous advocates, disgusted with the impractical puritanism of reformers, have literally been tearing their hair out of their heads pointing out that the State loses over \$10,000,000 annually in vacation tourist revenue to neighboring Maryland, whose legislature thinks more in terms of dollars and cents than outdated scruples.

His excellency, an astute politician, has never limbered from his silence, and it is necessary to understand the strange political background of Pennsylvania to appreciate the Governor's wisdom.

"That's an unfair question," he keeps repeating, although every other Governor interviewed by the National Police Gazette willingly expressed his views on legalized gambling. Why? Well—

Much of Governor James' difficulty is due to the influence wily Moe Annenberg, indicted czar of racing information and powerful publisher of the Philadelphia Inquirer, wields over the State Grand Old Party. If James were to favor legalized pari-mutuels his opponents would label him Annenberg's stooge; if he were to oppose pari-mutuels he would probably alienate some powerful Grand Old Party biggies, so Governor James, a very practical politician, just keeps his mouth shut.

The Pennsylvania Governor weighs and reweighs every word before speaking. Some of his press conferences run the length of hours and although Governor James talks a great deal, he confides nothing of vital value to the gentlemen of the press. He is very much unlike the many Governors who candidly confide, off the record, almost everything to the newspapermen covering their offices.

However, Governor James is a very congenial and likeable person. The newspapermen are personally very fond of the Governor although some resent his lack of confidence in them.

Governor James is very much interested in parole. Ever since he served on the Pennsylvania Pardon Board during his Lieutenant Governor incumbency, 1926-30, he has cultivated a keen interest in the parole problem. It is one of the few subjects you can question Governor James on without having him irritably remark: "That's an unfair question."

"I favor parole," Governor James says boldly. "We have a very efficient parole system in Pennsylvania. There are a few amendments I have in mind that should contribute much to perfect the parole system in Pennsylvania."

"The only trouble with parole," the Governor concedes, "is in the administration of parole. It is necessary to keep corruption and politics out of the parole system. Politics will kill any parole system."

Governor James' idea of an ideal parole board is one that will appropriate the exclusive parole franchise in the State and be independent of any other State department. James even favors having the parole board set the sentence of a convicted law violator and merely have a judge for trial purposes only.

The Governor is a short, stocky, conservative gent. He looks more like a neighborhood storekeeper than the Governor of the second largest populated State in the Union.

"I like simple clothes," the Governor willingly reports, "my favorite color in suits is blue—like the one I have on," he adds, pointing to his dark blue single-breasted jacket.

All the Governor's clothes (five suits, three coats, a full formal attire, three pair of shoes, two dozen shirts, and only three ties) are in dark shades. Ever since the death of his wife, a major tragedy in his life, Governor James has only worn black ties.

The Governor has no valet. He shaves himself, shines his own shoes, and even presses some of his own clothes. He always drove his own car, a Pontiac, until ascending to the Governorship. Now, however, a uniformed State trooper chauffeurs His Excellency in an official State limousine.

Besides a daily walk the Governor does not indulge in any other exercises.

"I used to go fishing," the Governor reports, "but no more. Every time I went fishing the fish had a way of finding out."

The Governor reads very little. After he is through with his daily chores, reading numerous State reports, letters, and miscellaneous documents his eyes are weary. He, however, always manages to find time to read the latest Abraham Lincoln biographies. He has just started reading Carl Sandburg's latest works on Lincoln.

James always marches around escorted by a burly State trooper. "The Governor can't be without a bodyguard," LeRoy V. Greene explains. "Almost every time a lunatic escapes he heads straight for the Governor, since the Governor is one of the few who can free him. We caught a number of them trying to see the Governor."

Perhaps, no other Governor in office today has encountered as vehemently militant an opposition as Gov. Arthur H. James must face. Whatever he does, whatever he says, is carefully scrutinized and weighed by his adversaries. This is undoubtedly the reason Governor James cringes, goes into deep thought, then dismisses suspicious questions with "That's an unfair question."

Mr. LANGER. Mr. President, in April 1940, Governor Baldwin, of Connecticut, a Republican, in an exclusive interview published in this magazine, discussed the ways and means of getting our unemployed back to work. He proposed lower taxes and encouragement to industry. The magazine also published his picture. I would not exactly say that such a suggestion met with the approval of Mr. Walker, or voiced what he or his party stood for. I have in my hand a copy of the article, and ask unanimous consent that it be printed in the RECORD at this place.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Police Gazette of April 1940]

"LET'S GET OUR UNEMPLOYED RIGHT BACK TO WORK," STATES GOVERNOR BALDWIN IN EXCLUSIVE INTERVIEW

(By Nat K. Perlow)

"I'm not opposed to gambling on any moral grounds," burly Ray Baldwin, Governor of Connecticut explains. "I see nothing wrong when men who can afford to lose, gamble, but," warns the chief executive, "if we legalize gambling, men and women who can least afford to lose, will start playing games of chance."

Although Connecticut's adjoining States, Rhode Island, Massachusetts, and New York, have all let down the bars on gambling, legalizing pari-mutuels at race tracks, there will be no legalized pari-mutuels, or any other form of gambling in Connecticut—not if Governor Baldwin can help it.

"Personally," the Governor adds, "I never gamble—I don't enjoy it. If some people like to play cards, or the races, let them," but again Baldwin adds, "only if they can afford to lose."

But, advocates of legalized games of chance should not feel defeated. If Ray Baldwin continues to hold sway in the old Connecticut State house, continuing to stimulate business recovery in the Nutmeg State, then Ray Baldwin will run out of his own argument—everybody in Connecticut will be able to afford to lose.

Governor Raymond E. Baldwin, massive, muscular chief executive of Connecticut, is about the most unusual gubernatorial specimen to be found in any statehouse in America. Unlike the many debt-priming Governors—this man Baldwin has shaven and trimmed the Connecticut ledgers out of the red. For the first 6 months of his initial administration, penny-wise Baldwin has not only balanced the treasury books, but filled the anemic exchequer with a \$391,000 surplus. Baldwin, indeed, is a nonconformist duck.

Besides his prodigious feat in arithmetic, Governor Ray Baldwin (he always hated "rithmetic, algebra, and geometry at school") has been courting industries into his State with "tax appeal." He has slashed taxes. "This is only the beginning," he says. Already 160 new industries, an increase of about 100 percent over the preceding 12 months, have established themselves in Connecticut. Over 42,000 jobs were made available—another 100 percent increase over last year. Now, the Governor has undertaken a vast employment project to put the unemployed back to work.

Governor Baldwin is a congenial gent, a bit unkempt in dress, slouched in a swivel chair behind a littered desk, stacked high with papers, reports, booklets, and a mass of other paraphernalia at the statehouse, an unpretentious chamber, a relic of the middle nineties, he gave his views on unemployment, gambling, and parole.

"It's all very simple," Baldwin remarked. "The only way to provide jobs is to encourage industries. And to encourage industry it is the responsibility of the Government to remove obstacles. High taxes is one of the dominant causes that hampers business."

When Ray Baldwin moved into the gubernatorial chambers one of the first things he did was to appoint a commission on the employment of men over 45 years of age, under the guidance of Carl A. Gray. For years it was charged that men over 45 are through in industries, that it is impossible for them to find employment.

"We found that not only men over 45 are having difficulty with employment," the Governor reports, "but also that it is youths from 18 to 25 who have the greatest difficulty in finding jobs. Industries call for experienced, skilled labor, and youths are unable to offer this requisite."

Baldwin and Carl A. Gray, commission chairman, undertook to correct the lack of vocational inexperience by encouraging industrial leaders in the State to tackle the problem of employment through local committees of their own choosing. Unemployed youths were placed in industrial establishments, paid while being grounded in skilled labor.

"You must train the younger men to handle skilled jobs," the Governor holds. "They must have experience to obtain decent employment. Unemployment may be government's problem, but employment is business' and industry's problem."

Every day at 11 a. m. the gentlemen of the press filter into Baldwin's unadorned sanctum. Never before in the history of the State has the press been accorded an open door right into the Governor's office. Ray Baldwin and the nine statehouse correspondents talk intimately, sometimes for hours when no pressing business is at hand, confiding "off the record" all the State secrets.

"He passes out cigars to the boys," says Moses Berkman, of the Hartford Times, in

the anteroom, "and anything any of the boys want is usually arranged. Nicest guy we ever had in the statehouse."

Ray Baldwin is far from being a fashion plate. He has a wardrobe of three suits, two coats, and, of course, a complete formal outfit. In his office, when he works late into the night, he removes his jacket, loosens his tie, and flaps open his collar. At home he lounges around in old clothes.

The Governor lives in a modest stucco home in Stratford. Since he became Connecticut's Governor his home has been an extension of the executive offices. When he is done with his daily chores at the statehouse he motors to Stratford, eats his dinner (the Governor loves corn beef and cabbage) then goes back to work in his study, reading reports, making notes, preparing State papers.

"The trouble with being Governor," the Governor says, "is that you have to be a Governor 24 hours a day. I work 18 and 19 hours a day, weekdays, Sundays, and holidays. Even when I sleep, the budget, the reports, and commissions pop around in my mind."

The Governor, since ascending the gubernatorial chair, has been divorced from a private social life. Only rarely does he break away to go fishing with Art Mitchell, an old boyhood friend, or Jim Gilkinson. Sometimes his persistent sons (he has three of them) carry their pop off to a local movie.

"The last picture I saw was months ago," Ray reports, "It was the Marx brothers picture, A Day at the Races."

Ray Baldwin has no favorite actor, or actresses. He knows too many of them personally to venture a selection. Baldwin was a boyhood chum of Barton McLane, the gruff voiced screen heavy.

"McLane was a very good looking boy," Baldwin confides. "All the girls in Middletown were wild about him. He also went out with my sister," the Governor goes on to reveal.

When the Governor has any leisure, he sinks back in his plush covered chair in his study, and reads biographical works. His favorite subject is Abe Lincoln. In his home he has a complete shelf of Lincoln biographies.

"I'm now reading Carl Sandburg's biography on Lincoln. It's a great book."

Although Baldwin now has an official State car with a uniformed State police sergeant to drive him, he frequently tells the driver to move over and takes the wheel himself. He has been driving for 20 years and has never had an accident.

One of the hardest unpleasantries Baldwin has encountered while being Governor has been sitting on the parole board.

"It's hard to make reason overcome emotions."

"Parole must be carefully administered. The welfare of the citizens must be placed above everything else, but instead of giving much time and thought to the parole problem we should concentrate on decreasing crime by providing jobs for the unemployed. A solution to the unemployment problem will solve a large portion of the crime and vice and parole problem. Let's get our unemployed back to work."

In Connecticut the theme of Baldwin's administration has been fashioned to lower taxes, encourage industry, provide employment, and guide the younger generations to their rightful stations. Baldwin is succeeding! More and more, every day, more industries are filtering into the Nutmeg State, more jobs are being made available. Ray Baldwin's labors are bearing their fruits.

Mr. LANGER. Mr. President, it may be that Frank Walker, who is very much a Democrat, considered phrases in praise of Republicans as a form of obscenity,

and devoted an entire page to descriptions and facts which would aid American citizens in helping to track down deserters. At the beginning of the present war, the publisher generously offered the columns of his publication for similar purposes without any financial consideration. I suggest to the chairman of the Democratic Party that such a function is useful and decent.

There has always been room in this country for this type of periodical, which clearly conforms with the second-class law, which specifies that a magazine, in order to enjoy a second-class mailing privilege, must be originated and published for the dissemination of information of a public character. I am at a loss to see what possible justifiable reason the chairman of the Democratic National Committee can put forth to substantiate his case against this magazine. If the magazine is not entitled to the privilege, the newspapers are not.

The Police Gazette meets the standards of the national organization for decent literature of the Catholic church, and is also approved by the New England Watch and Ward Society, the Protestant organization. The chairman's laxity in taking steps to prosecute publications which have willfully and intentionally abandoned their mailing privileges, merely switching their transportation to freight and express channels, proves that the administration is little concerned with reform. These magazines are still being sent out through freight and express channels, and the Postmaster General has taken no steps to prosecute those responsible for publishing and circulating them.

HISTORY OF POLICE GAZETTE

The National Police Gazette began in 1845. Its history is replete with battles; yes, battles—battles against gangsterism, battles against injustice, battles for right. It has weathered many a storm, and will weather this one for justice and decency.

Enoch Camp and George Wilkes, who founded the Police Gazette, operated it as a weapon with which they fought vice and crime. The editor, Mr. Wilkes, exposed plenty of gangsters of those early days, as was proven by the fact that he was beaten up a dozen times and shot at twice. The offices of the Police Gazette were attacked many times by gangsters. On one occasion, in 1850, so serious was the assault that six men, including Andrew Frost, the Gazette's star reporter, were killed. This policy of fighting gangsterism is carried on today. Every issue of this publication exposes some evil. Each one clearly shows that crime does not pay.

Richard K. Fox, who assumed the publication of the Police Gazette in 1876, gave away more than a quarter of a million dollars in medals, prizes, and stake money to popularize and promote sports and clean living; working on the theory that a clean mind dwells best in a healthy body, the Police Gazette today awards prizes for health and strength, and promotes physical fitness among the youth of the country. Last year a young sanitation employee of New York City won the award of "Mr. Police Gazette" for physical perfection. Is this not decent literature?

The Police Gazette faithfully reports feats of police heroism, and invariably points a moral in reporting crimes. This is the type of publication which Frank Walker seeks to suppress, even as he generously hands out second-class mailing privileges to favored publications which do not have nearly as much reason for existence.

But that is not all. This publication, whose second-class mailing privilege the chairman of the Democratic Party had the effrontery to revoke, was subsidized by the United States Government. Yes, Mr. President, during the Mexican War, in 1846, the United States Government subsidized the Police Gazette and ordered it widely circulated in every Army camp in the United States in order to apprehend deserters. Each month the Gazette published comprehensive lists,

THE DEMOCRATIC CHAIRMAN IS ILLY TOLERATING OPPOSITION

I am told that one publisher has been threatened that he would never receive his mailing privilege no matter what he published because he publicly dared to criticize the actions of the Postmaster General and to insist on his constitutional rights.

The resultant evils arising from such a practice are great and manifold. Periodicals in this country were all intended to serve a purpose. That purpose is to disseminate information and to voice an opinion. I believe there is no possibility of free expression in this country today; not while Frank Walker holds publishers like puppeteers in one hand and threateningly wields the club of revocation of privileges and political censorship in the other.

Mr. President, I can quite understand Frank Walker's desire for the complete expression of favorable political views, but I say that he has no right to dictate the editorial policies of publications under the threat of granting or revoking the second-class mailing privileges.

I am fully aware that publishers are often greatly intimidated by political bigwigs who hold the reins of their office relentlessly, but I am inclined to think that no true American would accept a political favor in exchange for his idealism and integrity. Any publisher who

today is granted a second-class mailing privilege is obligated to Frank Walker and the National Democratic Committee. Knowingly or unwittingly he becomes the victim of a "pay-off in the dark." This is a ruthless "pay-off" which leaves him stripped of opinions and the power to exercise his editorial integrity. That is not the American way of life. The expression of opinion and truth are the American code.

The warping of opinions so that they coincide fully with those of the chairman of the Democratic Party is in perfect conformity with what is happening in the countries of our enemies, and that must not happen here.

Mr. President, I repeat that the United States Government has competent advisers to deal with the publishers of lewd and indecent magazines. We have laws upon the statute books which provide that men and corporations who peddle filth and send these magazines through the mails can be put in the penitentiary. If they peddle that kind of stuff to the youth of America, that is where these men belong. We spend millions of dollars each year in maintaining our courts of justice, and our thousands of attorneys and judges will make short shrift of any human vulture who aims to make money by contaminating the minds of our youth.

Why, I repeat, has not the Postmaster General, if he is acting in good faith and if he really wants to, wiped out obscene and indecent literature? If he believes the publishers of these 70 magazines are guilty, why has he not prosecuted them? He is here in Washington; the Attorney General of the United States is here in Washington; we have courts here in Washington; we have honest jurors in Washington. Why does not Mr. Walker simply pick up the telephone on his desk and call the Department of Justice? That is all he has to do. The Department of Justice is functioning, the courts are functioning, and the people of the United States are functioning, yet the chairman of the Democratic Party insults the intelligence of every good citizen in America by publicly barring those 70 magazines from the post office, knowing while doing so that they will be sent out to the people by express truck and will be circulated among the youth of this country. And all the while he knows that he, by simply telephoning the Department of Justice can, if an evil exists, stop it all.

Mr. President, in view of the fact that the Postmaster General is not, at least in my judgment, doing his full and complete duty, I shall ask the Senate of the United States and the House of Representatives to protect the youth of America, and for that purpose I ask consent to introduce at this time a bill to amend section 211 of the Criminal Code, as amended, relating to certain nonmailable matter. I ask that the bill may be appropriately referred and printed in full in the RECORD at this point, together with a memorandum explaining the bill, which has been prepared by me.

The PRESIDING OFFICER. Without objection, the bill will be received, properly referred, and printed in the RECORD together with the memorandum, as requested by the Senator from North Dakota.

The bill (S. 1105) to amend section 211 of the Criminal Code, as amended (relating to certain nonmailable matter), was read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 211 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended, is amended to read as follows:

"Sec. 211. (a) The following matter is hereby declared to be nonmailable, and shall not be conveyed in the mails, or delivered from any post office or by any letter carrier:

"(1) Every obscene, lewd, lascivious, and every filthy book, pamphlet, picture, paper, letter, writing, print, or other publication of an indecent character;

"(2) Every article or thing designed, adapted, or intended for preventing conception;

"(3) Every article or thing designed, adapted, or intended for producing abortion;

"(4) Every article or thing designed, adapted, or intended for any indecent or immoral use;

"(5) Every article, instrument, substance, drug, medicine, or thing which is advertised or described in a manner calculated to lead another to apply it for preventing conception;

"(6) Every article, instrument, substance, drug, medicine, or thing which is advertised or described in a manner calculated to lead another to apply it for producing abortion;

"(7) Every article, instrument, substance, drug, medicine, or thing which is advertised or described in a manner calculated to lead another to apply it for any indecent or immoral purpose;

"(8) Every written or printed card, letter, circular, book, pamphlet, advertisement, or notice of any kind, giving information, directly or indirectly, where or how, or from whom, or by what means any of the hereinbefore mentioned matters, articles, or things may be obtained or made;

"(9) Every written or printed card, letter, circular, book, pamphlet, advertisement, or notice of any kind, whether sealed or unsealed, giving information, directly or indirectly, how or by what means conception may be prevented;

"(10) Every written or printed card, letter, circular, book, pamphlet, advertisement, or notice of any kind, whether sealed or unsealed, giving information, directly or indirectly, where or by whom any act or operation of any kind for the procuring or producing of abortion will be done or performed, or how or by what means abortion may be produced;

"(11) Every letter, packet, package, or other matter containing any filthy, vile, or indecent thing, device, or substance;

"(12) Every paper, writing, advertisement, or other matter representing that any article, instrument, substance, drug, medicine, or thing may, or can be used or applied for preventing conception;

"(13) Every description calculated to induce or incite a person to so use or apply any such article, instrument, substance, drug, medicine, or thing;

"(14) Every paper, writing, advertisement, or other matter representing that any article, instrument, substance, drug, medicine,

or thing may, or can be, used or applied for producing abortion;

"(15) Every description calculated to induce or incite a person to so use or apply any such article, instrument, substance, drug, medicine, or thing;

"(16) Every paper, writing, advertisement, or other matter representing that any article, instrument, substance, drug, medicine, or thing may, or can be, used or applied for any indecent or immoral purpose;

"(17) Every description calculated to induce or incite a person to so use or apply any such article, instrument, substance, drug, medicine, or thing;

"(18) Every book, pamphlet, picture, paper, letter, writing, print, or other written or printed matter of a character tending to incite arson, murder, or assassination.

"(b) When the postmaster at the place of mailing has reason to believe that any matter deposited for mailing is of any of the classes described in subsection (a), he shall (1) immediately seize and hold such matter pending the proceedings in the district court as herein provided; (2) immediately notify the sender that such matter has been detained, indicating any language, picture, print, illustration, or characteristic, which, in his judgment, constitutes a violation of this section; and (3) transmit, within 10 days from the date of such seizure, notice thereof to the United States district attorney for the district in which such seizure is made. Within 30 days from the date of receipt of such notice, such district attorney shall institute proceedings in the district court for the forfeiture and destruction of the matter seized. In the event that such notice has not been transmitted within such 10 days or such proceedings have not been instituted within such 30 days, such matter shall forthwith be delivered or returned, at the option of the sender. In any such proceedings, on demand of any party, the facts in issue shall be determined by a jury. Upon the adjudication that the matter seized is of any of the classes described in subsection (a) the court shall order such matter to be destroyed. Upon adjudication that the matter seized is not of any of such classes such matter shall forthwith be delivered or returned, at the option of the sender. The judgment of the district court in such proceedings shall be final, except that it shall be subject to review in the manner provided by law for the review of judgments of district courts of the United States.

"(c) The postmaster shall from the time of any such seizure, retain in a separate file, open to the public, a copy, duplicate, or complete description of the matter seized, together with a copy of his notice to the United States district attorney, and in the case of written or printed matter, he shall, immediately on institution of any proceedings with respect thereto, transmit to the Library of Congress, where it shall be available to the public for inspection, a complete description, or, when possible and convenient, a copy of such matter, or of that part thereof which, in his opinion, brings such matter within a class described in subsection (a). Upon the termination of said proceedings, the postmaster shall promptly cause to be placed in such public file a record of the disposition and adjudication with respect to the seized matter, and shall promptly transmit a copy of such record to the Library of Congress, where it shall be placed with the description or copy of such matter.

"(d) Whoever shall knowingly deposit, or cause to be deposited, for mailing or delivery, any matter, or a copy of reproduction of any matter, which, within 5 years prior

to the time of such deposit, has been adjudicated to be nonmailable under this section, or whoever shall knowingly take, or cause to be taken, any such matter, from the mails for the purpose of circulating it or disposing thereof, or of aiding in the circulation or disposition thereof, shall be fined not more than \$5,000, or imprisoned not more than 5 years, or both."

The memorandum presented by Mr. LANGER in connection with the bill is as follows:

This memorandum is written in connection with a proposed bill. The purpose of the bill is to provide a court review where the Government seeks to exclude material from the mails on the ground that the matter contained therein is obscene. The general pattern followed has been that provided for the Customs Bureau (title 19, U. S. C. A., sec. 1305). The proposed bill is intended to be merely an amendment to section 211a, as amended, to the Criminal Code (title 18, U. S. C. A., sec. 334) which sets forth the type of matter the Government deems objectionable and nonmailable.

The procedure now in effect entrusts arbitrary powers in the hands of one individual, the postmaster. The most reasonable remedy is a provision for libel proceedings before a jury and a civil trial of the matter which the post office seeks to bar. This method, as pointed out above, has already been established as the procedure for the Customs Bureau and has proved very effective during the 13 years since it was inaugurated.

1. Section 211a, subsections 1-18, are merely restatements in separate paragraph form of the matter at present declared objectionable and nonmailable as set forth in title 18 United States Code, Annotated, section 334. It cannot be doubted that the Federal Government in the exercise of its police powers to preserve the health and morals of the country may declare material such as described in the bill to be nonmailable.

2. Section 211b provides that court review of matter deemed to be nonmailable shall be had in the district where the matter is mailed. In general the form followed is that set forth for the Customs Bureau in title 19 United States Code, Annotated, section 1305. In order that a prompt review may be had at the least expense to the sender, it has been provided that only the postmaster at the point of mailing may intercept such matter he may deem to be objectionable and to transmit it to the local United States attorney.

A provision which would give any other postmaster this power would be bad policy, as it might entail the necessity of defending the material at a great distance from where the mailer resided. Furthermore, if any postmaster other than the one at the point of mailing should have the right to intercept the material it would lead to a multiplicity of actions. Under the present provision a decision would be had in only one place, and a ruling, consequently, that the matter is mailable would automatically become binding upon any other postmasters at the points of destination.

An important characteristic of the action here brought is that the action is brought against the material and not against the sender thereof. The reason for this is that, as in proceedings brought against matters arriving from abroad, the nature of the action is in rem and not in personam. Consequently a ruling that a certain book or publication is not obscene would be res adjudicata in a proceeding against such book or article in another place. *U. S. v. One Obscene Book* (D. C. N. Y., 1931, 48 Fed. (2) 821).

3. Section 211c has been added for historical, educational and research reasons. Under the provisions of section 211b upon

a finding that the matter mailed is obscene it is thereupon to be destroyed. No record would therefore be kept by which posterity could judge for itself the character of the matter. This provision would thereby prevent the complete destruction of what might be great masterpieces to later generations.

There is obviously no need for this provision in the section applicable to the Customs Bureau, where a similar penalty is imposed upon matter deemed proscribed by the statute. There would obviously be copies of the matter abroad which could be preserved for history. Furthermore, records of these decisions should be kept available to the public so that anyone in doubt could ascertain if a particular publication had been declared illegal.

4. The provision requiring that criminal penalties be limited to material deposited within 5 years of a civil adjudication declaring it obscene is to make the law flexible. Standards are changing so rapidly that no hard and fast rule can well be laid down. Matter condemned today is accepted next year—or it may be the other way around.

The other proposed remedies are obvious and need no argument to support them. With the exception of the 5-year provision and the requirement that records of adjudications be kept available to the public, these proposals are precisely the same as those already in effect concerning the importation of matter from abroad.

CURRENT PAYMENT OF INDIVIDUAL INCOME TAX

The Senate resumed the consideration of the bill (H. R. 2570) to provide for the current payment of the individual income tax, and for other purposes.

Mr. O'DANIEL. Mr. President, I wish all problems were as simple as the pending tax measure, House bill 2570. To me it appears to be a very elementary problem. Let us analyze it carefully. One of the greatest privileges a person can enjoy is to be a citizen of the United States. No other nation on earth offers the advantages which are found in America. It costs money for this Nation to give us the privileges and protection we enjoy, and the only way our Government has of raising that money is by taxation.

Our forefathers who set up our system of government made it so simple and so fair and honest that although one may be born in dire poverty, with no relatives or friends of prominence or influence, yet it is possible for such a citizen to rise from that abject and obscure position to a position of great wealth. Any nation which holds open such opportunities to each and every child born within its borders is certainly worthy of the cost of its maintenance.

To raise most of its money, our Government many years ago adopted a system of income taxes and has kept the system in operation ever since. Under this system every individual is permitted to engage in any lawful enterprise of his own choice for the purpose of making profit, with the full knowledge that a certain percentage of the profit shall belong to our Federal Government. Our Government is so fair and liberal with all its citizens that it permits them to continue their operations for 12 months before demanding any of its share of the profits. It then gives another 2½ months' time for each individual to figure

exactly what the profits were for the 12 months' period. After this profit determination has been made and the percentage due the Government becomes known, then our Government in its desire to be fair and reasonable grants quarterly installment terms of payment of its share extending for 11½ months after the 12-month period during which the profit is earned. On these liberal installment terms of payment, the Government charges no interest whatever.

The system is so fair that, in case no profit is made, no payments are due the Government. So I say that it is not difficult for me to know my position on this tax problem. With privileges such as these, under no circumstances would I vote for any bill which would cancel 100 percent of my 1942 income taxes, or 75 percent, or 50 percent, or 1 percent, or one-tenth of 1 percent.

When our brave soldiers and sailors return home after they shall have fought this war and shall have won the victory which will protect our profit system of enterprise, along with other great rights and privileges, they will be able to look up the record and to see that the Senator now speaking did not vote to cancel his own income tax for 1942 or for any other year, while they were away from home fighting in the war and while our Nation was in greater need of money than ever before in its history. Neither shall I vote to cancel any portion of any other taxpayer's income tax for 1942, 1943, or for any other year or fraction of a year.

While our present income-tax system may not be perfect, Mr. President, and while the rates may be exceedingly high, yet it seems to me that the system is reasonably fair and equitable. I think about the only just complaint that could be made against it is that the rates are too high. That, however, is not the fault of our tax system; that is the fault of our appropriation system. Large appropriations have been made, and our Government is in debt deeper than ever before. It needs every dollar it can get in order to pay its debts. With these conditions existing, I do not intend to vote for any bill that will cancel income-tax obligations which, under laws enacted by Congress, have already accrued.

I have heard most of the argument on this question, Mr. President, and I am not going to question the contention or argument of any other Senator. It is the undisputed right of each Senator to say what he pleases and to vote as he chooses. But I have had sufficient business experience to know that the Government's share of my income for 1942 is a just and honest debt due to the Government, just the same as my rent and grocery bills for 1942 were just and honest debts; and I do not intend to try to escape the payment of that debt merely because I have been entrusted with the right to vote on such a plan in this Chamber. If it is not fair for me to vote to relieve myself of this honest, accrued, income-tax debt, it is not fair for me to vote to relieve any other taxpayer of his honest, accrued, income-tax debt, and I do not propose to do so.

The income-tax debt is recognized as a bona fide debt, to such an extent that practically all corporations and many individuals calculate the amount due each month, and set it up on their books and financial statements as a liability, the same as they do for their outstanding bonds, notes payable, and accounts payable.

There may be some who claim that over a period of years the Government will receive as much money from income taxes if we adopt the Ruml plan. That may be true; but to my knowledge no man has yet made the statement that under the Ruml plan each and every taxpayer during the same period of years will pay exactly the same amount of taxes he would have paid under our present laws. Therein, Mr. President, lies the inequity. Some would profit materially by the enactment of the Ruml plan, and others would be forced to pay more taxes than they would pay without its enactment. I have heard nobody deny that that is the fact. Why should we enact legislation which we know is positively inequitable?

Mr. President, I have heard it said that the whole plan is to enable taxpayers to pay on a current basis. Nothing has ever prevented taxpayers from paying their income taxes currently, and nothing prevents them from doing so now. Any day since 1913 that any taxpayer had a craving to pay his income tax currently he could have tendered the money to the United States Treasury. But I have not heard of anyone pounding on the Treasury doors demanding that he be permitted to pay his income tax every month or every week or every day, currently as he earned it.

No, Mr. President; I cannot believe that very many taxpayers in this country are demanding that they be permitted to pay their income taxes currently. There may be some persons who are demanding that the other fellow pay his taxes currently, but not themselves. There may be some sound reasons why the income tax on wages and salaries should be paid at the source. That type of income is of an entirely different character, because the amount is definitely known each pay day, whereas the exact amount of net income from business or professional transactions cannot be determined until after the close of the full period which, because of seasons or other factors, covers 1 year. It would be a very simple thing to set up a system of income-tax collection which would take care of income from wages and salaries. All it would be necessary to do would be to enact legislation setting up a withholding tax collection system covering all wages and salaries. The tax money would be deducted from each wage and salary payment and forwarded to the United States Treasury and applied on the taxes due by each individual as evidenced by taxpayer's income-tax reports filed on or before March 15 covering the previous year's operations, just the same as payments are now sent in quarterly by millions of taxpayers. The withholding tax col-

lection on wages and salaries of each individual sent in during 1943 would apply on 1942 taxes, just the same as 1943 quarterly installments are now applied on 1942 income. At the end of 1943 adjustment would be made by having the individual pay the balance due or by having the Treasury refund to him any overpayment. Such a change would be a very simple, little one. It would not necessitate revamping the whole income-tax structure. It would not disturb the present Victory tax plan. It would not cancel any taxes accrued under the present laws. It would not cause anybody to pay 2 years' taxes during 1 year. It would not disturb any phase of the present system. It would only set up a weekly and monthly collection system on income taxes accruing from wages and salaries.

Mr. President, I send to the desk amendments to the pending committee amendment to House bill 2570, and ask that they be printed and lie on the desk, to be offered by me at the appropriate time for consideration. I also ask that the amendments be printed in the RECORD immediately following these remarks.

There being no objection, the amendments intended to be proposed by Mr. O'DANIEL were ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 85, line 13, after "calendar year", insert "to the extent not credited against the tax for a taxable year beginning in the preceding calendar year as hereinafter provided"; and following the amendment heretofore adopted to the committee amendment in such line, insert:

"The amount so withheld and collected during any calendar year shall also be allowed as a credit to the recipient of the income against the tax imposed by this chapter for any taxable year beginning in the preceding calendar year as follows:

"(a) If the tax so imposed is paid otherwise than by installments, such recipient may credit against such tax the amount which he estimates as the amount withheld and collected during the first quarter of such calendar year.

"(b) If the tax so imposed is paid in installments, such recipient may credit against each installment the amount which he estimates as the amount withheld and collected for the quarter of such calendar year during which such installment is paid, and for preceding quarters to the extent not credited against any preceding installment.

"(c) If the aggregate of the amount so estimated as withheld and collected during such calendar year and allowed as a credit under subsection (a) or (b) exceeds the amount actually withheld and collected during such calendar year, such excess shall, in lieu of the time prescribed in section 56, be paid on or before March 15 of the succeeding calendar year."

On page 86, strike out lines 3 to 9, inclusive, and, beginning in line 24, strike out down to and including the period in line 4 on page 87.

Beginning on page 88, line 17, strike out all down to and including the period in line 14 on page 104.

On page 104, line 15, strike out "7" and insert "5."

On page 105, line 8, strike out "6" and insert "6."

On page 106, strike out lines 3 to 5, inclusive, and, beginning with the semicolon in line 21, strike out down to and including the word "service" in line 15 on page 107.

On page 107, line 22, strike out "9" and insert "7."

On page 108, line 10, strike out "10" and insert "8."

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. O'DANIEL. I yield.

Mr. JOHNSON of Colorado. Am I to understand that the Senator's proposals do not make any change whatsoever in income tax liability?

Mr. O'DANIEL. That is correct.

Mr. JOHNSON of Colorado. And that withholding taxes collected in 1943 may be applied and are to be applied, under the Senator's plan, to the tax liability levied for the year 1942? Is that correct?

Mr. O'DANIEL. Yes; that is correct.

Mr. JOHNSON of Colorado. Let me say that I wish to read the Senator's amendments, because his proposal is a very interesting one from my point of view.

Mr. O'DANIEL. I thank the Senator from Colorado.

Mr. BYRD obtained the floor.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. JOHNSON of Colorado. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	George	Overton
Austin	Gerry	Pepper
Bailey	Gillette	Radcliffe
Ball	Green	Reed
Bankhead	Guffey	Revercomb
Barbour	Gurney	Reynolds
Bilbo	Hatch	Robertson
Bone	Hawkes	Russell
Brewster	Hayden	Scruggam
Bridges	Hill	Shipstead
Brooks	Holman	Stewart
Buck	Johnson, Colo.	Taft
Burton	Kligore	Thomas, Idaho
Bushfield	La Follette	Thomas, Okla.
Butler	Langer	Thomas, Utah
Byrd	Lodge	Tobey
Capper	Lucas	Tunnell
Caraway	McClellan	Tydings
Chandler	McFarland	Vandenberg
Chavez	McNary	Van Nuys
Clark, Idaho	Maloney	Wagner
Clark, Mo.	Maybank	Walsh
Connally	Mead	Wheeler
Danaher	Millikin	Wherry
Davis	Moore	White
Downey	Murdock	Wiley
Eastland	Murray	Wilson
Ellender	Nye	
Ferguson	O'Daniel	

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present.

Mr. BYRD. Mr. President, as briefly as I can, I wish to state to the Senate my reasons for voting as a member of the Senate Finance Committee in opposition to the pending legislation providing for 100-percent forgiveness in the payment of 1942 or 1943 income taxes. I do not believe, Mr. President, that during my experience in the Senate there has been a matter of legislation regarding which there could have been a more honest difference of opinion than there is with regard to the question we are now considering. I have reached my conclusions only after the most careful study.

I favor a pay-as-you-earn tax-collection plan. I favored such a plan when the last tax bill was adopted. At that time I offered an amendment in the Senate Finance Committee providing for a withholding tax of 15 percent, combined with a 1-year reduction in the proposed income rates which were then under consideration but had not been made effective sufficiently to lessen the impact of the collection of a withholding tax so as not to place any considerable hardship upon those who would be required to pay the withholding tax at the source. My amendment was defeated by one vote in the Senate Finance Committee. Had it been adopted, it is my belief that 80 percent of the taxpayers would now be on a current basis. The problem of now accomplishing a 100-percent pay-as-you-earn tax collection would have been greatly simplified.

There is a mutuality of interest in the proposal. It is of great interest and importance to the Treasury, as well as the Government as a whole, that taxes be placed on a pay-as-you-earn basis. I frankly admit that and acknowledge it. But it is even of more importance to the taxpayer that the collection of his tax be placed on a pay-as-you-earn basis. I believe, Mr. President, in view of this joint interest, that there should be a contribution on both sides in order to bring about a condition which would be desirable to both the taxpayer and the Government.

The plan as reported by the Senate Finance Committee, which I voted against, provides for a 100-percent tax forgiveness for 1 year, less the recovery that would be effected through anti-windfall provisions, which I will later discuss.

While I favor the pay-as-you-earn plan of tax collection, combined with such forgiveness as may be necessary to place this plan in operation without excessive hardship, I am unable to vote for a 100-percent forgiveness plan which is certain to result in the years to come in a very substantial loss to the Treasury by a cancellation of taxes on those who are able to pay, many of whom, in fact, have the actual cash in bank now to pay the tax thus forgiven.

If this able-to-pay class of our citizens desire to be placed on a pay-as-you-earn basis, they should be required to pay into the Treasury such an amount of their forgiven taxes as will be a substantial part of the tax which will be canceled.

Many citizens have been led to believe—and the statement has been made in the Senate—that the 100-percent-forgiveness plan will result in no actual loss to the Treasury. By some method of financial juggling taxpayers would be forgiven \$3,500,000,000 of accrued taxes, and the Treasury would not suffer any loss.

A study of the matter should convince anyone that such would not be the case. If the 1942 or 1943 income taxes are canceled, abated, or forgiven, the result will be that a tax liability to the Government will be canceled. No one can deny it. It would be, in effect, a cancellation of a debt owed by the taxpayers to the Government.

It is, of course, true that this loss to the Government would not appear immediately, but it would diminish the tax revenue gradually in the years to come, so that ultimately the tax cancellation would be reflected in reduced Government revenue.

The effect of canceling 1 year's taxes would be to confer a gain on every taxpayer equal to his tax liability on his income. In the long run that gain would reflect itself in 1 year's less taxes to pay. In the short run that gain would reflect itself in the wiping out of a debt owed by the taxpayer, thus increasing his net worth.

By canceling the tax liability of all citizens on a 100-percent basis for 1 year, which, after allowance is made for the two windfall provisions, amounts to eight and one-half billions of dollars, under three conditions, which I shall discuss, there will be a direct forgiveness to the individual taxpayer and a direct loss to the Treasury by reason of this cancellation.

First, under the present law when a taxpayer dies, his estate must pay an accrued year's income taxes. Under the 100-percent forgiveness plan such accrued taxes are canceled, and, therefore, the Treasury loses. The taxpayer may spend it or lose it or give it away. There is a recoupment, assuming that the tax thus forgiven is not expended or given away and remains intact as a part of the estate, but this recoupment is not nearly sufficient to compensate the Treasury for the cancellation of 1 year's taxes.

Take, for example, an estate valued at \$100,000 before the forgiveness of 1 year's taxes occurred. Assume then that this taxpayer earned in the year of forgiveness \$460,000, and that all of this was kept intact during the remaining life of the taxpayer and was added in full measure to the estate. Under this situation a \$100,000 estate would normally pay an estate tax of \$4,800, inasmuch as \$60,000 as we all know, is exempted. If \$460,000 be added, making the estate \$560,000, the total tax would then be \$145,700, or an additional \$140,900, as compared to the \$460,000 of the tax forgiven. Therefore, in this instance the actual loss to the Treasury would be \$319,100, or 69.4 percent of the amount forgiven. That is to say, in this instance, the taxpayer and his estate would benefit to the extent of \$319,100.

Then take, for example, an estate of \$560,000 before forgiveness, and consider that \$250,000 was forgiven. Assume that this was kept intact during the lifetime of the taxpayer and added to his estate, making a total estate of \$810,000. In that instance, the taxpayer would be required to pay \$145,700 on the estate of \$560,000 before forgiveness and, after adding the \$250,000 forgiveness, making an estate of \$810,000, he would pay an additional \$37,500, but he would be forgiven \$250,000, which would represent a loss to the Treasury and a gain to him. In that instance, the Treasury would lose 65 percent of the tax and the taxpayer would make a corresponding gain.

Take, for example, an estate of \$60,000 with a forgiveness of \$10,000 in taxes. In that instance, the Treasury would lose 95 percent.

So, Mr. President, this provision which it has been claimed would compensate the Treasury by the tax forgiveness will do so only in small measure. In the cases cited I do not think anyone can deny the loss that will fall upon the Treasury.

Let me discuss other concrete examples under the second class of benefits to the taxpayers. The second definite condition when a taxpayer gains and the Treasury loses will be when a taxpayer received a regular and constant revenue and then suddenly, for one cause or another his revenue stopped. I will give some concrete examples.

Take a taxpayer who had a constant revenue of \$1,000,000 beginning in 1938 and continuing up to and including 1944, and then this revenue ceased, perhaps because the property which paid the investment revenue may have become bankrupt, or because of the failure of his investments otherwise, or because of changes in the business situation in the country, or he might even have given away his estate in which event he would pay only a gift tax. But, whatever the cause may have been, assuming that the \$1,000,000 income he had been receiving suddenly ceased, in that case he would be relieved of a tax of \$854,000 in the event that his 1942 tax was the one which was canceled, because, under this proposal, the accrued taxes are canceled, and, that being the case, of course any cessation of revenue would result in a loss to the Treasury.

In the case of a \$500,000 constant income in the period from 1938 through 1944, if this income suddenly ceased, which could happen from one of several causes, the taxpayer would gain and the Treasury would lose about \$414,000.

Under the same conditions, in the case of a tax income of \$250,000, which suddenly ceased from one cause or another, the Treasury would lose and the taxpayer would gain about \$194,000. In the case of a \$100,000 income the loss would then be about \$64,060; in the case of a \$50,000 income the loss would be \$25,328; and in the case of \$20,000 income the loss would be \$6,452. Of course, the reason for this loss is that the accrued tax liability is canceled. Therefore, immediately when a taxpayer ceases to earn he realizes the benefit of the tax cancellation and the Treasury loses by reason of canceling the accrued tax liability. There is no windfall proposed or included in the bill which will reach this situation. It will undoubtedly occur in many instances. It may pay a man, for example, in anticipation of death, to give away his estate, and pay the gift tax only. Thereby he could save under the Ruml plan 1 year's taxes, less what he would pay in the gift tax; and let us remember that the gift taxes are 25 percent less than the estate taxes; that a taxpayer is permitted to give away \$3,000 each year, and if he has five children he could give away \$15,000 without taxation, with a lifetime exemption of \$30,000.

Take, for example, a taxpayer who had a constant income of \$10,000 in the 5 years from 1940 to 1944, but in 1945 had no income, what would be the result? This taxpayer, under the present law, would pay \$8,289 by the payment of 5

full years of taxes. Under the Ruml plan, this taxpayer would pay \$6,127, or 4 years' taxes. That is to say, he would not pay the tax currently for the year 1945 when he ceased to earn. Under these conditions, when a taxpayer who has been earning a current income suddenly stops earning, the Government will unquestionably lose 1 year's taxes. I may remind the Senate that this situation is very apt to occur in the readjustment period after the war.

Then take, for example, a taxpayer with a \$10,000 income in 1940, 1941, and 1942, falling to \$3,000 in 1943 and \$6,000 in 1944, and with no income in 1945. Under the present law, such a taxpayer would pay a total of \$6,509 and only \$4,537 under the Ruml plan, representing a loss to the government of \$2,154. In this case, the taxpayer would pay 5 years of taxes, under the present law, and only 4 years under the Ruml plan.

Take another example, a taxpayer with a \$10,000 income in 1940, 1941, and 1942, rising to \$15,000 in 1943 and \$20,000 in 1944, with no income in 1945 would pay a total of \$14,489 in taxes under the present law, and only \$12,337 under the Ruml plan, a difference of \$2,152, the amount of the tax canceled on his 1942 income of \$10,000.

From these three cases it must be absolutely clear that tax cancellation eliminates 1 year's tax payments in these instances. In all three cases, the taxpayer would pay 5 years' taxes, under the present law, and only 4 years' under the Ruml plan.

Then take, for example, the income of a Senator—my own case, for example. For the year 1940 I earned \$10,000 because of my salary as a Senator, as I did in 1941, 1942, 1943, and 1944. Then, suppose that my term ceased by death, by resignation, defeat, or otherwise. I would then save \$2,152 unless my Senate salary were augmented by some other form of income.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. TAFT. Would not the Senator assume that if he should cease to become a Senator he would probably make more money the following year than he did while he was a Senator?

Mr. BYRD. That is, of course, a possibility.

Mr. President, the third specific condition under which the taxpayer gains and the Treasury loses, and the one which, in my judgment, will result in the greatest gains to the taxpayer and the greatest loss to the Treasury is that after the war, when the prosperity created by the expenditure of the vast sums incident to the war shall have come to an end and we must readjust and reconstruct the business economy of this country on a greatly reduced basis, we will have a level of individual income much lower than it is today. That, I think, is inevitable. It is then that the taxpayers will gain the largest amounts and the Treasury will lose most heavily at a time when it can least afford to lose. For example, let us assume that an executive had a constant income of \$100,000 beginning in 1938 and

continuing throughout the war period, but in the readjustments incident to the post-war conditions his salary was reduced to \$50,000 as a constant salary.

In that case this particular taxpayer would save \$36,955 immediately, when the reduction occurred, and would save the remainder, or at least a part of the remainder, of \$64,060 at death, less whatever additional estate taxes would be assessed against his estate.

We must remember, Mr. President, that it is proposed that we cancel the taxes on one of the two highest incomes this Nation has ever enjoyed, or perhaps ever will enjoy, either the 1942 or the 1943 income. It is perfectly possible that we will never enjoy an income in this country equivalent to the income of 1942 and 1943. Yet it is proposed in this pending measure that we cancel the taxes of one of those years.

It is estimated that the national income in this country in 1943 will reach the enormous figure of \$140,000,000,000 as compared with \$79,000,000,000 in the prosperous year, so-called, of 1929, and it is proposed that we cancel the taxes on whichever income is the lower, that for 1942 or 1943.

In the same situation, let us take a man with an income of \$1,000,000 which is reduced to \$500,000 by reason of the changed conditions in the post-war period. That man will have a net saving immediately, when the reduction occurs, of \$414,000, and the balance of \$852,000, less the additional estate taxes his estate may be assessed.

Of course, I recognize the great advantages of a pay-as-you-earn plan, and I realize that consideration should be given to the benefits which come to the Government as well as to the taxpayer. But the benefits are much more to the taxpayer than they are to the Government, and under the proposed legislation the Government would stand 100 percent of the loss that will occur to the Treasury and the taxpayer would stand none.

If Congress wants to cancel these taxes, and thinks it is an advisable thing to do in order that we may be put on a current basis, then let us come out frankly and tell the people of this country that taxes on those who are able to pay, who have the money in bank to pay, are being canceled, without requiring of them any substantial payment in order to obtain the advantage to the taxpayer of going on a current basis. Whatever may be the decision in regard to the proposed legislation, certainly the people of America should understand that this is a tax-cancellation proposal, and that there would be a benefit to the taxpayer, and a peculiar benefit to those who had the money in hand and were able to pay these taxes.

I recognize that perhaps no legislation has been proposed in Congress for many years that had the popularity back of it the so-called Ruml plan has today, but I do not believe the people of this country fully understand what would be the effects and what are the implications of the passage of a bill providing for 100-percent tax cancellation, and I make the

prediction that when they do understand it, when they become fully conscious of it, this 100-percent cancellation will not receive the commendation many think it has today. At this time, when the Nation is faced with the most colossal expenditures in its history, we should hesitate a long time before we cancel taxes which are accrued and owing to the Government, which are just as much a debt as if I were to give my note at my bank, when there is just as much reason for me to pay my accrued taxes as to pay a bank note. We should give consideration to the loss which will occur to the Treasury if we cancel those taxes, and give consideration, too, to the distribution of the benefits to the taxpayers.

Mr. President, let me make this prediction, that if the bill shall be passed in its present form, canceling 100 percent of tax liability, an aggregate of eight and a half billion dollars, before the ink is dry on the signatures of the presiding officers of the two Houses the President of the United States and the Treasury of the United States will call upon the Congress to increase the existing tax rates in proportion to the cancellation and forgiveness we extend to the taxpayers under the bill. If that should occur, if there should be an increase in the rates, which are already exceptionally high in many instances, then the so-called benefits to the taxpayer would quickly sink into complete oblivion, and most taxpayers would be injured rather than benefited.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. DANAHER. Does the Senator feel that if there should be no cancellation, and if the bill should be rejected, the President and the Treasury would not still ask for an increase in tax rates?

Mr. BYRD. I think the Senator knows I am not in the confidence of either the President or the Treasury. I do not think it is necessary for him to ask me that question.

Mr. DANAHER. The Senator had intimated as much in his previous remark.

Mr. BYRD. I said that it was my prediction, and it is my prediction. As to what amount of forgiveness should be granted, that is difficult to state. If the Senator wants my personal opinion as to the amount of forgiveness, I think a 50 percent forgiveness would be fair, 50 percent forgiven by the Government and 50 percent by the taxpayer, in order to put in operation a plan which would be mutually beneficial both to the Government and to the taxpayer.

Mr. DANAHER. Will the Senator yield further?

Mr. BYRD. I yield.

Mr. DANAHER. I did not ask the Senator's personal opinion of the rate of forgiveness. What I asked was the Senator's prediction, if he chooses to give it, as to whether or not there is and will be need for an increase in the tax rates, irrespective of whether we pass the bill or reject it.

Mr. BYRD. I could not answer with respect to the attitude of the Treasury

and the President, because I am not in their confidence. I believe firmly that if the proposed cancellation is made on the basis of 100 percent, all the loss being on the Government, none of it being paid by the taxpayer, there will be a demand upon Congress to make good the loss.

Mr. DANAHER. On the basis of the Senator's prediction with reference to a 50 percent abatement—or forgiveness, to use the Senator's word—is it his prediction that the tax rates will have to be increased only 50 percent if we have a 50 percent abatement?

Mr. BYRD. I think the force of the argument for an increase of taxes will be much less effective on a 50-percent basis of cancellation than on a 100-percent basis of cancellation, if that is an answer to the Senator's question.

Mr. VANDENBERG. Mr. President, let me pursue that thought for a moment, because I am very much interested in the Senator's prophecy about the Treasury's attitude. I will concede to him that the Treasury will take advantage of every possible prejudicial opportunity it can fabricate out of this situation, because it has done so for weeks and months. Does the Senator think, however, that if we were to pass the bill as it came from the House, which now, I understand, has the quiet acquiescence at least, of the Treasury—perhaps it is an acquiescence which is purely strategic, and based solely upon its inordinate desire in this unique instance to be sure that all the taxpayers of the United States are not treated equally—does the Senator think that the Treasury would be bound by that acquiescence not to use this excuse still to ask for an additional compensating tax to offset the loss incidental to the George substitute?

Mr. BYRD. An answer to the inquiry would be purely an opinion on my part. I do not know whether the Treasury would or would not, but as a member of the Senate Committee on Finance, and as a Member of the Senate, I will say that a proposal made by the Executive to increase taxes would be much less impressive to me on a 50-percent or a 75-percent cancellation basis than on a 100-percent basis.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. DANAHER. If it should develop that the Treasury would in fact lose nothing by way of income for the year 1943, would the argument that we should increase the tax rates still impress the Senator?

Mr. BYRD. That is an assumption which I do not concede. It may be true for 1943, but not for future years.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. GEORGE. The Senator from Virginia is discussing the reduction of the 1942 liability by 50 percent, let us say, or 75 percent. It seems to me to be perfectly clear that a reduction by 75 percent of the lesser of 1942 or 1943 tax liability on individual income-tax payers would almost of necessity result in the

stabilizing of the individual income taxes, at least during the next 2 years, and might be carried to the next 3 years, because under the proposal I am making there is added the 25 percent to the taxes of the next 2 years; that is 12½ percent due in March 1944 and 12½ percent due in March 1945. I do not think there would be any real danger that individual income taxes could be raised with that added burden on the taxpayer, but no one can pledge what he will do in a war situation like this. There would, it seems to me, be no chance, however, to increase the individual rates.

Mr. BYRD. The Senator from Georgia is of the opinion that if, for example, a 75-percent tax cancellation were adopted and the other 25 percent spread over a period of 2 or 3 years, that would, to a large extent, safeguard those particular years from a general increase in taxes? Is that true?

Mr. GEORGE. Yes.

Mr. VANDENBERG. May I ask the Senator what the difference is between that and the situation which the Senator prophesies, namely, that if we pass this bill, we then may confront an increased tax recommendation from the Treasury? The very bill proposed by the able Senator from Georgia would increase everyone's income tax 12½ percent next year, and 12½ percent the following year, and I do not think that even the Treasury, in the midst of its wildest delusions, would recommend a larger increase than that in a subsequent tax bill.

Mr. GEORGE. Mr. President, if I may answer the distinguished Senator, I will tell him that there is a considerable difference. In the first place it is merely carrying over 25 percent of a fixed 100-percent liability. That is one difference. In the second place it is not an increase in the tax rates. Put the tax rates up and see how long it will take to get them down. They will not be lowered in 2 years. This liability can be carried over, however, and when that liability is discharged we will be back at least on the present high rate under which the country may have to live for a good long time.

Mr. VANDENBERG. If the Senator will permit me—

Mr. BYRD. I yield.

Mr. VANDENBERG. I will say that I agree with the able Senator from Georgia that there is a difference between a specific addition to the tax which terminates within 2 or 3 years as compared with an increase in rates, but so far as the poor taxpayer is concerned it hurts him just as much to pay 12½ percent increased tax next year even if he has a copy of the able Senator's statement before him to assuage his feelings.

Mr. GEORGE. Mr. President, I grant that, yes, but this is a war burden, and I do not think it is unduly burdensome for any man to pay this 25 percent and his regular tax out of 2 years' income. If the present rates are livable at all, if we can exist under them, certainly with 2 years' income we ought to pay an additional 25 percent. I know the

payment is high, but I agree with the philosophy announced by the Senator from Virginia [Mr. BYRD], to this extent at least, that tying in of the tax liability with the earnings as they are produced is a benefit to the Government and a benefit to the taxpayer. I believe that whatever is a benefit to the taxpayer is of course and necessarily a benefit to the Government. But I think there is a fair middle ground on which it ought to be possible to make the adjustment on a basis that will actually guarantee that the taxpayer will become current in his tax payment without throwing all the loss upon the Treasury at this time. Therefore I suggested that at least 25 percent of the 1942 tax, subject to the just windfall provision in the committee bill, ought to be collected. I think that on reflection few Senators will fail to agree that that is the sounder and better policy to pursue.

Mr. BYRD. Mr. President, I think the Senator from Michigan likewise overlooks the fact that the cancellation of 75 percent of tax will in many instances confer benefits on the same class of citizens who have to pay the additional 25 percent. There is no question about that. It is far better to have a temporary increase in payment of tax in order to discharge a debt which one owes the Government, than to have a general increase in tax rates.

Mr. VANDENBERG. That may be so as a matter of technique, but I wish to repeat, and then I will not interfere with the Senator's argument any further—

Mr. BYRD. I do not object to interruptions, I will say to the Senator.

Mr. VANDENBERG. I repeat that I am not impressed by the threat that if there is a 100-percent cancellation of the tax for the lower of these 2 tax years, the inevitable result will be a Treasury recommendation for further increases in taxation by way of compensation for the cancellations, because I see very little difference as respects the cash situation of the taxpayer himself between the Senator's proposition, which is not to cancel entirely but only partially to cancel, so that the taxpayer then has to pay the addition, which is a new and extra tax, and the subsequent creation of a new assessment of an equivalent amount.

Mr. BYRD. Does not the Senator recognize that under the George plan the taxpayer is paying 25 percent to cancel an obligation of 100 percent?

Mr. VANDENBERG. Yes; and I also realize that if the bill is passed 99 taxpayers out of 100 will pay more taxes this year than they would if the bill were not passed.

Mr. BYRD. That is not true of 1945 and 1946 and of future years.

Mr. VANDENBERG. It is true of 1944 and 1945 if the report of the committee is to be relied upon, and the report of the committee was presumably drawn by experts.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. TAFT. The Senator is assuming that income is going to go down in 1944, 1945, and 1946?

Mr. BYRD. No; I said it was going down in the post-war period.

Mr. TAFT. Exactly. But the time will also come when it will go up, and the Senator must realize that under the pay-as-you-go plan, when the national income is raised—

Mr. BYRD. Does the Senator from Ohio think that we will have a higher permanent national income in the future than we have now?

Mr. TAFT. I think undoubtedly 20 years from now the income of this country will be greater than it is even today, if the Senator wishes to know my opinion, and it is only an opinion. My point is that when income goes up the Government receives its tax money more quickly, because the Government receives the increased income immediately that year, than it would the following year.

Mr. BYRD. The Senator does not share the view of many, then, that after the war there will be a readjustment and a period when incomes are declining?

Mr. TAFT. Certainly. I am only saying that—

Mr. BYRD. That is the time when the taxpayers under 100 percent forgiveness will get the benefit.

Mr. TAFT. We must also think of the period in the future when incomes are going up, and in those periods the Government every year will receive more money than it would receive otherwise. So I do not think the Senator can base his argument on the assumption of what will happen 20 years from now.

Mr. BYRD. Twenty years from now many present taxpayers will have passed on.

Mr. TAFT. I am looking at the situation from the point of view of the Government, not at the moment from the point of view of the taxpayers.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. WILEY. I am not a member of the Finance Committee, as Senators know, and I must say that I have not had time thoroughly to study the problem. There seems to be a controversy with respect to the fundamental issue, namely, how much money will be obtained by the Treasury. The public generally has derived the idea that there is to be what is called a cancellation or a rebate. I have heard it said on the one hand that under the proposed plan, if it becomes law, there will be just as much money paid in 1943 into the Treasury as there will be if the proposed legislation is not passed. Some persons say more money will be paid in. It seems to me we are begging the question. Some say there will be a loss of \$9,000,000,000. If the money goes into the Treasury, when is it lost?

The loss is going to happen sometime in the future. When? It cannot happen if the incomes go up. As I understand the situation, it can only happen when the individual taxpayer either loses his income or dies. If he dies in

the middle of the year, his estate must pay the income on what he earned in the preceding 6 months, and must pay the estate tax besides. If the toboggan—I am speaking of the economic toboggan—goes down and the income of the country declines, there will be a corresponding benefit to the poor taxpayer. That development may result in not so many businesses or so many estates becoming bankrupt; and it seems to me that is an argument on the other side.

However, what I cannot understand, let me say to the Senator, and what I wish he would explain to me, is how he arrives at the \$9,000,000,000 loss. The Senator assumes, apparently, an income of \$140,000,000,000, of which \$100,000,000,000 is in salaries and wages.

Mr. BYRD. Let me explain to the Senator that the \$9,800,000,000 loss is from the cancellation of the tax liability.

Mr. WILEY. Well, that is begging the question.

Mr. BYRD. It is not begging the question at all, because that is what we would be doing. We would be canceling a tax liability of \$9,800,000,000, less the recoupment from the so-called windfall provisions. That is the whole issue. That is not begging any question at all, as I see it; that is what we would be doing.

Mr. WILEY. When the Senator says "the tax liability," he is asking that out of \$140,000,000,000 income, \$100,000,000,000 of which is in salaries and wages already earned, we would collect the income the Senator claims is proposed to be canceled; and yet for 1943 it is said—and the Senator does not seem to deny it—

Mr. BYRD. I do not deny it for 1943.

Mr. WILEY. We would get more money into the Treasury in this way than we would otherwise.

Mr. BYRD. But what the Senator does not—

Mr. WILEY. Comprehend is the word, yes.

Mr. BYRD. I do not say "comprehend."

Mr. WILEY. Yes, that is the word.

Mr. BYRD. That what is done is to cancel the previous tax liability. If everyone continued to live and if every taxpayer continued to earn exactly on the basis on which he was earning when his income taxes were canceled, there would be no loss to the Treasury. But that will not happen.

But I did say—perhaps the Senator from Wisconsin was not in the Chamber at the time when I commenced my remarks—

Mr. WILEY. I was here, and heard all the Senator's remarks.

Mr. BYRD. I gave concrete illustrations whose applicability cannot be denied. I had them checked by the joint committee tax experts and the Treasury experts; and they agree—and when they agree I think they are correct, because usually they do not agree—that the money will be lost. Suppose the taxes for 1942 are canceled. That money is already due the Government; the income upon which it is based has already been earned. The proposal is that the highest

tax—either the 1942 or the 1943 tax—shall be paid, and that the lowest tax shall be canceled.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. OVERTON. Let us suppose that during a normal year the income of taxpayer A is \$100,000, that in 1942 his income has been \$1,000,000, and that in 1943 it is \$500,000. Will the taxpayer pay a larger tax under the committee plan or under the plan of the Senator from Georgia?

Mr. BYRD. I should prefer to have the Senator from Georgia answer that question; but I assume that the taxpayer would pay a larger tax under the plan of the Senator from Georgia, which cancels 75 percent, as compared to 100 percent.

Mr. OVERTON. I do not agree with the Senator. I should like to have an explanation. Let us assume that the normal income of taxpayer A during the years set forth—

Mr. BYRD. Does the Senator mean during the base years?

Mr. OVERTON. Yes; let us assume that his normal income is \$100,000 or \$50,000 or \$5,000; it does not make much difference about that. Let us assume that in 1942 his income is \$1,000,000, and in 1943 it is \$500,000. Under the committee plan will taxpayer A pay a larger tax in 1943?

Mr. BYRD. That is under the second windfall provision; I did not understand what the Senator meant.

Mr. OVERTON. Let me put the question categorically: Under the amendment proposed by the committee, would not taxpayer A pay a larger tax to the Government than he would pay under the plan of the Senator from Georgia?

Mr. BYRD. That is true. As I understand the Senator's question, the answer is as follows: In the base period, which is the years 1938, 1939, and 1940, if the particular taxpayer had an income of \$100,000, and then later had an income of \$1,000,000, he would pay a tax on \$1,000,000, plus the difference between \$100,000 and \$1,000,000, plus \$10,000.

Mr. OVERTON. That is correct.

Mr. BYRD. Under that provision, the taxes the particular taxpayer would pay would amount to more than his income for that year; but that situation, let me say to the Senator, would apply to only a very small proportion of the taxpayers.

Mr. OVERTON. But the trouble is that that small proportion relates to the profiteers in 1942.

Mr. BYRD. Not necessarily so, let me say to the Senator.

Mr. OVERTON. Why not?

Mr. BYRD. A man who was not in business in 1938, 1939, and 1940, but who in 1942 or 1943 was engaged in some business entirely disconnected from the war, and had an income of \$100,000 in 1942 or 1943, would have practically to double his taxes in 1 year, although he had no war contracts at all.

Mr. OVERTON. Let me observe that that possibility is too remote to appeal to the Senate. We are dealing with the normal cases and the usual cases.

Mr. BYRD. Then, does the Senator think that today everyone who is making more money than he earned in 1938, 1939, and 1940 is making it out of war profits?

Mr. OVERTON. Not necessarily so.

Mr. WILEY. The national income has gone up.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. McFARLAND. Let me ask whether the so-called windfall would not work as a discrimination against certain persons?

Mr. BYRD. It would.

Mr. McFARLAND. For instance, take the case of two college boys. Let us say that when one of them graduates from college he starts playing baseball, and is paid \$20,000 in 1940, and earns the same amount in both 1942 and 1943. Under the so-called Ruml plan, which the committee has endorsed, he would pay a tax of \$7,531. The boy who graduates from college in 1942 and starts earning \$20,000 a year, and earns \$20,000 a year in 1942 and in 1943, would pay to the Government \$12,286. Let me ask the Senator if he thinks such a situation is fair to those two boys?

Mr. BYRD. Mr. President, I think there will be many very unjust discriminations under the second windfall provision proposed by the committee, unless we assume that every dollar of income now earned comes from war profits, because the plan proposed by the committee is based upon the base period of 1938, 1939, and 1940. The difference is taken between that income and the income canceled, and an additional tax is then assessed. If I thought that procedure would result in an adequate plugging up of the loophole, my opposition to the 100-percent provision, of course, would be greatly lessened, if not entirely eliminated. But it would not have that effect. Instead of that it would create any number of hardships for innocent persons—those who have had or who will have nothing to do with the making of war profits during the war period.

The amount of the forgiveness, abatement, or cancellation, whatever we may choose to call it, under the Ruml plan as reported by the Senate Finance Committee is \$9,800,000,000. The two so-called windfall provisions will recoup this loss to the extent of \$1,300,000,000—\$900,000,000 by the first windfall and \$400,000,000 by the second windfall—leaving a net cancellation of tax liability of \$8,500,000,000.

It is absurd, in my judgment, to believe that this cancellation of taxes will not ultimately result in a loss of revenue to the Federal Treasury.

As has been pointed out, this loss is not compensated by an increase of the taxpayer's estate, because the gain to the taxpayer by the forgiveness of his accrued taxes may have been spent or given away in the meantime. The estate may not be large enough to be taxable, and, in fact, the income-tax rates bear no necessary relation to the estate-tax rates, so that even if the estate is subject to an estate tax, the loss from the cancellation would be only partially recaptured. The same situation can apply as a loss to

the Treasury when a taxpayer retires or ceases to make money. If we could all live indefinitely, if our incomes would continue on a regular and steady basis, then the loss would not be significant; but the fact is, of course, that some day every taxpayer will die, and it is very probable that following the war there will be a general reduction of incomes, which will immediately occasion a loss to the Treasury by the cancellation of the accrued liability.

The first windfall provision, which would recoup \$900,000,000, provides that the cancellation of taxes shall be on the lower of the years 1942 and 1943. That is to say, if the 1943 tax is higher than that for 1942, then the lower of the 2 years will be canceled, and the taxes will be paid on the higher year. We must not overlook the fact that to forgive all the 1942 or 1943 income tax would be to cancel one of the highest income taxes in all history. It is not likely that the average citizen of this country will have a higher income than he received during one of those 2 years. That is my personal opinion. Others might differ with me.

It follows that the higher the income tax that is canceled the greater the actual forgiveness is to the taxpayer and the greater the loss to the Treasury.

The second antiwindfall provision in the pending bill would recover to the extent of \$400,000,000, but this antiwindfall provision would be applied in a manner which would work a great hardship and distress upon many classes of citizens engaged in productive nonwar business. It would not prevent 100-percent forgiveness to couponclippers and others who had a regular and steady income throughout the years 1938, 1939, and 1940, and who would pay nothing on their accrued tax which this legislation will cancel.

This antiwindfall provision provides that a taxpayer can select one of the three years 1938, 1939, or 1940 to be subtracted from the income of 1942 or 1943, and then the taxpayer will be compelled to pay on the difference between the year he selects and the high year of 1942 or 1943. This will be added to his current taxes and will result in many instances in an inequitable increase as compared to other taxpayers who receive complete forgiveness. For example, if the taxpayer had no income or was not engaged in business in one of the years 1938, 1939, or 1940, he would pay a double tax in 1 year less the taxes on a deductible amount of \$10,000. The purpose of this amendment is explained by its advocates as being a provision to collect war profits. There is no Member of the Congress who is more anxious than am I to prevent war profits in the first instance and to collect a full proportion of taxes on such profits; but this provision does not necessarily apply to those who are engaged in work for their Government or who have war contracts for their Government; it applies to all citizens and will result in many discriminations and unjust hardships.

We have legislation now which provides for the renegotiation of war contracts, with arbitrary power on the part of the Army and Navy to reduce the cost

of contracts when excessive profits are involved.

As the Ruml plan does not apply to corporations, this provision then is applicable only to individuals, while perhaps 90 or 95 percent of all the war contracts are held by corporations. Therefore, this provision cannot be effective in the reclaiming of war profits.

I want to call attention, Mr. President, to the fact that under the present tax plan, after \$100,000 is earned, the Government takes in taxes at least 90 percent. For example, on a \$500,000 net income, the present tax is \$442,362.58. On a \$1,000,000 income, the present tax is \$900,000. This provision will result in assessing in 1 year taxes in excess of the taxpayer's income.

If a man were retired from business and obtained all his income from business by clipping coupons, and he had a steady income during 1938, 1939, and 1940, the antiwindfall provision would not recover a single cent from him. On the other hand, if a person went into business and happened to make a profit, he would have a tremendous tax imposed on him.

Please understand, Mr. President, that I am not in any way advocating any provision which would not recoup to the fullest measure any excess profits made by war profiteers in this great emergency. However, we already have an income tax which takes \$900,000 out of a \$1,000,000 income, so there cannot be any great war profiteers under that tax. We have enacted legislation to renegotiate contracts, which I have supported with great pleasure.

I am prepared to support any and all measures which will prevent unjust or unreasonable profits by war profiteers. However, as I see it, this provision would not reach the situation. How can anyone justify this provision when a man of great wealth, who obtains his revenue, as I have said, from investments, is not required to pay a single dollar for the year's tax which is canceled? Because there was no variation in his income during the years 1938, 1939, and 1940, as compared with the year which is canceled, not a single dollar would be recouped from him under this provision.

Mr. President, if the Treasury of the United States were in a sound and affluent condition, if we had unobligated balances in our Treasury, if your debt were nominal, if we were not faced, as we are, with the most colossal expenditures in all history, there would be nothing improper or unwise, perhaps, in extending as a gift to the people of America the cancellation of 1 year's taxes. But our condition today is exactly the reverse. We are engaged in a bitter war, the most costly the world has ever seen. Not only must we arm ourselves and produce munitions of war to an extent never before even contemplated, but we have undertaken obligations, under the lease-lend policy, to produce and furnish unlimited supplies of war matériel to our allies, certainly without any assurance as to immediate repayment, and, in fact, without any assurance of ultimate repayment.

In the coming year the expenditures of the Federal Government for all pur-

poses are estimated to be \$110,000,000,000. The revenue derived from present taxes is estimated to be about \$30,000,000,000. We are therefore paying out of current revenue less than 30 percent of the total expenditures of our Government. Is this any time to forgive, to an extent greater than may be necessary, taxes which have already been accrued to the Government?

Taxes represent a debt owing from the citizen to his Government. On May 10 the Federal debt was, in round figures, \$138,000,000,000. It is my conviction, Mr. President, that before the Budget is again balanced we shall be fortunate indeed if the Federal indebtedness does not exceed the astronomical figure of \$300,000,000,000. I say this because we have unexpended appropriations—that is to say, appropriations which have been made by Congress and not yet disbursed by the departments—of \$120,000,000,000. Congress has appropriated \$120,000,000,000 which is now to the credit of the various agencies of the Government, but unexpended; and day by day we are asked to add to this vast total by making additional appropriations. Day by day we are adding to these unexpended balances so that if we add even to the present debt of one hundred and thirty-eight billions the unexpended balances already appropriated of one hundred and twenty billions, we will have a total of two hundred and fifty-eight billions, less, of course, the taxable revenue.

Many of the appropriation bills included in the Budget presented by the President, which will add greatly to these unexpended balances, have not as yet been acted upon by Congress.

Mr. WILEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Virginia yield to the Senator from Wisconsin?

Mr. BYRD. I yield.

Mr. WILEY. I have understood that the Senator is in favor of the pay-as-you-go plan. If there were no forgiveness, would that mean that the taxpayer would have to pay 2 years' taxes in one?

Mr. BYRD. I am sorry the Senator has not listened to the Senator from Virginia, because I have never made such a suggestion. In response to direct questions, I have said that I am willing to cancel 50 percent of the tax liability because I recognize the fact that it is an advantage to the Government to place the collection of income taxes on a pay-as-you-earn basis. It is of advantage to the Government to have a withholding tax. However, I say that the taxpayers who are benefited by the 100-percent forgiveness should pay a fair share of that benefit into the United States Treasury.

Mr. WILEY. Now will the Senator answer my question? Let us assume that that is not decre. I did not mean to irritate the Senator. I think the question was fair.

Mr. BYRD. The Senator does not irritate me at all. The Senator assumed that I favored collecting 2 years' taxes in one. I have never said anything which would suggest that I favor such a course.

Mr. WILEY. I did not say that the Senator had. I assumed that the Senator was in favor of the pay-as-you-go plan. Am I mistaken in that assumption?

Mr. BYRD. I favor the pay-as-you-earn plan.

Mr. WILEY. If the Senator favors the pay-as-you-earn plan, I ask him whether, if there were no cancellation, it would not mean the payment of 2 years' taxes in one?

Mr. BYRD. Of course, that is true, but that is not what I favor.

Mr. WILEY. I am trying to get to the bottom of this question from the standpoint of the taxpayer.

Mr. BYRD. It can be done in one of two ways, as the Senator knows. The Senator has as much intelligence as I have, and perhaps more. It can be done by cancellation or it can be done by paying 2 years' taxes in one or by paying 1 year's taxes in installments. We can go on a pay-as-you-go basis either way. The only question is as to which method we favor.

Mr. WILEY. If the Senator is in favor of canceling 50 percent, then he is in favor of paying 150 percent of the taxes in 1 year.

Mr. BYRD. Not in 1 year.

Mr. WILEY. How would the Senator apportion it?

Mr. BYRD. It could be apportioned over a period of 5 years, or 10 percent a year, or in any way Congress might choose to do it.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. CONNALLY. The Doughton bill, which I propose to offer as a substitute, provides that the 1941 rate shall apply for 1942, and then provides for a 3-year period of payment. The Secretary of the Treasury would be authorized, in hardship cases, to allow 3 years additional, or 6 years in all, to pay it.

Mr. BYRD. Let me say to the Senator that I do not favor collecting all of the uncanceled obligation in 1 year. I favor giving a reasonable time to pay whatever amount is not canceled.

Mr. WILEY. Mr. President, will the Senator further yield?

Mr. BYRD. I yield.

Mr. WILEY. Yesterday there was some argument to the effect that the cancellation would contribute toward runaway inflation, or something like that. I wonder what the Senator's attitude is on that question. Does he believe that if we should pay as much money into the Treasury in 1943 as we would without cancellation, there would be any effect so far as inflation is concerned?

Mr. BYRD. I will say to the Senator that that is not one of the objections which the Senator from Virginia has to the bill. I have no reason to think that it would have any material effect on so-called inflation.

Mr. WILEY. I thank the Senator. I think the atmosphere is being clarified.

Mr. BYRD. I wish to make myself very clear to the Senator. What I contend is that we are attempting to do something for the interest of the taxpayer and for the interest of the Govern-

ment; it is to their mutual interest. The taxpayer should pay his share in bringing about the situation which we all desire to bring about, and the Government should pay its share. That is the assumption on which I am basing my argument. To me, at least, it is a fair and reasonable assumption.

Suppose two men were negotiating and were trying to reach a conclusion which would be profitable and advantageous to both of them, and one man was asked as in this case, to take all the loss, or pay all the penalty involved, and the other man did not propose to pay anything.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BANKHEAD. I am quite interested in the suggestion of the Senator with regard to a reduction of 50 percent in the tax. I am not entirely satisfied with any of the programs which have been suggested thus far. I wonder if the Senator would not be willing to offer an amendment which would carry out the 50-percent reduction.

Mr. BYRD. I will say to the Senator from Alabama that if sufficient support could be had for it I would be glad to offer it. I think it would enable the collection of a withholding tax of 20 percent without any great burden being placed on the taxpayer. Yet it would not relieve completely many people who now have the money with which to pay their taxes.

Mr. BANKHEAD. It would relieve them up to 50 percent.

Mr. BYRD. That is true. It would relieve them up to 50 percent and would in my judgment permit the operation of the withholding tax of 20 percent without any particular hardship on those who have the money with which to pay it.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. JOHNSON of Colorado. The amendment which the Senator from Texas says he will propose is on the basis of approximately 50-50.

Mr. BYRD. Let me add a few more words, Mr. President, about the financial condition. The President of the United States estimates that there will be a Federal indebtedness on July 1, 1944, of \$210,000,000,000. This estimate very probably is too low, so that it is possible and probable that approximately a year from now our net indebtedness, exclusive of certain guaranteed indebtedness owing by the Government corporations will exceed \$225,000,000,000. When this figure is reached, it will not be long before we will have an indebtedness of \$300,000,000,000, and perhaps more. Then we must remember that at the conclusion of the war we cannot expect a balanced Budget for some time thereafter, although it is imperative, in my judgment, that we eliminate every nonessential expenditure, so as to reach at the earliest possible time a balanced Budget, as, otherwise, the solvency of our Nation, as rich as it is, will be seriously threatened.

In the face of these conditions, there has never been a more inappropriate time to cancel the taxes accrued and owing to the Federal Government by those

who are able to pay and can pay without undue hardship.

What, apparently, the advocates of the so-called Ruml plan, providing for 100-percent forgiveness, desire is to be placed on a current tax basis and have previous tax liabilities canceled without paying any penalty or any part of the taxes already accrued.

Mr. President, I have given the most careful consideration of which I am capable to this complicated question. I am thoroughly in accord with a pay-as-you-earn basis of tax collection, but I am not in favor of 100-percent forgiveness of the taxes of those who are able to pay.

It is of great benefit and value to the taxpayer to be placed on a current tax collection basis. Those able to pay for this privilege should be compelled to do so.

Many persons seem to think, Mr. President, that the credit of the United States of America is inexhaustible. I am one who believes there is a limit even to the credit of this, the richest nation on earth, and that to impair the solvency of the United States Government is to destroy those principles of government which have given to America greater progress, greater happiness, and greater freedom than any other nation in the world has ever enjoyed. There has never been a democracy in history that has been able to retain its democratic form of government and its freedoms unless it was able to maintain a solvent government.

Never before has the Government of the United States been so in need of revenue as it is today, and never before have the individual citizens of our country been in a better or more prosperous condition to pay heavy taxes than they are today. In 1942 the national income was \$119,800,000,000, the highest up to that date in our history. The forecast for 1943 is for a national income of \$140,000,000,000. When we compare this to the \$79,000,000,000 income in 1929, which was the highest up to that time, we can form some conclusion as to the general prosperity today, due to the expenditure of war funds in every nook and corner of America. And let us not forget that this prosperity is financed in the main by borrowed money, by adding billions to the public debt for future generations to pay.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. WILEY. I hope the Senator will pardon me, but I am looking for more light.

Mr. BYRD. It is a pleasure to yield to the Senator from Wisconsin.

Mr. WILEY. I have listened quite attentively to the distinguished Senator, and I should like to propound a question, because I believe the answer to it is of importance to the country. I believe the Senator can answer it and clear up a great deal of misunderstanding.

Is it a fact that in the so called cancellation, or abatement, of taxes no money would be paid back to anyone, and that the taxpayer could benefit only in the

year of his death, or in the year when his income became less?

Mr. BYRD. I will say to the distinguished Senator that, generally speaking, he is correct. Of course, nothing would be paid to the taxpayer because we would be canceling a debt. When one cancels a debt which is owing to him, he does not pay the debtor in cash, but merely cancels something which the debtor would otherwise be compelled to pay.

Mr. WILEY. As a matter of fact, in his so-called payments to the Government the taxpayer would receive no benefit so far as his cash, surplus, or otherwise was concerned, until first he reached a period in which his income was less, or his estate would get it when he died. Am I correct in that statement?

Mr. BYRD. Mr. President, I think the Senator must understand that in the taxpayer's financial statement he would receive a benefit because his tax liability, which is a debt, would be canceled. He would not have to include it in his financial statement, for example, because it would have been canceled by the Government.

It is true that it is only by a gradual process that loss to the Government occurs as a result of the cancellation of taxes. I have tried to explain it by saying that the loss would occur in three ways: First, as a result of the death of some taxpayers; second, as a result of some taxpayer suddenly ceasing to earn; and third, because of a reduced level of income of all taxpayers, which I expect to see during the readjustment period after the war. Those are the ways in which the loss would come to the Treasury.

It is inconceivable to me that if the American people knew all the facts they would be willing, in the face of the great need of the Government for additional revenue, to adopt legislation providing for 100 percent cancellation of tax liability. To do so, Mr. President, as I have said before, in my opinion, would mean that immediately a demand would be made by the President and by the Treasury Department to raise additional revenue by increasing the present tax rates so as to compensate for the loss to the Treasury as a result of the cancellation of the taxes of those able to pay. The increase would necessarily fall heavily on the smaller and middle-class incomes, because in the higher brackets the tax is already reaching the point of diminishing returns.

Mr. President, I am a taxpayer who is willing to pay something in order to get on a pay-as-you-go basis. I am not asking the Federal Government to bear the whole cost of putting taxpayers on such a basis. I am willing to pay my share, and I speak as a businessman, with the return I get from that source in addition to my income as a Senator. I am sure many other citizens feel as I do about this.

In conclusion, Mr. President, I again wish to say that while I am thoroughly in sympathy with the objective which the proposed legislation attempts to achieve, there has never been a more in-

appropriate time in all our history to cancel taxes owing to the Government by its citizens than now. With a \$300,000,000,000 debt in prospect, which is more than twice as much as the assessed value of all the property in America, and about 75 percent of the total intrinsic value of all the property in America, as estimated by the Department of Commerce, it is certainly the duty of every Member of Congress to do all that may be within his power to avoid increasing the national debt beyond the imperative necessity of doing so.

Let us not forget that if we add to the debt now by canceling taxes at the most prosperous time in our history when the people are most able to pay, we shall be passing the debt on to the future, when conditions cannot be so prosperous as they now are, and we shall add to the difficulties of meeting the financial obligations of the Government during the inevitable period of post-war depression and liquidation which will follow the inflation today occasioned by huge war expenditures.

Mr. President, I have certain tables which I ask unanimous consent to have printed in the Record as a part of my remarks.

There being no objection, the tables were ordered to be printed in the Record, as follows:

TABLE A.—Effect of Ruml-Carlson plan on tax payments—married person, no dependents, income of \$10,000

Year	Net income	Tax payments ¹		Balance after tax payments	
		Present law	Ruml plan ¹	Present law	Ruml plan ¹
1939					
1940	\$10,000			\$10,000	\$10,000
1941	10,000	528	528	9,472	9,472
1942	10,000	1,305	1,305	8,695	8,695
1943	10,000	2,152	2,152	7,848	7,848
1944	10,000	2,152	2,152	7,848	7,848
1945		2,152		-2,152	
1946					
Total	50,000	8,289	6,137	41,711	43,863

¹ Assuming passage in 1943 of Ruml-Carlson bill canceling 1942 tax.

² Excluding Victory tax.

Treasury Department, Division of Tax Research, May 6, 1943.

TABLE AA.—Declining income, effect of Ruml-Carlson plan on tax payments—married person, no dependents

Year	Net income	Tax payments ¹		Balance after tax payments	
		Present law	Ruml plan ¹	Present law	Ruml plan ¹
1939					
1940	\$10,000			\$10,000	\$10,000
1941	10,000	528	528	9,472	9,472
1942	10,000	1,305	1,305	8,695	8,695
1943	8,000	2,152	1,532	5,848	6,463
1944	6,000	1,532	592	4,468	5,008
1945		592		-592	
1946					
Total	44,000	6,509	4,357	37,491	39,643

¹ Assuming passage in 1943 of Ruml-Carlson bill canceling 1942 tax, excluding antiwindfall provisions.

² Excluding Victory tax.

Treasury Department, Division of Tax Research, May 7, 1943.

Table showing amount of estate-tax liability on specified estates, and increased estate tax on such estates if specified amounts of forgiven 1942 tax are added, together with excess of tax-forgiveness over such increase in estate tax and percent of forgiven tax retained after payment of estate tax

Size of estate		Amount of tax forgiven added to estate	Amount of estate-tax			Excess of tax forgiveness over increase in estate tax	Percent of forgiveness retained
Before tax forgiveness	After tax forgiveness		Before tax forgiveness	After tax forgiveness	Increase in estate tax		
\$20,000	\$25,000	\$5,000				\$5,000	100.0
	30,000	10,000				10,000	100.0
	40,000	20,000				20,000	100.0
	50,000	30,000				30,000	100.0
	60,000	40,000				40,000	100.0
	65,000	5,000		\$150	\$150	4,850	97.0
\$60,000	70,000	10,000		1,600	1,600	18,400	95.0
	80,000	20,000		3,000	3,000	27,000	92.0
	90,000	30,000		4,800	4,800	35,200	90.0
	100,000	40,000		7,000	7,000	43,000	88.0
	110,000	50,000		9,500	9,500	50,500	85.0
	120,000	60,000		12,000	12,000	58,000	84.2
\$100,000	210,000	250,000	65,700	65,700	65,700	184,300	73.7
	500,000	500,000	145,700	145,700	145,700	354,300	70.9
	120,000	20,000	\$4,800	9,500	4,700	15,300	76.5
	160,000	60,000	4,800	20,700	15,900	44,100	73.5
	310,000	210,000	4,800	65,700	60,900	149,100	71.0
	560,000	460,000	4,800	145,700	140,900	319,100	69.4
\$550,000	810,000	710,000	4,800	233,200	228,400	481,600	67.8
	1,060,000	960,000	4,800	325,700	320,900	639,100	65.6
	1,310,000	1,210,000	4,800	423,200	418,400	791,600	65.4
	810,000	250,000	145,700	233,200	87,500	162,500	65.0
	1,060,000	500,000	145,700	325,700	180,000	320,000	64.0
	1,310,000	750,000	145,700	423,200	277,500	472,500	63.0
\$1,060,000	1,560,000	1,000,000	145,700	528,200	382,500	617,500	61.2
	2,060,000	1,500,000	145,700	753,200	607,500	892,500	59.5
	2,560,000	2,000,000	145,700	998,200	852,500	1,147,500	57.4
	3,060,000	2,500,000	145,700	1,263,200	1,117,500	1,332,500	55.3
	1,310,000	250,000	325,700	423,200	97,500	152,500	61.0
	1,560,000	500,000	325,700	528,200	202,500	207,500	59.5
\$2,060,000	2,060,000	1,000,000	325,700	753,200	427,500	572,500	57.3
	2,560,000	1,500,000	325,700	998,200	672,500	827,500	55.2
	3,060,000	2,000,000	325,700	1,263,200	937,500	1,062,500	53.1
	3,560,000	2,500,000	325,700	1,543,200	1,217,500	1,282,500	51.3
	4,060,000	3,000,000	325,700	1,833,200	1,512,500	1,487,500	49.6
	2,560,000	500,000	753,200	998,200	245,000	255,000	51.0
\$5,000,000	3,060,000	1,000,000	753,200	1,263,200	510,000	490,000	49.0
	3,560,000	1,500,000	753,200	1,543,200	790,000	710,000	47.3
	4,060,000	2,000,000	753,200	1,833,200	1,085,000	915,000	45.8
	5,060,000	2,500,000	753,200	2,468,200	1,715,000	1,285,000	42.8
	5,560,000	3,000,000	2,468,200	2,803,200	335,000	165,000	33.0
	6,060,000	3,500,000	2,468,200	3,138,200	670,000	330,000	33.0
\$8,060,000	6,560,000	1,500,000	2,468,200	3,488,200	1,020,000	450,000	32.2
	7,060,000	2,000,000	2,468,200	3,838,200	1,370,000	630,000	31.5
	7,560,000	2,500,000	2,468,200	4,203,200	1,735,000	765,000	30.6
	8,060,000	3,000,000	2,468,200	4,568,200	2,100,000	900,000	30.0
	8,560,000	3,500,000	2,468,200	4,948,200	2,465,000	1,140,000	28.5
	9,060,000	4,000,000	2,468,200	5,328,200	2,830,000	120,000	24.0
\$8,060,000	9,560,000	500,000	4,568,200	5,328,200	760,000	240,000	24.0
	9,560,000	1,000,000	4,568,200	5,708,200	1,140,000	360,000	24.0
	9,560,000	1,500,000	4,568,200	6,088,200	1,520,000	480,000	24.0
	10,060,000	2,000,000	4,568,200	6,473,200	1,905,000	595,000	23.8
	10,560,000	2,500,000	4,568,200	6,858,200	2,290,000	710,000	23.7
	11,060,000	3,000,000	4,568,200	7,243,200	2,675,000	825,000	23.6
\$12,060,000	11,560,000	3,500,000	4,568,200	7,628,200	3,060,000	940,000	23.5
	12,060,000	4,000,000	4,568,200	8,013,200	3,445,000	1,055,000	23.5

Mr. DAVIS. Mr. President, the consideration and drafting of the proposed income-tax law for this year have represented, probably, the most difficult task with which the Congress and its appropriately designated committees have, as yet, been confronted, for not only are we undertaking to write a fair and equitable revenue-raising measure but we are also attempting to recognize the demands of the people for a sound and necessary system of pay-as-you-earn taxation. In the consideration of this tremendous problem, the Committee on Finance has carefully and fully considered almost every manner of proposal designed to achieve these ends. It is my belief that the bill approved by the Finance Committee is the most equitable and fair bill that can be devised under the present circumstances.

Mr. President, in 1940 there were 3,896,435 income-tax payers; in 1941 there were 7,437,307; in 1942 there were 16,760,865. On the first day of January 1943, under the Revenue Act of 1942, there were 27,200,000 taxpayers in debt to the Federal Government for taxes on their 1942 income, an increase of 23,300,000 since 1940. In other words, our Gov-

ernment is a creditor to some 27,000,000 taxpayers who are in debt for the taxes on their 1942 income. It is my thought that we cannot afford to continue this shaky system of income-tax collection when we can adopt a pay-as-you-go tax plan without substantial loss of revenue.

THE SOLE OBJECT OF THIS LEGISLATION

It should be kept constantly in mind, Mr. President, in considering this problem that the sole object of the bill before us is to establish a system for the current payment of the individual income tax, usually referred to as collection at the source. The Treasury demands it, and all the evidence indicates that the overwhelming majority of taxpayers, small and large, have both welcomed and demanded collection at the source. Every bill which has been proposed has contained exactly the same system of withholding for this purpose. I think it is proper to reemphasize the need for current payment.

NEED FOR A SOUND CURRENT PAYMENT SYSTEM

Under the present collection system a taxpayer must pay a tax on income a year after it is earned and, in most cases, spent. Under the present high rates,

great hardship results where a taxpayer loses his job, retires, enters the armed forces, or dies. For example, if a married taxpayer, without dependents, earned \$2,000 in 1942 and lost his job in 1943 by reason of disability, he would still have to pay a tax debt in 1943 of \$144. If a married person, without dependents, earned \$5,000 in 1942, and died on December 31, 1942, his widow would have to pay in 1943 a tax on her husband's 1942 income of at least \$770.

The large majority of taxpayers are unable to provide in advance for their payment of last year's taxes, and many others find it difficult to do so. Under the high rates necessitated by the war, it has become difficult for a constantly increasing number of taxpayers to meet their tax payments, which results in a hardship on them and loss of revenue to the Government. Many inequities in the present system of collection will be eliminated by providing a system by which taxpayers may pay their taxes in the year in which the income is earned. It will give substantial relief in the cases of hardship referred to under our existing system of collection.

Under our existing law the rates are presumed to be fixed according to the taxpayer's ability to pay in a given year. If a taxpayer is required to pay more than the burden fixed in the law in any one year, assuming the rates to be fair, then he is required to pay more than he is able to pay. This is obviously true as to taxpayers in all brackets. Therefore, it is provided in the Finance Committee bill that the system of collecting at the source shall be put in effect on July 1 by crediting all payments made in the current year 1943 on 1943 income-tax liability. All other methods proposed provide for paying in the current year 1943 and in subsequent years not only the tax of the current year, computed at the rates of the current year, presumed to be fixed as high as the taxpayer is able to pay, but also a part of the tax on a prior year—the year 1942. This increases the taxpayer's burden and violates the ability-to-pay principle, since it requires the taxpayer to pay in 1 year more than the law sets up as his burden.

Mr. President, I ask unanimous consent to insert in the RECORD a table showing how the burden in the current year 1943 is increased under the House bill over the burden imposed by law for 1943.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SINGLE PERSON—NO DEPENDENTS	
Net income before personal exemption	Penalty
\$3,000	\$15
\$4,000	45
\$5,000	95
\$6,000	165
\$8,000	365
\$10,000	645
\$15,000	1,695
\$20,000	3,195
\$25,000	5,655
\$50,000	16,491
\$100,000	45,820
\$500,000	319,795
\$1,000,000	664,795
\$5,000,000	2,424,795

MARRIED PERSON—NO DEPENDENTS

Net income before personal exemption	Penalty
\$4,000	\$24
\$5,000	51
\$6,000	116
\$8,000	283
\$10,000	540
\$15,000	1,514
\$20,000	2,964
\$25,000	4,782
\$30,000	16,140
\$50,000	45,372
\$60,000	319,312
\$1,000,000	664,312
\$5,000,000	3,424,312

MARRIED PERSON—2 DEPENDENTS

\$4,000	\$3
\$5,000	33
\$6,000	67
\$8,000	211
\$10,000	435
\$15,000	1,353
\$20,000	2,733
\$25,000	4,509
\$30,000	15,790
\$50,000	44,924
\$60,000	318,529
\$1,000,000	663,529
\$5,000,000	3,423,529

TOTAL BURDEN TO BECOME CURRENT IN 1943
UNDER HOUSE BILL—SINGLE PERSON, NO
DEPENDENTS

Net income	Income tax plus gross Victory tax	Penalty	Total
\$3,000	\$607	\$15	\$622
\$4,000	877	45	922
\$5,000	1,167	95	1,262
\$6,000	1,476	165	1,641
\$8,000	2,155	365	2,520
\$10,000	2,914	645	3,559
\$15,000	5,168	1,695	6,863
\$20,000	7,896	3,195	11,091
\$25,000	10,984	5,055	16,039
\$30,000	28,558	16,490	45,048
\$50,000	70,165	45,820	115,985
\$60,000	442,363	319,795	762,158
\$1,000,000	900,000	664,795	1,564,795
\$5,000,000	4,500,000	3,424,795	7,924,795

OBJECTIONS TO THE HOUSE BILL

Mr. DAVIS. Mr. President, the plan of the House bill does not meet this problem for the following reasons:

First. It does not establish a current-payment system, which is the foremost need and the real object of all this proposed legislation.

Second. It adds to the taxpayer's burden in the current year a part of the past year's burden, thus violating the ability-to-pay principle.

Third. By canceling the past year's burden for some taxpayers but not for others, it results in unfairness as between different classes of taxpayers.

Fourth. It sets up a more complicated system of collection and adds to the administrative burden on the Government. Many taxpayers will have to undertake several complicated computations in determining their tax liability. Taxpayers who will have to make double computations year after year contribute about 60 percent of the total individual income tax, and still they will never get on a current basis.

The various partial abatement plans impose what almost constitutes an arbitrary burden on taxpayers to make up for the other collection which obviously should not be made. I say it constitutes an arbitrary burden because it bears little relation to current ability to pay.

Before the taxpayers finish paying their overhanging debt under the Ways and Means Committee bill, 4 years will have passed since the income was received.

If we look more carefully at these substitute proposals, we can see that they contradict each other. They attempt to find a fair formula for carrying over a part of the tax debt. The bill approved by the House, and the Ways and Means Committee bill, each endorse the principle of complete forgiveness for some taxpayers and little or none for the big taxpayers. The distinguished chairman of the Finance Committee has introduced a provision for a flat-rate abatement for all classes. If these various proposals are intended to present a principle of fair treatment, they deny each other. If one is true, the other is obviously obnoxious. There is no other principle of fairness except ability to pay. The Finance Committee bill makes the ability principle immediately valid for all taxpayers.

FINANCE COMMITTEE PLAN

The bill reported by the Committee on Finance provides that taxpayers shall pay the tax of 1943 or 1942, whichever is higher, but it credits all the tax paid to the current year, so that the taxpayer is out of debt to the Government.

Its so-called windfall provisions close the loopholes where a taxpayer had high incomes in 1942 and 1943 out of war profits.

It gages the tax according to the income of the current year, and thus more truly levies tax according to ability to pay.

There has been a great deal of discussion as to whether or not, under this plan, the present taxpayer will be relieved of a year of taxes when his income ceases. That is exactly what will happen. That is why we want to institute a current payment method, to avoid the hardships and loss of revenue that result in such cases.

We must realistically face the issue that to call for full taxation then is to insist upon our pound of flesh. The fact is that ordinarily taxpayers do not put aside a reserve out of which to pay taxes.

In welcoming a system of current collection, all have conceded that taxes are a hardship when a taxpayer loses his job, retires, enters the armed forces, or dies.

Now, while I personally, in view of the high cost of living, would like to see more liberal exemptions provided in the pending bill, I am confident that even the most hard-pressed taxpayer will be more than proud to contribute his required share to the financing of the Government in this hour of grave crisis.

Up to this point, then, on both the provision for a pay-as-you-earn system, and upon the tax rates and the 20-percent withholding provision on that part of the income over and above the exemptions, the committee bill is substantially in agreement with all other proposals offered.

We come now to that part of the bill over which most of the controversy now rages, that is, how to handle the matter of the 1942 tax liability. Even on this question, the controversy is not one of principle, but one of degree. The prin-

ciple of abatement has been universally accepted. It appears in every proposal which has been put forward. The only variance appears in the degree to which the principle of abatement is to be applied. The bill approved in the House calls for a 75-percent abatement, but it leaves a great number of taxpayers on a noncurrent basis. The committee bill, by means of certain windfall provisions, places every taxpayer on a current pay-as-you-earn basis, and yet it entails only an 88-percent abatement.

In the debate which has ensued a serious distortion of the facts has occurred through the introduction and continued use of the word "forgive." I want to make it absolutely clear that under the pending bill nothing is forgiven. Under this bill, no taxpayer will be required to pay less than he would under the old system. Indeed, in many cases, especially in the upper brackets, by reason of the windfall provisions included in the bill, many taxpayers will be required to pay more than would otherwise be the case.

Furthermore, every taxpayer will be required to pay a full income tax every year until he dies, and a review of vital statistics tables, estate taxes, and other such media will make it absolutely clear that the Government will collect every due dollar over the years. Rather than getting less money, the Government stands to collect more money this year and every year—and moreover to collect it on a regular current basis.

Mr. President, as I voted with the majority of the Senate Finance Committee in reporting the bill; so too, I shall vote for the enactment of the bill. I feel that by the adoption of this particular plan the public interest and the American people will be served in the most effective and representative way possible; for in accordance with the overwhelming desires of the American people, the bill—

First. Places all taxpayers who derive their incomes from wages or salaries on a current pay-as-you-earn basis.

Second. Removes the undemocratic and discriminatory feature of double taxation, which feature would render it virtually impossible for great numbers of American taxpayers ever to become current in meeting their income-tax obligations.

Third. Embodies certain windfall provisions which, buttressed by other existing legislative enactments, will effectively guard against profiteering or the undue enrichment of any citizen during wartime.

Fourth. Makes full and proper provision for the gallant members of our armed forces, by granting them an exemption of \$1,500 over and above the present personal exemptions which are not extended to all other taxpayers by law.

Mr. President, the bill is as fair, impartial, and practical as sincere human effort can make it. I sincerely trust that the principles embodied in the bill will be approved in the tax law which is finally adopted, and that the entire plan will be placed in effective operation by July 1, 1943, in order that the American people and the American Government

may have the benefit of a sound pay-as-you-earn fiscal policy, a policy which has long been overdue, and a policy which will greatly ease the burdens which have been occasioned by an economy geared to wartime undertakings and wartime responsibilities.

REVENUE EFFECTS OF COMMITTEE BILL

I am not so concerned at the present time with the amount of tax liability canceled, or the amount of tax collections the Treasury may lose between now and doomsday as a result of the bill. I fail to understand why opponents of 100-percent cancellation speak of the loss to the Treasury of an asset which appears only on the Treasury's books. I think attention should instead be directed to the effect of the bill on Treasury revenues at the present time and during the war years, when additional funds are so sorely needed. I do not believe that the immediate revenue effect of the Senate Finance Committee bill has been fully appreciated. The plain fact, borne out by Treasury estimates which appear on page 15 of the committee's report, is that the Treasury receipts during the fiscal year beginning July 1, 1944, will, after the bill is enacted, be increased over present law receipts by over \$2,000,000,000. By this bill we shall raise more than 10 percent of the additional \$16,000,000,000 requested by the President. The increases in revenue, of course, are the result of the windfall provisions and the fact that liabilities on higher incomes will be collected sooner than under present law by reason of withholding at the source and current payment.

So long as incomes continue to rise, as no doubt they will rise during the war years, the committee bill will yield more revenue to the Treasury than would the bill passed by the House. This is a very important consideration, which completely overshadows the point that the Treasury may lose a paper asset over the lifetime of all taxpayers. Those who make this point seem to forget the fact that if additional revenue is needed 20 or 30 years hence, it can be provided in the customary manner, through legislative action.

BENEFITS IN POST-WAR PERIOD

We must prepare now for the time when this war will be over. As our war production expands and our Nation increases its Federal expenditures for the prosecution of this war, it becomes ever more necessary to make immediate plans to take care of this income-tax debt. It is estimated that our national income for the fiscal year ending June 30, 1943, may reach \$125,000,000,000. During that period the Federal Government plans to spend about \$90,000,000,000.

When the war ends, Federal spending will drop some \$20,000,000,000 annually. It is estimated that during the present fiscal year 30,000,000 of our citizens will be directly connected with our war effort. Twenty million of them will be employed in war industry, and 10,000,000 will be in the armed forces. No doubt at least 15,000,000 of those so engaged will have to find other work. During this transition period it is reasonable to assume that millions of employable people

will be forced to live on their unemployment insurance. This means that their taxes, incurred on a high wage-level, will have to be paid largely from social-security benefits. This year the farmers of our Nation will be the recipients of an abnormal income. Present indications are that it will reach \$15,000,000,000. This is the largest percent of the national income the farmers have ever received. Bountiful harvests and fair prices have brought this about. One must assume that this abnormally high income will not continue. Provision must be made to take care of the income-tax liability of the citizen who will be affected by the post-war transition.

Mr. ELLENDER. Mr. President, at this time I offer an amendment to the pending committee amendment as amended. My amendment, if adopted, would spread the payment of taxes for 1942 over a period of 5 years. The first payment of these deferred taxes would be due on March 15, 1944, and would aggregate one-tenth of the sum due. Every 6 months thereafter, a like amount would become due by the taxpayer, so that an aggregate of 5 years will be allowed a taxpayer in which to pay and discharge his 1942 tax bill. No interest would be charged on these deferred taxes, unless the taxpayer becomes delinquent. Under my amendment all the tax payments which have been made during 1943 for 1942 taxes would be applied to 1943 taxes. The withholding tax provided for in the bill would not be affected and such sums as may be collected from July 1 to December 31 would likewise be applied to the payment of 1943 taxes.

The PRESIDING OFFICER (Mr. OVERTON in the chair). The amendment will be stated.

The CHIEF CLERK. On page 97, line 12, it is proposed to strike out all of section 6, and to insert in lieu thereof the following:

Sec. 6. Deferment of 1942 liability.

(a) In general: Effective as of September 1, 1943, in the case of the taxable year 1942 of any individual (other than an estate or trust and other than a nonresident alien) the 15th day of the fifteenth month shall be substituted for the 15th day of the third month following the close of such taxable year for the purposes of sections 53 and 56 (a) of the Internal Revenue Code.

(b) Extension of time for payment: At the election of the taxpayer, made under regulations prescribed by the Commissioner with the approval of the Secretary, the Commissioner shall extend the time for the payment of the tax for the taxable year 1942 imposed upon any individual (other than an estate or trust and other than a nonresident alien) in which case such tax shall be paid in 10 equal installments, the first of which shall be paid on the 15th day of the third month following the close of the taxable year 1943, and of the remaining installments one shall be paid on the last day of each succeeding 6-month period, except that any installment may be paid prior to the date prescribed for its payment. If any installment is not paid on or before the date on which it is payable, it and the remaining installments shall be paid upon notice and demand from the collector.

(c) Treatment of payments on account of 1942 tax made during the taxable year 1943: Any payment made on account of the tax imposed by chapter 1 of the Internal Revenue

Code for the taxable year 1942 upon an individual (other than an estate or trust and other than a nonresident alien) during the taxable year 1943 shall be considered as payment on account of the estimated tax for the taxable year 1943. If any payment on account of the tax imposed by such chapter for the taxable year 1942 is made during the taxable year 1943 pursuant to a joint return made by husband and wife for the taxable year 1942 such payment may be treated as a payment on account of the estimated tax of either the husband or the wife for such taxable year or may be divided between them.

(d) Use of term "taxable year": For the purposes of this section the terms "taxable year 1942", and "taxable year 1943" mean, respectively, the taxable year beginning in 1942 and 1943, respectively.

Mr. BROOKS. Mr. President, in the main I intend to support the committee bill. If 1 year ago today anyone had suggested so radical a change in the collection of taxes as is proposed by this measure his suggestion would have sounded completely out of order. War, however, does many things to nations which are engaged in it.

I think the sudden popularity with which the suggested Ruml-type bill has been received can be traced to a great many origins. I do not believe its popularity lies in the fact that people wish to be forgiven responsibility to their Government. I do not know of a period within my lifetime when I have heard so little complaint on the part of citizens generally with respect to the payment of their taxes as we have heard in the past year. I do not know of a time in the history of this country when its people have responded to their National Government with a more whole-hearted cooperation and desire to defend it with their money and their lives. But there has been a sudden upsurge in the demand for the Ruml type of bill. I think that has come about by reason of the uncertainties of war and the sudden mounting of the tremendous national debt, which confuses the people's thinking, and, if we were to tell the truth, confuses the thinking of ourselves who represent the people.

I do not know anyone who can give me the answer as to how we are going to meet our great national debt eventually, but individually the people of America are anxious to know that their obligation shall be such as to come within their ability to meet it. Because of the uncertainties of the future there has been a sudden popular demand to have a pay-as-you-go plan adopted, so that when the war ends, even if their jobs cease, if they are in the service, if their factories are closed, or no matter what the emergency or the contingency shall be at that time, the citizens of the Nation will not be obligated to the Government to such an extent that they will not be able fully to discharge their obligation. I believe the demand for the pay-as-you-go plan does not arise from a desire to evade obligation. The desire on the part of the people is to have a plan under which they can fulfill their obligation, under which they will not find themselves in such a position that they cannot respond to their obligation

to their Government when the time comes to meet it.

Mr. President, I am somewhat uneasy about using large incomes as the reason why we should not adopt the pay-as-you-go plan. The large incomes of this country are not so numerous. I realize that it has been popular in past years to pick out any successful man and hold him up as an evil influence, but if there ever was a time in the history of America when successful men were needed it is now. Never have the successful men of America responded to such a degree as they have in the present war effort. We cannot possibly raise a sufficient number of soldiers, equip them and transport them and put them in the line to meet, man to man, the full numbers of our Axis enemies without the efforts of all our citizens. The only way we can defeat our Axis enemies is by placing superior instruments in the hands of our soldiers who represent us and who fight with the free spirit of America.

From the assembly lines, from the factories, from the great research laboratories of our industrial institutions we have obtained better tanks, better guns, faster-moving and better-equipped planes in the sky. The successful men of America have responded to this demand and need for superior military equipment. Even today, while we are discussing this measure, successful men have left positions with our air lines, communication systems, industrial plants; many of the leaders of industry have responded to their country's call and are wearing the uniform, some of them giving up salaries as high as \$90,000 a year to accept the wages of a soldier in order to help establish the great communication lines which are vital to military victory.

Mr. President, when we celebrate the complete defeat of the Axis troops in Africa, let us not forget that it was accomplished with the help of successful men who left their positions in industry and who, in this war theater, set up our communication lines. Let us not forget that successful men who responded to the Government's call and went into the service, helped make our victory possible. If ever there was a time when we should not ridicule large incomes as being an evil influence, it is now.

Mr. President, I am glad the Senate Finance Committee took the American view and said that every American should be treated equally. This is the time when we need every bit of energy, every bit of bravery, brains, and brawn in America, to carry on our war effort to final victory.

When we talk about the Ruml plan, this is no time to set up an isolated example and say that because of that one case we should not adopt the principle of the plan.

I say again that the desire of the people of the country to have a pay-as-you-go program is not a desire to evade their responsibility or their obligation. It is a desire to have a plan whereby America can measure up to its obligation and can fulfill it.

Mr. CLARK of Missouri. Mr. President, I call up the amendment which I offered yesterday, and which has been printed and lies on the desk.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER].

Mr. McNARY. Mr. President, there has been no explanation of the amendment.

Mr. GEORGE. Mr. President, the amendment was read at the desk. I hope the Senate will not agree to the amendment; because, as I understand it, it provides for a mere postponement of the payment of a whole year's taxes, with no abatement. That is my interpretation of the amendment as it was read.

Mr. McNARY. Very well.

Mr. WILEY. Mr. President, what is the amendment?

The PRESIDING OFFICER. The amendment will be read again for the information of the Senate.

The CHIEF CLERK. Beginning on page 97, line 12, it is proposed to strike out all of section 6, and insert:

Sec. 6. Deferment of 1942 liability.

(a) In general: Effective as of September 1, 1943, in the case of the taxable year 1942 of any individual (other than an estate or trust, and other than a nonresident alien) the fifteenth day of the fifteenth month shall be substituted for the fifteenth day of the third month following the close of such taxable year for the purposes of sections 53 and 56 (a) of the Internal Revenue Code.

(b) Extension of time for payment: At the election of the taxpayer, made under regulations prescribed by the Commissioner with the approval of the Secretary, the Commissioner shall extend the time for the payment of the tax for the taxable year 1942 imposed upon any individual (other than an estate or trust and other than a nonresident alien) in which case such tax shall be paid in 10 equal installments, the first of which shall be paid on the fifteenth day of the third month following the close of the taxable year 1943, and of the remaining installments one shall be paid on the last day of each succeeding 6-month period, except that any installment may be paid prior to the date prescribed for its payment. If any installment is not paid on or before the date on which it is payable, it and the remaining installments shall be paid upon notice and demand from the collector.

(c) Treatment of payments on account of 1942 tax made during the taxable year 1943: Any payment made on account of the tax imposed by chapter 1 of the Internal Revenue Code for the taxable year 1942 upon an individual (other than an estate or trust and other than a nonresident alien) during the taxable year 1943 shall be considered as payment on account of the estimated tax for the taxable year 1943. If any payment on account of the tax imposed by such chapter for the taxable year 1942 is made during the taxable year 1943 pursuant to a joint return made by husband and wife for the taxable year 1942 such payment may be treated as a payment on account of the estimated tax of either the husband or the wife for such taxable year or may be divided between them.

(d) Use of term "Taxable year."—For the purposes of this section the terms "taxable year 1942," and "taxable year 1943" mean, respectively, the taxable year beginning in 1942 and 1943, respectively.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

Mr. WILEY. Mr. President, may we have an explanation of the amendment?

Mr. ELLENDER. Mr. President, I am opposed to the remission, cancellation, or abatement of any taxes. I think it would be wicked on our part to remit at this time taxes in any form, especially in view of the fact that right now we need every dollar which can be gathered into the Treasury, by taxes or otherwise. Although our taxes are high we have been asked to provide for an additional 16 billions. I do not know what this war will cost, but I am told that before it ends we shall have spent more than it has cost to run our Government from its inception to date, including the expenditures we have made in other wars in which we have been engaged. To cancel now the tax obligations of the taxpayers of the nation would be wrong. We have no right to do so. They are due and should be paid.

Mr. President, the taxes for 1942 are due to our Government to the same extent that any note which any Senator might have signed in favor of a bank, in the past would be due. I do not know whether all Senators have made a study of the various bills and proposals submitted to the House, as well as of the proposals submitted to the Senate in connection with the so-called Ruml plan, but I do believe that it would be tragic for us to adopt the pending committee proposal or in fact any proposal that would have as its object the cancellation of any taxes.

Mr. President, I shall briefly discuss the various plans and proposals which were offered both in the House and in the Senate—plans which would have the effect of deferring and canceling taxes. The so-called Ways and Means Committee bill reached the floor of the House of Representatives sometime ago and it provided for the payment of the 1942 taxes at the 1941 rate. I am informed that the 1941 rate of taxes is on the average about 50% of the average 1942 rate. Under such a proposal the United States Treasury would lose \$4,672,000,000. When that bill came up for discussion in the House it proved unsatisfactory to those who sought to dig deeper into the Federal Treasury, so a new bill was substituted and passed and sent to the Senate for action. Under the terms of the House bill the normal tax of 6 percent was wiped out, and in addition, 13 percent of the surtaxes was stricken from the 1942 tax bill. As adopted by the House, that bill canceled taxes due in the aggregate of \$7,238,000,000. Think of it, almost \$3,000,000,000 more than the Ways and Means Committee bill would be permitted to remain in the hands of the taxpayers.

That bill, as I have just indicated, was sent to the Senate and referred to the Finance Committee of the Senate. Was that committee satisfied in canceling as much as \$7,238,000,000 of money justly due the Government? It was not, but worked out a scheme whereby the Federal Treasury would actually lose \$9,815,000,000. Think of that, Senators. As I understand the pending measure, which is a substitute for the House bill, the whole

tax bill of 1942 or 1943 of a taxpayer would be canceled, whichever is the lower.

The distinguished Senator from Georgia [Mr. GEORGE] will propose an amendment to permit a 75 percent cancellation instead of the 100 percent permitted under the pending bill. Under the George amendment, the taxpayers would save and the Government would lose \$7,361,000,000.

Now let us inquire how the savings to taxpayers would be distributed among them. We find that under the House version, which seeks to reduce taxes by eliminating the 6-percent normal tax and 13 percent of the surtaxes, as I have heretofore indicated, a person receiving a \$2,000 income would effect a saving of \$140.

Under the Ways and Means Committee bill the saving would be \$100. Under the George amendment the saving would be \$105; and under the Senate Finance Committee bill the saving would be \$140.

On a \$5,000 income the saving under the House bill would be \$691, under the Ways and Means Committee bill it would be \$388, and under the George amendment \$560, and under the pending bill \$746.

On a \$10,000 income the saving under the House bill would be \$1,614, under the Ways and Means bill it would amount to \$860, under the George amendment it would aggregate \$1,614, and under the bill under discussion it would be \$2,152.

It will be noted that as to all those taxpayers with an income of \$5,000 or lower, as well as to those with an income not exceeding \$10,000, the differences in saving to the taxpayers under the various measures are not great. But, Mr. President, when we come to the larger taxpayer, the taxpayer with an income of \$100,000, or \$1,000,000, we have a different picture. Under the House bill the saving would be \$189,750 to the taxpayer whose income was \$1,000,000; under the Ways and Means Committee bill—that is, the one which was defeated and for which the House bill was substituted—the saving would be only \$121,126; but if we should adopt the pending bill the saving to a taxpayer with a \$1,000,000 income would be \$854,000. Think of that Senators, \$854,000 now due the Government could be retained by a taxpayer whose income was \$1,000,000 in 1942 if the pending bill were adopted. It is unconscionable and I am certain will not sit well with the American people.

In the future all these savings will have to be recouped in some way and more taxes added. We shall have to get the money from some source. As has been demonstrated by a number of Senators, we have almost reached the point of saturation in the case of persons with large incomes. We cannot tax them much more than we have taxed them in the past. Their tax burden today amounts to from 85 to 87 percent, as I recall the figures. Therefore, any losses which would be suffered by reason of enactment of the pending bill would have to be recouped in some way; and the persons who would have to pay those losses would be those in the lower income brackets. We cannot escape that con-

clusion, Mr. President. I think it would be unwise, unjust, and indefensible for the Senate to vote at this time to forego any taxes.

Mr. President, the pending amendment is very simple. It would not abate or cancel any taxes. It would not change the tendency to put all taxpayers on a pay-as-you-go basis. All money which has been paid by taxpayers for the payment of 1942 taxes would be applied to the 1943 tax indebtedness. In other words, all installments paid on March 15, 1943, for the 1942 taxes, as well as the installments which will be paid on June 15, would be applied to the 1943 taxes; and the 20 percent which would be collected from taxpayers from July 1 to December 31 would likewise be applied to the 1943 taxes.

Under my amendment, the 1942 tax bill would be divided into 10 equal payments. The first payment would be made on March 15, 1944, and succeeding payments of one-tenth of the 1942 tax bill would be made every 6 months thereafter. Thus the entire 1942 tax bill would be discharged by the taxpayer in 5 years, by the payment of 10 installments. The taxpayer would not pay interest on the deferred 1942 tax bill.

The adoption of this simple amendment would mean that the Treasury of the United States would receive the \$9,815,000,000 which the pending bill proposes to give to the taxpayers.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. O'DANIEL. Does the Senator's proposal contemplate that the Government would receive interest on the deferred payments?

Mr. ELLENDER. Not one penny.

Mr. O'DANIEL. On what theory would that credit be extended without interest?

Mr. ELLENDER. It was my purpose to make the plan attractive and to avoid imposing interest charges on the taxpayer. I feel that that provision is fair, and it probably will make the bill more acceptable to the Senate.

Mr. O'DANIEL. Does not the Senator believe that there would be more inducement for the taxpayer to pay if interest were accruing?

Mr. ELLENDER. There is a provision in the amendment to the effect that if the first installment, or any installment thereafter, is not paid promptly, the remaining installments will become payable immediately. I think that is sufficient inducement to encourage taxpayers to keep their payments current.

Mr. O'DANIEL. With interest?

Mr. ELLENDER. Interest would be charged on the indebtedness if the taxpayer fails to pay on time. The interest charge would commence as of the date of default. In other words, so long as a taxpayer pays his installments on the 15th of March and the 15th of September of each year for the next 5 years, beginning March 15, 1944, he will pay no interest at all. He will simply pay the face amount of his 1942 taxes. However, should he fail to pay the first install-

ment, the second installment, or the third installment, then whatever installments remain after the first default would become due. Briefly, the remaining unpaid sum would become due, with interest from date of default.

Mr. President, I believe that the adoption of this amendment would solve the problem of putting the taxpayers of this country on a pay-as-you-go basis. Let us not make a \$9,815,000,000 gift to the taxpayers. Those whom the pending bill proposes to help are well able to bear the burden. As I said a moment ago, any tax funds that are abated now will be sorely needed in the near future, and the taxpayers who will have to pay those taxes in the future will undoubtedly be those less able to bear them at that time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER] to the committee amendment, as amended.

Mr. GEORGE. Mr. President, if there is to be no further discussion of this amendment, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Overton
Austin	Gerry	Pepper
Bailey	Gillette	Radcliffe
Ball	Green	Reed
Bankhead	Guffey	Revercomb
Barbour	Gurney	Reynolds
Bilbo	Hatch	Robertson
Bone	Hawkes	Russell
Brewster	Hayden	Scruggam
Bridges	Hill	Shipstead
Brooks	Holman	Stewart
Buck	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Idaho
Bushfield	La Follette	Thomas, Okla.
Butler	Langer	Thomas, Utah
Byrd	Lodge	Tobey
Capper	Lucas	Tunnell
Caraway	McClellan	Tydings
Chandler	McFarland	Vandenberg
Chavez	McNary	Van Nuys
Clark, Idaho	Maloney	Wagner
Clark, Mo.	Maybank	Walsh
Connally	Mead	Wheeler
Danaher	Millikin	Wherry
Davis	Moore	White
Downey	Murdock	Wiley
Eastland	Murray	Wilson
Ellender	Nye	
Ferguson	O'Daniel	

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Eighty-five Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment proposed by the junior Senator from Louisiana [Mr. ELLENDER] to the amendment of the committee, as amended.

Mr. GEORGE. Mr. President, I do not care to discuss the amendment at any great length. The distinguished Senator from Louisiana is merely proposing to vote to postpone the 1942 tax for a period of 5 years. That, of course, might really amount to an abatement. Undoubtedly, it would amount to an abatement in a great many brackets, and on the part of a great many taxpayers, if the tax should be postponed for such a great length of time without bond or security or some safeguard to the revenue.

I believe the time has passed when we can contemplate getting on a pay-as-you-go basis without some abatement of the tax liability for the past year. I wish to make a brief statement at this time before the vote upon the amendment is taken.

We seem to be greatly confused about the Government losing something. It is said that the Government will lose a part of the taxes which have already been levied. Mr. President, I believe we are simply thinking in circles when we think that the Government is going to lose anything by what it does with its taxing system in order to make it a better system. The Government has the power at any time, any year, to levy additional taxes to make up for something it may imagine it has lost or something it never had.

We are not dealing with the relation between creditor and debtor. We are thinking around and around, in circles. The question is, What is a sound tax system for the American people? How can it be accomplished? If we can adopt a better taxing system for the American people, then it is mere child's play to talk about what the Government is going to lose, when the Government has the power, if the sentiment of the country will sustain it, to take every cent of income which every taxpayer makes now, and throughout the coming time.

So, Mr. President, as I see it, it is a question of getting on a sound basis. A pay-as-you-earn tax system is not a system which is one-sided by any means, that is, all for the benefit of the taxpayer or all for the benefit of the Government.

Let me ask candidly and frankly, How are we to collect taxes from 30,000,000 people who are working at high wages and who may be here today and gone tomorrow unless we collect them at the source?

Is it not fair that they pay a reasonable tax, a proportionate tax, based upon our progressive income-tax law?

Not only that, Mr. President, but how or why should we collect the tax from the soldier boy who has gone into the service and is now receiving from his Government less than his personal exemption on his income in 1942, which may have been as high as ten or fifteen or twenty or thirty thousand dollars?

The Government of the United States has not lost much money as the result of tax defaults over a long period of time, but the Government of the United States never before, in all its history, taxed 44,000,000 American citizens, and any official of the Treasury Department who does not know that under these conditions tax defaults will result in a constantly rising volume of losses, is not realistic.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield to the Senator from Louisiana.

Mr. ELLENDER. I am wondering how the pending amendment would affect the question the Senator is discussing. If my amendment were adopted the bill would remain as it is written; the 20 percent would be collected commencing July 1, and the only effect of my amend-

ment would be to do away with the cancellation of taxes, and simply defer the 1942 taxes, so that payment of them would be made in 10 equal installments beginning on March 15, 1944, and extending over a period of 5 years.

Mr. GEORGE. I understand the Senator's amendment, and I think my remarks are pertinent to it; I express the hope that they are. What I am saying, Mr. President, is that with the high rate of taxes now imposed we cannot expect to double up for anything like 100 percent of the tax liability of any year.

Today my distinguished friend from Virginia [Mr. BYRD] referred to the present as being the highest income-producing period in our history, and that any forgiveness or abatement at this time would result in the remission of tremendously large sums of money which may not again be available to the Treasury. In great part, I agree with my distinguished friend in his discussion and in his conclusions, but the very reason why it is necessary to go on a pay-as-you-go basis, to relate tax payments to the year of income, and let them go up and down together, is because of the high tax rates. If there were low rates nobody would worry about this problem; it would not then be a problem; but, Mr. President, now it is a problem when 44,000,000 people must pay income taxes; it is a problem when 30,000,000 of those taxpayers must pay currently as they earn, for they cannot pay after they have spent their incomes. If the Government were realistic, it would see that picture; it would face it frankly. We need now once and for all to go to a sound taxation system, and there is no sound taxing system that does not gear the tax liability to current income, so that when income goes up taxes, of course, go up, and when income shoots down, the people are saved from almost wholesale bankruptcy only because when their income goes down their taxes necessarily go down.

Leave the present system, Senators, if you want to do so; refuse to face the facts as they really are. Let these high taxes remain where they now are, let this war suddenly end, let incomes drop, and the man with a very moderate income will owe a back year's tax which he may not be able to pay out of his actual total income for as much as 2 or 3 years. Let those people who cannot pay become permanently in the debtor class, and large numbers of them will be unable to meet their tax payments. Some say, let the Government take the loss then, and it could take it from year to year, but that is not a good condition in which to put the people; it is not wise to put the people in the status of debtors who can never pay their honest debts to their Government.

Mr. President and Senators, this is not a trifling program devised by some shrewd politician. The Government of the United States ought to adopt a system that will tie irrevocably income and tax liability together, so that they go up and down together. The Government of the United States can do it.

Forgiving! What does it amount to when the Government can in any one

year impose any tax on its people that it wants to impose? This is not a question of debtor and creditor. If, as a creditor, the Senator from Alabama forgives me something, he cannot make me pay it next year unless I become indebted to him again. In the narrow, technical sense only, is there the relationship of debtor and creditor between the Government of the United States and the taxpayer, because the Government has the absolute power to change, modify, shift, or increase its tax rates so as to meet its necessities.

I am not worrying about the Government losing anything. The only question is, is it desirable to get on a pay-as-you-go basis? Is it desirable to change the taxing system so that the people will not be 1 year behind in their debt to the Government?

A soldier who may be in the Solomons today, perhaps, in 1942 earned fifteen or twenty thousand dollars and owes four or five thousand dollars to his Government in taxes. He is out there now as a private and can never pay that debt. Suppose the case of a soldier on one of the South Pacific islands who has a little home back here, just a meager place, a shelter for his wife and his baby; who has got to go down and dicker with the tax collector and try to save the little home because his 1942 taxes would wipe it off the face of the map as clean as if a Texas cyclone struck it. Is that right? Can we put our taxpayers on a current basis without any damage and injury to the Government? If so, is it not wise to do it?

I am not proposing that we forgive all the tax of 1942, for I do not think it is wise to do so; I do not think that the business people of this country, when they think of it, will believe it is wise to do so.

I think that at least 25 percent of the 1942 liability can be carried over to March 15, 1944, and March 15, 1945. That would result in an increased burden on the taxpayer immediately, it is true, but if there ever was a time when the Government should get as much cash out of current earnings as possible, both to meet obligations of the Government and to check, so far as we can, the rapidly rising price spiral in this country, now is that time.

My distinguished friend, the Senator from Virginia [Mr. BYRD], said that 50 percent should be collected. If that can be done, and the one desirable thing realized, to wit, putting the taxpayer on a current paying basis as his liability arises, then it should be done. I confess that my own study leads me to the conclusion that our taxpayers can stand the additional 25 percent, spread over 2 years, but I do not think they can stand the additional 100 percent over 2 or 3, or even 5 years, as the Senator from Louisiana has suggested.

Therefore I oppose the amendment, Mr. President, and I earnestly hope that the Senate, without regard to any commitments, will try to approach the subject in a businesslike way, and if it is desirable to adopt a different system of collecting our Federal income taxes, let us do so now, when we have the opportunity.

There will be no loss to the Treasury insofar as collections are concerned, so long as incomes continue to rise. There cannot be. The actual dollars and cents which go into the Treasury from rising incomes will be larger in 1943 than they were in 1942, and they will be larger in 1944 than in 1943. Of course, our national income will fluctuate, but there cannot in any sense, as I see it, be any situation over a long period where there will be a loss to the Treasury.

When I say that I do not think we should abate the whole amount of the taxes, I mean that my judgment is that the proposal is so advantageous to both the taxpayer and the Government that the taxpayer should be willing to do as much as he can, if the Government needs the money, and we undoubtedly will realize a larger return in 1943 than if we remained under the present system of paying taxes on income a year after it has been earned.

Tax liability to the Government does not arise out of contract but under operation of law, and the Treasury is on a cash basis and counts its collections from revenue only as they come in. There is a vast difference, so far as citizens are concerned, between liability for the tax and the tax in the form of cash in the Treasury.

Senators, let us not deceive ourselves. The day will probably come at the end of the war period, unless we can somehow constantly advance our national income without any serious letdown, when, out of 44,000,000 taxpayers, the Government will fail to collect many taxes—many because American taxpayers will be unable to meet their tax payments—and it is never good policy on the part of government to bankrupt its taxpayers—to bankrupt its own customers and supporters.

Mr. President, that hour will come unless now, in this period of rising income, when we will not reduce the cash flowing into the Treasury, we go as far as we can, and make certain that our taxing program makes the taxpayer current so that out of his daily and weekly and monthly earnings he can pay daily, weekly, or monthly his obligations to his Government.

That is what this bill will do, if put into operation. It will make 30,000,000 of the 44,000,000 taxpayers current by means of withholding, and it will make the remaining 14,000,000 current by estimating the annual income and paying it within the year. That is the proposal.

I would not hesitate to abate 100 percent of the tax if I believed it was necessary in order to put the American taxpayer on a current basis with his Government, and I would do so under the firm conviction that that was the best course for the Government to pursue, and was certainly the best course for the taxpayer, if the Government should follow it.

Mr. BANKHEAD. Mr. President, I should like to ask the Senator a question. Mr. GEORGE. I shall be glad to answer it if I can.

Mr. BANKHEAD. I am in very general accord with the philosophy and objectives expressed by the able chair-

man of the Committee on Finance, the senior Senator from Georgia [Mr. GEORGE]. My difficulty is in knowing how to apply his reasoning. I have had a great deal of difficulty in ascertaining what the various proposals and amendments mean.

We know the taxpayers are divided into many classes and groups, dependent upon the amount of their incomes. There is a provision in the bill under which we would take 1942 or 1943 as the year for which taxes were to be collected, dependent upon which year's income was the largest, and of course that would shift the result very materially.

The Senator spoke of the bill and the beneficial effect it would have. I assume he is referring to the committee bill.

Mr. GEORGE. I said I did not think it was necessary to go as far as the committee bill goes.

Mr. BANKHEAD. I am not sure what the Senator had in mind, and I am anxious to know, because he is aware of my confidence in him and in his judgment.

Mr. GEORGE. I am speaking of the committee bill so far as it relates to the method of collecting the current taxes.

Mr. BANKHEAD. But as to the amount of the abatement, the Senator is not giving it his approval?

Mr. GEORGE. No; I have offered a substitute for it, because I do not think it is necessary to abate all the 1942 tax.

Mr. BANKHEAD. I desire to ask the Senator specifically about his amendment, or substitute. I shall not read it all; I do not understand it all, because there are so many references in the amendment to sections which are not printed in it. Some are made parts of the amendment, some are taken out of some other bill, and it would certainly take an expert, exercising a great deal of care and study, to know exactly what it means, and as one who is not a tax expert, as I am not, I frankly confess I have been unable to determine just what effect the Senator's amendment would have. I have asked some of the experts about it, but I do not find exact uniformity of opinion among them.

Mr. GEORGE. The amendment amends section 6 of the bill the committee reported, and it is technical, of course.

Mr. BANKHEAD. It is technical, and so many provisions are adopted or eliminated merely by reference, without setting them out, that I am asking the Senator for information in good faith.

The amendment provides in the first paragraph that the taxes under a certain chapter "for the taxable year 1942 shall be increased by an amount equal to 25 percent of the tax for the taxable year 1942." I do not understand exactly how an increase of 25 percent in the tax constitutes an equivalent abatement or reduction of the tax liability for the taxpayer. It seems to provide an increase rather than a deduction. Frankly, I want some deduction. I agree with the Senator's philosophy.

Mr. GEORGE. I may say to my friend, the Senator from Alabama, that it is an amendment to section 6 of the committee bill. The part of the section which is not amended discharges or

abates the 1942 liability. But if the 1942 liability is larger than the 1943 liability, the effect of the amendment is to require the taxpayer to pay the tax for the larger year, and add 25 percent of the tax for the lesser year, the year 1943.

My amendment is intended—and this is the English of it—to abate 75 percent of the tax for 1942 or 1943 income, whichever is the lowest; in other words, collecting the tax for the highest year, and also to add to the year in which the tax is collected, 25 percent of the tax for the lesser year. This 25 percent additional amount will be paid in two installments of 12½ percent each, the first payable on March 15, 1944, and the second on March 15, 1945.

Mr. BANKHEAD. I will call the Senator's attention to this provision on page 1 of his amendment. The provision does not specify that the year in which the tax is abated shall be the year of the lowest income—that may be provided somewhere else in the amendment—but, on the contrary, the amendment itself provides that 25 percent of the tax for the taxable year 1942 shall be abated.

Mr. GEORGE. The amendment does say that, because 1942 is the year in which it is technically abated. It is abated, however, by technical provisions which make it look, in many instances, as though certain additions are being made to the 1943 year so as actually to bring the 1943 year up to what the 1942 year would be if the 1942 year were the higher of the two years. That language is fitted into this amendment.

The liability of any individual (other than an estate)—

And so forth—

for the tax imposed by such chapter for the taxable year 1942 shall be discharged as of September 1, 1943.

That provision is left in the bill and is not changed by my amendment. That is the first antiwindfall provision of the committee bill. I am sorry that the matter has to be so technical, but the effect is clear. It is intended to abate the lower of either the year 1942 or 1943 and add 25 percent of the abated tax to the year in which collection is made, and to retain the windfall provision.

Mr. BANKHEAD. That would be, as the Senator says, to add 25 percent to the other year?

Mr. GEORGE. Yes.

Mr. BANKHEAD. And pay it all this year? Provision is made for payment of last year's tax in four installments. Is some change now proposed to be made?

Mr. GEORGE. No; the amendment provides that the 25 percent is to be paid in two parts, 12½ percent of it to be paid March 15, 1944, and 12½ percent added to the tax liability March 15, 1945.

Mr. BANKHEAD. Then the effect of that would be to increase by approximately 25 percent the amount of taxes to be paid this year?

Mr. GEORGE. It is to be paid in 2 years. The payment is due this year, but 12½ percent is to be paid in each of the years 1944 and 1945, when the actual payments are to be made.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I yield.

Mr. LUCAS. I am certain that I understand the amendment which has been offered by the Senator from Georgia, but I should like to cite an actual example to see whether I am correct. Let us say that I had a tax assessment of \$800 in 1942 and one of \$1,000 in 1943. As I understand the Senator's amendment, I would be obliged to pay the larger of the two this year, 1943, or \$1,000.

Mr. GEORGE. That is correct.

Mr. LUCAS. And then, in addition to that, I would pay a 25-percent additional tax on the \$1,000.

Mr. GEORGE. On the \$800.

Mr. LUCAS. On the \$800; yes.

Mr. GEORGE. Yes; that is correct.

Mr. LUCAS. And that would be paid over a period of 2 years beginning March 1, 1944.

Mr. GEORGE. One hundred dollars each year in that particular case; that is correct.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. OVERTON. Does the Senator's amendment retain the provision contained in the committee amendment with respect to making the calculations based on the normal year?

Mr. GEORGE. No. That is the second windfall provision. I did not think it necessary to retain the second windfall provision which will operate very harshly in special cases, and in view of the fact that 25 percent of the tax for the abated year would have to be paid.

Mr. OVERTON. Sometimes we can understand an illustration better than an argument, especially when it comes to revenue legislation. I should like to propound to the Senator from Georgia the question I asked and the example I gave to the Senator from Virginia [Mr. BYRD] when he was making his very able presentation. Let us suppose that the taxpayer had, during the normal base year, 1938, 1939, or 1940, \$1,000 income, and that in 1942 he had \$1,000,000 income, and in 1943 he had \$500,000 income. Would he pay more under the amendment of the Senator from Georgia or under the committee amendment?

Mr. GEORGE. He would pay more under the committee amendment in that case. That is an extreme case.

Mr. OVERTON. It was merely an off-hand example.

Mr. GEORGE. It is an extreme example. Let me say that while we often look to individual cases to determine the effect of a tax, I always try—I may be wrong about it but it seems to me it is the only sound way—to look to the general and total effect of the tax on all the taxpayers. Specific instances can be picked out under which the second anti-windfall provision in the committee bill to which the Senator is referring will operate most harshly and unfairly against the taxpayer. That is no reason why in any particular instance the remedy should be withheld, because in a particular instance some taxpayer might receive too much relief.

My own feeling with respect to the second windfall provision is that it will

operate rather cruelly in a great many cases, and that since the taxpayer is called upon to pay a portion—let us say 25 percent, as I have suggested—of the abated year's liability anyway, the first windfall provision is all that is necessary, with, of course, the same provision in the committee bill providing relief for members of the armed forces.

Mr. OVERTON. I was going to make the observation that the example I gave was purely an offhand one, and was made without any reflection. I do not like to ask the Senator from Georgia to institute a comparison between the product of his own thought and that of the action of the committee; but what I have in mind and what concerns me is this: I remember that when about a year ago we had under consideration the question of renegotiation of contracts the able senior Senator from Georgia stated that the way to reach the war profiteers was through taxation; that so far as he was concerned, he intended to reach the war profiteers through taxation; and I think he said they could be taxed up to 90 percent of the profits they made.

In giving my illustration and in asking for a specific answer whether the amendment of the Senator from Georgia, as compared with the amendment proposed by the Senate committee, would favor such individuals, what I wish to know is simply this: Boiled down, would the committee amendment deal more harshly with war profiteers than would the amendment of the Senator from Georgia; or is the Senator from Georgia in a position to institute a comparison between the two?

Mr. GEORGE. It would not deal more harshly with the war profiteer as a war profiteer. It would deal harshly so far as certain results to many taxpayers who are not war profiteers are concerned. But much of the abnormality of income might have been due to the war, and much of it might not have been due to the war.

Mr. OVERTON. I have in mind the persons who have made abnormal profits since our entrance into the war. Would the committee amendment obtain more taxes from persons who have made such tremendous profits?

Mr. GEORGE. The arbitrary selection of the years 1938, 1939, or 1940 may not be a proper measure for determining normal profits. We fixed a definite period in the corporate excess-profits tax, but we had to provide relief for the hard cases.

It seems to me that if we take the higher of 1942 or 1943, plus 25 percent of the tax for the other year, we will fairly well reach the cases of war profiteers.

The individual tax rates also run very high. They run up to 88 percent, without including the Victory tax. A 90-percent ceiling has been imposed on the individual income taxes; but for a \$250,000 income, the law would result in taking away from the taxpayer approximately \$207,857.69 out of his \$250,000 income.

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. OVERTON. The Senator from Georgia has the floor.

Mr. GEORGE. If we take the case of a man who had a \$1,000,000 income from bonds in 1938, 1939, and 1940, and who had such an income up to this very date, the comparison would be in favor of another version, rather than in favor of the committee version; but that is not the final test of the matter, it seems to me.

Let us take another situation—that of a man who died in 1940. Let us assume that, following his death, large income-producing property was turned over to his orphaned children. Let us assume that in 1938, 1939, and 1940 they had no income whatever. Under the committee proposal, a very serious hurt would be inflicted upon those children, although there was no connection whatsoever between their income and wartime activities, and although there had been, in fact, no creation of new property, but merely the transfer of the property to persons who, until the year 1942, had been nontaxpayers.

In the particular case the Senator first suggested the tax would be most substantial under either proposal, but in that instance there might be a slight difference in favor of the committee bill.

Mr. OVERTON. I thank the Senator.

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. GEORGE. I yield.

Mr. DANAHER. I wish to ask the Senator from Georgia in elaboration upon his reply to the Senator from Louisiana, if it would not be fair to say that the second windfall tax provided for in the committee amendment would adhere only in cases in which the income of the taxpayer increased by \$10,000 of net taxable income over the income in the base years.

Mr. GEORGE. That is true; yes.

Mr. DANAHER. That is a correct statement, let me say to the Senator from Louisiana, as the Senator from Georgia frankly concedes.

Mr. GEORGE. Yes.

Mr. DANAHER. I think I am also correct in saying that the Treasury expects an added yield from that increase, under the second windfall provision, of approximately \$400,000,000 of additional taxes.

Mr. GEORGE. That is true, but it would be most inequitably distributed; and the Senator will live to see that happen if the second windfall provision ever goes into effect. It would be most cruelly applied in many cases.

The first windfall provision would raise approximately \$900,000,000 and would do so, I think, on a fairly equitable basis.

Mr. DANAHER. Mr. President, will the Senator from Georgia yield further to me?

Mr. GEORGE. I yield.

Mr. DANAHER. As I read the Senator's amendment lying on our desks, it seems to me it would increase the taxes to be collected in 1943 by 25 percent of the taxes which would have been collected on the 1942 incomes; is that correct?

Mr. GEORGE. That is correct, with this modification: The lesser year is

abated, and 25 percent of the abated year's tax is added to the tax for the higher year.

Mr. DANAHER. Then, to give application to a specific case, in further answer to the Senator from Louisiana, under the committee's second windfall program, in the case of a taxpayer earning \$100,000 of net taxable income in 1943, the increase in the tax would be \$57,640, which would be added to his tax liability, but which might be paid over a period of 4 years, with 4-percent interest on each annual installment.

Under the language of the amendment proposed by the Senator from Georgia, the 1943 tax liability would be increased by \$9,565, which would be payable in two installments of 50 percent each. Is that not correct?

Mr. GEORGE. I have not done any figuring upon the particular examples; I was simply answering according to my best information, based upon the statement made by the Senator from Louisiana.

Mr. DANAHER. Yes. I think the Senator from Georgia will find that the figures are correct.

Mr. GEORGE. I have no doubt about that, but under the second windfall provision, I can produce innumerable examples which would amount to the crucifixion of persons who would not have had any increase in income arising as a result of the war.

Mr. DANAHER. I thank the Senator.

Mr. BANKHEAD. Mr. President, I should like to ask the Senator another question. Mention has previously been made that the windfall provisions are included in order to prevent abnormal profits and that the windfall provisions would apply to abnormal profits a higher rate of taxation than that which ordinarily would be applied. I am wondering if that would not work an injustice in cases in which the substantially peacetime income, let us say, had no relation whatever to war profiteering.

Mr. GEORGE. I think it would, because, after all, it is from the figures that we obtain the final result, and whether they arise because of war activity or whether they are wholly dissociated from war activity the result to the taxpayer is the same. I think that is quite true, and I think that is especially true in all cases of inheritance, or the taking over by bequest of income-producing property, and in many hundreds, or even thousands, of cases in which deferred salaries have already been paid in 1942, under pension systems or under agreements with the employer.

Mr. BANKHEAD. Does the Senator think it is fair to apply the same high rate to a windfall resulting from an increase in income which comes about in the normal way as would apply to increases which come about as a result of war profits? That is the point I had in mind. Is it fair to apply the same increase in rates?

Mr. GEORGE. That would be the effect.

Mr. BANKHEAD. That would be the effect; but would it be fair to do it?

Mr. GEORGE. No; I do not think it would be fair to do it.

Mr. BONE. Mr. President, I have listened with a great deal of interest to the statement of the Senator from Louisiana [Mr. ELLENDER]. His amendment to the pending bill has not been printed and does not lie on our desks. I think it would be rather unfortunate, with the somewhat sparse attendance of the Senate at the moment, to vote on that amendment this afternoon.

In view of the statement of the able Senator from Georgia [Mr. GEORGE] about our armed forces being affected by the collection of taxes, I should like to ask the Senator from Louisiana what provision his amendment—which we cannot read in detail—would make respecting soldiers. Perhaps I can put it a little more clearly by asking if his amendment would in anywise affect the question to which the Senator from Georgia referred, of deferring or abating taxes on the members of our armed forces.

Mr. ELLENDER. Let me state to the Senator from Washington that section 7 of the bill provides for an additional allowance for members of the armed forces. Section 7 (a) provides an exemption. It reads as follows:

(a) In general: Section 22 (b) (13) of the Internal Revenue Code (relating to additional allowance for military and naval personnel in computing net income) is amended to read as follows:

"(13) Additional allowance for military and naval personnel: In the case of compensation received during any taxable year and before the termination of the present war as proclaimed by the President, by a member of the military or naval forces of the United States for active service in such forces during such war, so much of such compensation as does not exceed \$1,500."

Then there is another provision, in section 8, which abates the taxes of members of the armed forces in case of death.

Mr. BONE. Will the Senator indicate the page?

Mr. ELLENDER. It will be found on page 104. Those two provisions are in nowise affected by my amendment. As I understand, there is a provision in the bill which cancels 1942 taxes of a soldier up to \$14,000 on earned income. Let me say to the Senator that if my amendment in any way affects the provisions with regard to any member of our armed forces I desire to amend it so that the armed forces will be treated in the same manner as they are proposed to be treated under the terms of the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER] to the amendment of the committee, as amended.

Mr. ELLENDER. Mr. President, are we to reach a vote on this amendment this afternoon? The hour is rather late. It is a quarter to 5.

Mr. GEORGE. Mr. President, I hope we can vote on the amendment this afternoon.

Mr. ELLENDER. Mr. President, I wish to state that I have the floor.

It is now a quarter to 5, and the amendment, which was offered by me today, has not been printed. I offered it in good faith. I discussed the matter with a member of the Treasury Department yesterday and I gave him my views as to what should be contained in the amendment. The amendment could not be prepared until this morning. I offered it this afternoon. I am hopeful that the Senate will not force a vote this afternoon, but will permit the amendment to be printed so that Senators may have an opportunity to study it. I think it is a very important amendment.

Mr. GEORGE. Mr. President, if the Senator will permit me to make a statement, I have no desire to force a vote; but the Senator's amendment brings up the very genesis from which we started with the proposed legislation. I thought the amendment was well understood. If there is any question about the amendment being understood, it might go over; but we face this situation: If any withholding at the source is to go into effect July 1, the bill must clear both Houses of Congress and reach the President by Saturday or thereabouts. It is important that we move as fast as we can.

Mr. ELLENDER. I think it could be cleared tomorrow. Consideration of my amendment will not occupy very much time.

Mr. GEORGE. We have a number of other amendments. Is the Senator especially anxious to have his amendment go over until tomorrow?

Mr. ELLENDER. I am.

Mr. GEORGE. Is the Senator willing temporarily to withdraw his amendment so that we may dispose of a few other amendments, which will not take more than a few minutes?

Mr. ELLENDER. I will agree to that provided that my amendment will be made the pending business when we meet tomorrow.

Mr. GEORGE. The Senator can temporarily withdraw his amendment and offer it the first thing tomorrow.

Mr. ELLENDER. Let us agree as follows: The Senate will defer consideration of my amendment, and after the amendments which the Senator desires to have considered are acted upon, my amendment will be the unfinished business tomorrow.

Mr. GEORGE. I shall be very glad to have the Senator offer his amendment after we shall have disposed of the other amendments.

Mr. WALSH. Mr. President, in view of the debate on this amendment, let me suggest that a time be fixed for voting tomorrow, at half-past 12, so that there will not be a recurrence of the whole debate on this amendment.

Mr. GEORGE. That is quite agreeable to me.

Mr. ELLENDER. Mr. President, there has not been much debate on my amendment. The debate has been on the bill itself.

Mr. WALSH. Could we not vote at half-past 12 or 1 o'clock on the Senator's amendment?

Mr. ELLENDER. My amendment has not received much deliberation or discussion.

Mr. WALSH. I believe that is true; but in view of what the Senator from Georgia has pointed out as to the urgency of action, we ought to try to fix a time to vote on the amendment.

Mr. ELLENDER. I can assure the Senator that I will not delay a vote on my amendment.

Mr. WALSH. Is the Senator willing to agree upon a time to vote?

Mr. ELLENDER. I will not agree on a specific time, but I will state to the Senator that I do not seek to prolong discussion on the amendment but ask only that it be thoroughly considered.

Mr. GEORGE. If the Senator will withdraw his amendment temporarily, so that I may offer other amendments, I will agree that his amendment may go over until tomorrow.

Mr. ELLENDER. With the understanding that after the disposition of the amendments to which the Senator refers my amendment will be the pending business tomorrow?

Mr. GEORGE. It would certainly be in order at any time.

Mr. ELLENDER. What is the difference? I can see no objection to my suggestion.

Mr. GEORGE. I would not want to start a long debate again on one amendment when we have a number of other amendments. If it is to go over, I think there ought to be at least an understanding that we shall reach a vote by a certain time. I do not care to have a unanimous-consent agreement. As quickly as the Senator can explain the amendment tomorrow I think we ought to be able to take a vote.

Mr. VANDENBERG. Mr. President, let me make a suggestion to the Senator. Regardless of the amendment of the Senator from Louisiana, and not referring to his amendment alone, we face the physical fact that if the proposed legislation is to be worth paying any further attention to, it must be completed this week. That is a physical fact. If all the amendments—and there are many pending—are to run the same sort of gantlet as does the amendment of the Senator from Louisiana, we shall not be through with the bill until next week, and then it will be a case of "love's labor lost," no matter what the result is. I wonder if we may have a unanimous consent agreement now limiting consideration of all amendments, commencing tomorrow at noon?

Mr. GEORGE. That is quite agreeable to me.

Mr. ELLENDER. Mr. President, I have no objection to laying my amendment aside temporarily, with the simple understanding that when we meet tomorrow it will be the unfinished business. I cannot see any reason why that cannot be agreed to.

Mr. GEORGE. Mr. President, I ask unanimous consent that within 40 minutes after the Senate convenes tomorrow

a vote be had on the amendment of the Senator from Louisiana, if it is to be postponed.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, I like the suggestion made by the distinguished Senator from Michigan. At this time I think that if it is imperative that the pending bill should be disposed of this week or tomorrow, we should have an understanding limiting debate on all the amendments pending, or those which may be offered.

Mr. HILL. Will the Senator yield?

Mr. McNARY. I yield.

Mr. HILL. In that connection, I wonder if the chairman of the committee, and the distinguished minority leader, would think well of an agreement that no Member shall speak more than once, or longer than 15 minutes on any amendment?

Mr. GEORGE. I am perfectly willing to accept any suggestion. I thought we would vote early tomorrow on the pending bill.

Mr. LA FOLLETTE. Mr. President, I have no purpose to delay action on this bill, but I do not want to see the Senate placed in a position where the Members of the Senate cannot have adequate time for debate on amendments that may be offered. We do not know what amendments may be offered before the bill shall be voted upon.

Mr. HILL. The Senator from Wisconsin would not be willing at this time to enter into any agreement with reference to a limitation on debate?

Mr. LA FOLLETTE. I would not. We have debated this bill for only 2 days.

Mr. HILL. As the Senator knows—

Mr. GEORGE. Mr. President, it is only 5 o'clock. I think we had better proceed. That is the only way in which we can get an answer.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Louisiana [Mr. ELLENDER] to the amendment of the committee, as amended.

Mr. ELLENDER. Mr. President, I have some statistics which I should like to read. I do not care to detain the Senate unnecessarily, but I think that I have made a very reasonable request.

The amendment which is now pending can be laid aside. I am willing to agree temporarily to that being done. If in the meantime the Senate should desire to dispose of any amendments this afternoon, that would be perfectly agreeable to me. I do not see why this amendment cannot retain its status and be taken up when the Senate meets tomorrow. I should like to have the Senate agree to that, rather than to make it necessary for me to stand here and read from statistics. I do not ask for a vote on my amendment this afternoon. I am frank to say, as I have already said, that I was unable to have the amendment prepared previous to this afternoon. It was handed to me about 2 o'clock. The moment that I could obtain an opportunity to submit the amendment, I did so.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WALSH. I do not think there is any opposition in the Senate to the amendment being voted upon tomorrow. The difficulty is that no time limit has been fixed. Without a time limit being agreed to we could have general debate and spend all day in discussing the merits of the bill, and the amendment of the Senator would not be reached at all. There has been some discussion of it today, and there may be some tomorrow, but if a time limit were fixed the Senator's amendment could be disposed of, and then we could proceed to general debate. If we should take all day tomorrow to discuss his amendment, that would be one thing. The Senator knows from experience here that everything else would be discussed except his amendment, but if a time were fixed I am sure every Member would be glad to have a vote upon his amendment sometime tomorrow.

Mr. ELLENDER. I do not have any objection to a time limitation being placed on the debate relative to the amendment, but I understand that the majority leader has asked that a time limit be set, and an objection was urged.

Mr. WALSH. My remarks were directed only to disposing of the amendment of the Senator from Louisiana, and were not directed to other amendments. If a time is fixed for action on the Senator's amendment every Member would, I believe, be satisfied and would be glad to accommodate the Senator. The difficulty is that if a limit shall not be placed upon debate we could debate all day long on the general proposition and not reach a vote on the Senator's amendment for possibly 2 days.

Mr. HILL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HILL. Mr. President, the Senator does not wish his amendment to be voted upon this afternoon, and I understand his reasons for it. I take it that he will not allow his amendment to be voted on this afternoon, and he has it within his power not to permit the amendment to be voted upon. In view of the situation, would not the Senator be willing temporarily to withdraw his amendment? I believe the chairman of the Committee on Finance and the Senator from Missouri [Mr. CLARK] have a few amendments which they wish to propose. Tomorrow the Senator from Louisiana could offer his amendment. When he has offered it, unless some limitation shall be placed upon the debate—and the only way such limitation could be placed would be by his consent—he could take as long as he wished in discussing it. There is no way in which to prevent him from discussing his amendment now, and there is no disposition on the part of any Member not to allow him to take up his amendment tomorrow. If he would refrain from making his speech now, we could proceed to dispose of other amendments.

Mr. ELLENDER. The only difficulty is that I would like to have my amend-

ment voted upon before 2 o'clock tomorrow.

Mr. HILL. In that connection I will say to the Senator, after conferring with the chairman of the committee and the distinguished minority leader, that it is my purpose to move to recess until 11 o'clock tomorrow, and if the Senate meets at 11 o'clock tomorrow the Senator's amendment could then be disposed of unless he should desire to take time in which to discuss it again.

Mr. ELLENDER. I have no intention to take up much more of the Senate's time in a discussion of the amendment. It is a very simple amendment. All I desire to do is to give an opportunity to Senators to read and study it.

Mr. HILL. Then if the Senator will temporarily withdraw his amendment he could have it printed in the RECORD, which would give every Senator an opportunity to read and study it, and offer it again tomorrow. In so doing we could make a little headway this afternoon in disposing of some of these other amendments. There would be no difficulty in offering his amendment tomorrow.

Mr. ELLENDER. I am willing to agree that if the Senate recesses until 11 o'clock tomorrow a vote will be taken upon my amendment not later than 12:30 p. m.

Mr. GEORGE. Mr. President, I will not agree to that. I will not agree to an hour and a half of further discussion on this amendment. The Senator can follow that course if he wishes to.

Mr. ELLENDER. I said not later than 12:30. It may be that we would be able to vote upon it at 11:30. I certainly shall not occupy an hour and a half in discussing the amendment. I may not occupy more than 10 or 15 minutes.

Mr. GEORGE. Mr. President, I have always tried to be very courteous, and the only thing I will say is that I shall insist on the Senate going ahead with its business. At a reasonable time tomorrow morning the amendment can be offered and voted upon. The Senator can offer his amendment at any time before the bill is finally disposed of.

Mr. ELLENDER. What objection would there be to temporarily setting aside the amendment and making it the unfinished business of the Senate tomorrow at 11 o'clock? What would be the objection to that?

Mr. GEORGE. I shall not ask the Senator temporarily to lay aside his amendment unless he wishes to do so. I will give him assurance that he can bring it up tomorrow.

Mr. ELLENDER. That is only the Senator's assurance. Possibly other Senators will introduce amendments in the meantime with the result that the Senator from Louisiana will be out on a limb and his amendment may not be voted upon.

Mr. HILL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HILL. I was going to say that I should be glad to join with the Senator in asking the Chair to recognize the Senator the first thing in the morning. I do not see what more the Senator could ask. He will have every opportunity to pre-

sent his amendment. It is just a question of whether he is going to talk, or whether we will be able to dispose of some of the other amendments.

Mr. LUCAS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. As I understand, the Senator wants primarily to have the amendment printed in the RECORD overnight so that Senators who read the RECORD will have an opportunity to discuss it.

Mr. ELLENDER. The Senator is correct.

Mr. LUCAS. As I understand, the amendment is already in the RECORD.

Mr. ELLENDER. Yes.

Mr. LUCAS. And will be in the RECORD whether or not the Senator discusses it.

Mr. ELLENDER. That is correct.

Mr. LUCAS. Why could not the Senator just yield the floor at this time, because any time tomorrow the Senator certainly would have an opportunity to call up the amendment and discuss it, and his purpose will be served by having the amendment read by Senators tonight or tomorrow, and having the vote postponed until tomorrow, and that certainly will be done if the Senator will yield the floor at this time.

Mr. ELLENDER. As I understand the rules, if I should withdraw my amendment at the moment—

Mr. LUCAS. I am not asking the Senator to withdraw his amendment.

Mr. ELLENDER. What the Senator has suggested is what I have been suggesting, that the amendment be temporarily laid aside for the purpose of considering other amendments which Senators desire to have disposed of, and after those amendments are disposed of, then my amendment is to revert to its present status. What is wrong with that? I cannot understand why that cannot be agreed upon.

The PRESIDING OFFICER. Is there objection to the request?

Mr. CLARK of Missouri. What is the request?

The PRESIDING OFFICER. The request is that the Senate suspend the consideration of the amendment of the Senator from Louisiana for the purpose of considering other amendments, the consideration of that amendment to be resumed upon the completion of the consideration of the other amendments, and that the amendment of the Senator from Louisiana be made the unfinished business.

Mr. GEORGE. I must object to that, because it is an unheard of proceeding. It is perfectly fair, if the Senator wishes temporarily to lay the amendment aside, and let us proceed, because he is not willing to have a vote, although it is just 5 o'clock. It is perfectly fair, and I agreed in the first instance that the amendment might be laid aside temporarily so that we could proceed and discuss such other amendments as might be offered, but I will not agree that it shall go over as a preferred amendment, with a preferred status.

Mr. ELLENDER. Mr. President, I do not wish to assume the attitude of being obstinate and stubborn, and with the assurance of the acting majority leader,

as well as of the distinguished Senator from Georgia, that my amendment will receive first consideration when we meet tomorrow, I shall be willing to have it set aside temporarily.

Mr. GEORGE. Mr. President, I object to any agreement whatsoever, and will not consent to any suggestion whatsoever, to give this amendment a preferred status, beyond the assurance that the amendment may be brought up. That is not a procedure I have heard suggested before in the Senate, during my experience here.

If there could be an agreement to limit debate upon the amendment to 15 minutes on the part of any Senator, I should be perfectly willing to ask the acting majority leader to seek an adjournment or a recess until tomorrow. If we may have consent that all debate upon the amendment be limited to 15 minutes on the part of any Senator on the amendment or any amendment proposed to the amendment, I shall be willing to ask the Senate to take a recess, although there are impelling reasons why the pending bill should be speedily considered and passed, so that it may become effective by July 1.

Mr. HILL. Mr. President, I ask unanimous consent that no Senator be allowed to speak more than once on the pending amendment, or on any amendment to the pending amendment, and that no Senator be allowed to speak over 15 minutes on the amendment or any amendment thereto.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and it is so ordered.

Mr. CONNALLY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. I have an amendment in the nature of a substitute which I expect to offer, and the inquiry is whether under the Senate rules, if the Senator from Georgia should offer his amendment as a substitute and it should be adopted, it would then be in order for me to offer a complete substitute.

The PRESIDING OFFICER. If a complete substitute for the bill is adopted, then a substitute would not be in order.

Mr. CONNALLY. It was my view that if a complete substitute were adopted, this would be in the nature of a perfecting amendment.

The PRESIDING OFFICER. In the form in which the amendment of the Senator from Georgia has been submitted, it is not a substitute at all.

Mr. CONNALLY. It is not a substitute?

The PRESIDING OFFICER. Not for the whole bill. It is a substitute for section 6.

Mr. CONNALLY. I do not wish to prevent the Senator from Georgia having a clear-cut issue on the amendment. I prefer to offer my amendment in advance of the vote on his amendment, but I still want to give him a green light.

The PRESIDING OFFICER. A perfecting amendment would have precedence over any substitute.

Mr. BONE. Mr. President, I wish to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BONE. I should like to know whether the substitute which is to be tendered by the Senator from Texas will be the only substitute for the pending legislation offered in the Senate.

Mr. CONNALLY. I cannot answer that question. The substitute which I have in mind is the House Ways and Means Committee bill, which was reported on April 30, and its general outline is that it adopts for 1942 the 1941 rates, and then for the taxpayers of 1942 it permits a 3-year interval for payment in installments.

Mr. BONE. I understand the nature of that proposal.

Mr. CONNALLY. That is the proposal I intend to offer as an amendment.

Mr. BONE. I am inquiring whether at this moment the proposal of the Senator from Texas will be the only proposal in the nature of a complete substitute for the pending Senate committee bill.

Mr. CONNALLY. We would have to call a quorum to ascertain that.

Mr. President, I send forward the amendment to which I have made reference, and ask that it be printed for the information of Senators.

The PRESIDING OFFICER. The amendment intended to be proposed by the Senator from Texas will be received, printed, and lie on the table.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. McFarland in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

Sumner T. Pike, of Maine, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1948. (Reappointment.)

By Mr. GEORGE, from the Committee on Finance:

James Lloyd Elliott and Lloyd Frederic Summers to be assistant surgeons in the Regular Corps of the United States Public Health Service, effective on date of oath; and

Sundry senior surgeons, surgeons, passed assistant surgeons, assistant surgeons, a senior dental surgeon, and a passed assistant dental surgeon, all for temporary promotion in the United States Public Health Service

By Mr. WALSH, from the Committee on Naval Affairs:

Capt. Laurance T. BuBose to be a rear admiral in the Navy, for temporary service, to rank from September 21, 1942; and

Rear Admiral Charles P. Snyder, United States Navy, when retired on August 1, 1943,

to be placed on the retired list with the rank of admiral pursuant to an act of Congress approved June 16, 1942.

By Mr. HAYDEN, from the Committee on Post Offices and Post Roads:
Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Harry M. Brennan to be collector of customs for customs collection district No. 42.

Mr. CHANDLER. Mr. President, I move that the nomination of Harry M. Brennan, a citizen of Louisville, Commonwealth of Kentucky, to be collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky., be confirmed. It is a position which he has heretofore held and filled with distinction.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. CHANDLER. I ask that the President be immediately notified of the confirmation.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be forthwith notified.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HILL. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

Mr. HILL. I ask that the President be notified forthwith of all confirmations of today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be immediately notified.

RECESS

Mr. HILL. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 12 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 14, 1943, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 13 (legislative day of May 12), 1943:

UNITED STATES ATTORNEY

Charles H. Carr of California to be United States attorney for the southern district of California, vice William Fleet Palmer, deceased.

IN THE NAVY

Capt. Charles E. Rosendahl to be a rear admiral in the Navy, for temporary service, to rank from the 9th day of July 1942.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 13 (legislative day of May 12), 1943:

COLLECTOR OF CUSTOMS

Harry M. Brennan to be a collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky.

POSTMASTERS

ALABAMA

Frances R. Gresham, Autaugaville.

COLORADO

Louis M. French, Norwood.
Leah M. Kesecker, Redcliff.

MICHIGAN

Bernice S. Tiedeman, Washington.

MISSOURI

Helen K. Bridges, Arbyrd.

NEBRASKA

Darwin T. Murfin, Cairo.

NEW JERSEY

Henry G. Roberts, Bay Head.
Louis A. Reilly, Newark.

TEXAS

Hugh L. Williams, Blanket.
Horace Hamilton, Franklin.
Fountain Pitts Shrader, Frisco.
Clyde E. Perkins, Kirkland.
J. O. McBride, Leander.
Grace L. Fowler, Pflugerville.
Charles G. Conley, Quanah.
Vernon E. Newman, Tolar.

VERMONT

Ward L. Lyons, Bennington.
Kenneth A. Tudhope, North Hero.
John J. Cain, Orwell.
Patrick J. Candon, Pittsford.
Ethel B. Wilkins, Reading.
Mary E. Gover, Sheldon Springs.
Cecelia S. Joslyn, South Hero.
Irving E. Bronson, Swanton.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 13, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most loving Father in heaven, whose mercies are exceedingly rich and abundant, Thou hast never forsaken the trusting soul in need. He who bears witness with calm and undaunted will against the wrong, need never count the battle lost. Above the expanse of problems make us humbly eager to serve our fellow men, fair and resolute in criticism and triumphant in faith.

O Christ, breathe into every motive and desire and prune the overaffections of the soul that we may learn how sweet the bitter and how strong our weakness. We pray that courtesy may be the aroma of our conduct, so helpful that it will lift us above the strata of strife. In our waking hours and daily tasks, in voiceless wonder let us come to Thee without fear, rejoicing that we are within the circuit of Thy being; O gather within Thy fatherly hands our time, our lives, and our souls. Wilt Thou bring to an end the dire works of darkness which have been thrust upon Thy appealing children? Bring them release, O Lord, from their prison walls and crush the black hands of spiritual anarchy. Almighty God, grant to our President and

all who are joined with him in conference the fullest measure of wisdom and strength to do Thy will and Thine shall be the praise forever through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 3, 1943:

H. R. 1114. An act to revive and reenact an act approved June 13, 1934 (48 Stat. 947), as amended, authorizing construction of a toll bridge across the Columbia River, at or near Astoria, Oreg.;

H. R. 2370. An act providing for the suspension of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska; and

H. J. Res. 115. Joint resolution authorizing the execution of certain obligations under the treaties of 1903 and 1936 with Panama, and other commitments.

On May 7, 1943:

H. R. 1860. An act to provide for the payment of overtime compensation to Government employees, and for other purposes; and

H. J. Res. 115. Joint resolution making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for other purposes.

On May 10, 1943:

H. R. 1936. An act to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes; and

H. R. 2281. An act to provide for the issuance of devices in recognition of the services of merchant sailors.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 658. An act to repeal the sixth paragraph of section 13 of the Federal Reserve Act;

S. 931. An act to assist relieving economic distress in Puerto Rico and the Virgin Islands by providing work for unemployed persons, and for other purposes; and

S. 1041. An act to extend the period during which direct obligations of the United States may be used as collateral security for Federal Reserve notes.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Justice.
3. Department of the Navy.
4. Federal Communications Commission.
5. Federal Works Agency.
6. National Archives.

EXTENSION OF REMARKS

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article in reference to a former colleague.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FAY]?

There was no objection.

Mr. BURGIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from a former member of Congress to the editor of the Evening Star, in Washington, D. C.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BURGIN]?

There was no objection.

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial appearing in the Washington Post of today.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. OUTLAND]?

There was no objection.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an editorial appearing in the News of today.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. MILLS]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the CONGRESSIONAL RECORD and to include copy of a bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas, [Mr. PATMAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that on Monday next after the other special orders and the business of the day has been concluded I may be privileged to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

EXTENSION OF REMARKS

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a telegram from a western automobile organization.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. VURSELL]?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a short newspaper excerpt.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SPRINGER. Mr. Speaker, heretofore I was granted a special order to speak for 15 minutes today. I desire to release that special order for today and ask unanimous consent that after the business on the Speaker's desk and previous special orders have been disposed of on Monday next I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SPRINGER]?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent that after all the business of the day and all special orders have been disposed of on tomorrow I may be granted the privilege of addressing the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. GILLIE]?

There was no objection.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include brief editorials appearing in the Detroit Free Press on April 20, captioned "Hull has to be diplomatic," and the other entitled "Politics and MacArthur."

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DINGELL]?

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution which was adopted at Humboldt Park in Buffalo, N. Y., in regard to the Polish Constitution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DINGELL]?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD on two subjects, in one to include an editorial from the Washington Post and in the other to include an open letter to the personnel of the Northwest Service Command from Brigadier General O'Connor.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include two resolutions by the Louisiana Federation of Labor, one referring to pledging support of the President in the war effort and the other in reference to the National Federation of the Blind.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. BROOKS]?

There was no objection.

PATRIOTISM

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. EBERHARTER]?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, yesterday a dispatch carried news to the country that Col. Elliott Roosevelt, the son of one of our illustrious Presidents, had been awarded the air medal for his achievements while participating in five operational sorties against the enemy.

The news dispatches inform the American public that Milan Lambertson, the son of one of our colleagues, had changed his mind insofar as his religious principles were concerned, as opposed to war, and had decided to allow the Government authorities to induct him into active service.

Mr. Speaker, I do not think any further comment is necessary to the Members of the House.

PERMISSION TO ADDRESS THE HOUSE

Mr. COMPTON. Mr. Speaker, I ask unanimous consent that on Friday of this week, after other business has been disposed of, and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection? There was no objection.

EXTENSION OF REMARKS

(Mr. VAN ZANDT asked and was given permission to extend his own remarks in the RECORD.)

PATRIOTISM

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection? There was no objection.

Mr. RANKIN. Mr. Speaker, a moment ago the gentleman from Pennsylvania [Mr. EBERHARTER] arose and stated that the son of a Member of this House, the gentleman from Kansas [Mr. LAMBERTSON], had withdrawn his objection to entering the military service and had now become a member of the armed forces and made an invidious comparison between him and the grandson of a former President who had just been injured in the war.

I want to state that when he made that attack on the son of a fellow Member he did not represent the majority on our side of the House. No matter who he is, this young man is now in the Army, and it does not behoove any man to attack him.

I remember 25 years ago when we entered the World War, the greatest soldier of that war was said to be a conscientious objector. But he went into the Army just as this young man has done, and when he came out he was pronounced by Marshal Foch the outstanding soldier of the war. I refer to Sgt. Alvin York, of Tennessee.

Instead of criticizing this young man, let us hope that he may emulate that glorious example.

THE FOOD CONFERENCE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection? There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I cannot imagine any pandemonium as great as that which would sweep this country at the announcement of the clearing of the Press Gallery in the House of Representatives. I can conceive of no upset which would grip the entire Nation if the press were excluded from the proceedings of this House. Yet it is no more serious, Mr. Speaker, than to exclude them from the May Food Conference, which is a prelude to post-war planning at the end of this great struggle. It is no more serious to deny the public knowledge of the Food Conference through the press than it is to exclude the people from the galleries and newspapermen from the Press Gallery of the House of Representatives.

I hope those in authority will reconsider their hasty decisions and allow the American people to witness this most important conference.

WAR HOUSING—COMMUNICATION FROM THE PRESIDENT (H. DOC. NO. 203)

The SPEAKER laid before the House the following communication from the President of the United States, which was read, and with the accompanying documents, referred to the Committee on Public Buildings and Grounds and ordered to be printed.

THE WHITE HOUSE,
Washington, May 13, 1943.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: Since last I communicated with the Congress on the subject of war housing in May 1942, much has happened in the war and much has happened in housing.

It is a noteworthy fact in relation to the whole war effort that under the existing war-housing program more than 3,000,000 workers in intense war production have been provided or are being provided with necessary shelter. In addition to placements in existing structures, the present program embraces more than a million and a half units of construction, approximating twice the total volume of homes built in the United States in a better-than-normal building year. The size of this program, founded as it is upon minimum absolute need, affords some measurement of the disastrous impairment of war production that would confront us if war housing were not provided in sufficient volume and on time.

It is hard to build houses in time of war. It is even harder in time of war to combine the building of houses with maximum economy in the use of men, money, and materials. It is therefore encouraging to know that more than half of the necessary war-housing accommodations thus far projected is being provided through the more effective use of existing structures; that another substantial portion is being attained through the prudent and economical repair, enlargement or "conversion" of existing dwellings so that they may shelter additional war workers; that only

about two-fifths of the need is being supplied by new construction; and that more than one-half of this new construction is being financed with private funds.

Housing used to be divided among several agencies and several programs. Today, as a product of the reorganization and unification of the housing agencies 14 months ago, the National Housing Agency is pursuing one unified housing program under which all of our housing resources and techniques are being focused upon the winning of the war. There is no room now for any kind of housing but war housing.

I have been particularly gratified to see that this new spirit with regard to housing activities pervades the Congress. Certain recent and interesting reports of investigatory congressional committees have emphasized in a most striking fashion the acute continuity of the need for even more war housing in specified critical areas. Generally speaking, proposals in the Congress for the effective use of our manpower are linked with proposals for the adequate provision of war housing wherever needed.

The war is not over. War production and the employment of men and women in war plants have not reached their peak, even where the plants are completed. The constant rearrangements in the nature and disposition of our total working force, produced by the increasing inroads of selective service, develop gaps that must be filled in part by the migration of women and older workers, and consequently intensify old needs or develop new needs for war housing.

Even after making every reasonable allowance for the use of local labor supply, including the training of new types of workers, the best estimates indicate an in-migration of 1,100,000 war workers into areas of war-production activity during the fiscal year 1944. These workers must be housed or they cannot do their job.

It is not proposed to house even the majority of these workers with Federal funds. Almost two-thirds of them will be taken care of by placement in existing structures, and a large part of the balance will be served by privately financed construction encouraged and insured by the Government. The Congress will recall that to serve workers immigrating during the fiscal year 1943, it recently increased the authorization of one branch of the National Housing Agency to insure private investment in war-housing construction by \$100,000,000. Likewise, it is contemplated that recommendations for additional authorizations for private financing will be forthcoming, to serve a large portion of the workers who will in-migrate during the fiscal year 1944. This further expansion of private financing will maintain and confirm in the war-housing program the principles which point toward maximizing our utilization of existing resources, and particularly the resources of small enterprise, during the war. We are allocating to private initiative as large a segment of the war-housing program as it possibly can produce under war conditions and war risks.

But in order to meet that portion of the needs of 1,100,000 workers migrating to war centers during the fiscal year 1944, which cannot be met in any other way, some publicly financed war housing construction is essential. The main vehicle for this purpose has been the act of October 14, 1940, as amended, known as the Lanham Act. The funds under this act, and under other acts to provide war housing, are practically all committed to serve needs arising during the fiscal year 1943. I am, therefore, suggesting to the Congress at this time the enactment of legislation providing an increase of \$400,000,000 in the authorization contained in the Lanham Act, as amended. A substantial portion of these funds will be returned to the Government in the form of rents during the emergency and realizations thereafter. In making this recommendation, I am sure that the Congress and the National Housing Agency will continue to look upon all phases of the war-housing problem as a part of a total and unified picture.

No expenditure of funds can be too large if that expenditure is necessary to win the war, or to win it with a greater economy in time and lives. But I cannot refrain from pointing out how small a fraction of the cost of the war is involved in all the appropriations of money and use of materials for war housing, particularly when measured against the contribution which the shelter of war workers is making toward the winning of the war. If the total outlays for war housing were regarded as part of the cost of the plants in which the workers produce, or the cost of the munitions and war implements which they fabricate, these outlays would shrink to very minor proportions in this proper perspective. But the cost to the war effort, in delay and blood and treasure, if decent and sufficient shelter were not provided for those who produce, would be great beyond calculation.

In view of the urgency of the need for more war housing now, I suggest that the proposed expansion receive the earliest consideration of the Congress. There is attached draft of a bill which, in addition to providing for an increase in the amount authorized, would accomplish certain other highly desirable amendments in existing legislation.

Respectfully,

FRANKLIN D. ROOSEVELT.

A bill to increase by \$400,000,000 the amount authorized to be appropriated for defense housing under the act of October 14, 1940, as amended, and for other purposes

Be it enacted, etc.—

SECTION 1. That section 3 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is amended by striking out "\$1,200,000,000" and inserting in lieu thereof "\$1,600,000,000."

SEC. 2. That section 3 of said act approved October 14, 1940, as amended, is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and a further proviso, as follows: "Provided further, That the term 'administrative expenses' as used herein shall be deemed to include ad-

ministrative expenses of the National Housing Agency in connection with any functions performed by it with respect to priorities or allocations of materials relating to public or private housing for persons engaged in national defense activities."

SEC. 3. That section 303 of said act approved October 14, 1940, as amended, is amended to read as follows:

"Sec. 303. Moneys derived from rental or operation of property acquired or constructed under the provisions of this act, of Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of operation and maintenance and expenses found necessary in the disposition of any such property or the removal of temporary housing by the Administrator, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: *Provided*, That, notwithstanding any other provision of law, moneys derived by the Administrator from the rental or operation of any such property may be deposited in an appropriation account or accounts in the Treasury: *And provided further*, That except for necessary reserves authorized by this act or by section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, the unobligated balances of the moneys deposited into the Treasury from the rental or operation of such property shall be covered at the end of each fiscal year into miscellaneous receipts."

SEC. 4. That the provisions of section 3741 of the Revised Statutes (U. S. C., title 41, sec. 22) and sections 114 and 115 of the Criminal Code of the United States (U. S. C., title 18, secs. 204 and 205) or of any other law shall not be construed to prevent any Member or Delegate to Congress, or Resident Commissioner, from leasing or renting any housing accommodations in the District of Columbia, in the city of Alexandria, in Arlington County or Fairfax County in the Commonwealth of Virginia, or in Montgomery County, Prince George's County, or Charles County, in the State of Maryland, owned or operated by the United States or in which it has any interest and for the tenancy of which he and his family would otherwise be eligible.

EXTENSION OF REMARKS

Mr. FULBRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address which I gave at a United Nations Today and Tomorrow meeting in Constitution Hall on May 10, 1943.

The SPEAKER. Is there objection?
There was no objection.

(Mr. FOGARTY asked and was given permission to extend his own remarks in the RECORD.)

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a telegram from the secretary of the St. Louis Local Meat Packers Association.

The SPEAKER. Is there objection?
There was no objection.

STRIKES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?
There was no objection.

Mr. HOFFMAN. Mr. Speaker, I hold in my hand two newspaper clippings. One tells of a strike in the building of

the pipe line to get oil for my distinguished friend from Massachusetts, the majority leader [Mr. McCORMACK], who now sits smiling over here on the majority side. As you know, the Government is trying to get a 24-inch pipe line across the Mississippi River, and yet the administration's political ally, the American Federation of Labor affiliates, the International Union of Operating Engineers and the International Hod Carriers, Building and Common Laborers' Union have held up construction since the 28th day of April.

The other clipping tells how 25 coal miners, who complied with the President's ultimatum and returned to work on May 1, were fined \$5 each by Local 7674 of the United Mine Workers operating at the Tower Hill mine.

Here you have two illustrations which prove that the no-strike promise of the unions is not being carried out.

Let the majority party leadership figure out a solution for the situation created by these and similar strikes.

Perhaps the pay-off is found in the action taken by a C. I. O. affiliate in New York on May 11, when the general president of the C. I. O. Textile Workers Union of America, in opening a union convention, called upon the C. I. O. to "perpetuate in office" the New Deal.

With Americans dying throughout the world, a high price indeed is being paid for the political support of an organization whose affiliates time and again have interfered, and who are now interfering, with war production through slowdowns, work stoppages, and strikes.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein correspondence I had with the Postmaster General.

The SPEAKER. Is there objection?
There was no objection.

FOOD CONFERENCE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?
There was no objection.

Mr. PATMAN. Mr. Speaker, much has been said about the press representatives being excluded from the Food Conference. I presume there are international questions involved to justify that action. I doubt, however, that the Members of the House can consistently criticize that procedure. For instance, here in the House of Representatives our great Committee on Appropriations is divided up into a number of subcommittees and we have recognized for a long time the practice of holding secret hearings before those committees. What is more important than the testimony before the committees, involving tens of billions of dollars? That testimony is secret, given in secret sessions and it is not made public until the bill is ready to be presented to the House. So, I suggest the practice that has been referred to with reference to the Food Conference is no more undemocratic than that followed by the House.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MAY. Is it not also possible that the conference may have before it many matters of a confidential nature and it would be unwise for them to be divulged to the public at this time?

Mr. PATMAN. I presume that is the reason for the procedure adopted. Probably it is contemplated that the printed food proceedings will be made public later in the same way and manner that the testimony before the Appropriations Committee is made public later on.

THE PRESIDENT OF CZECHOSLOVAKIA

The SPEAKER. The Chair appoints as a committee to wait upon and escort the President of Czechoslovakia into the Chamber the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from Massachusetts [Mr. MARTIN], the gentleman from New York [Mr. BLOOM], and the gentleman from New Jersey [Mr. EATON].

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair. Accordingly (at 12 o'clock and 21 minutes p. m.) the House stood in recess subject to the call of the Chair.

During the recess the following occurred:

The President of Czechoslovakia and his party entered the Chamber at 12 o'clock and 46 minutes p. m., and the President of Czechoslovakia was escorted to the Speaker's rostrum by the committee of Representatives appointed for that purpose.

The SPEAKER. Members of the House of Representatives, it is my great pleasure and my high privilege, and I deem it a distinguished honor, to present to you a guest of the day, the President of a republic containing a great and a valorous people, a government which we hope some day will not be a government in exile.

Mr. President, speaking for the representatives of the American people, we are proud to be a haven for you in your condition.

Without further words, Members of the House of Representatives, I present to you a distinguished citizen of the world, the President of the Republic of Czechoslovakia.

The PRESIDENT OF CZECHOSLOVAKIA. Mr. Speaker, Members of the United States House of Representatives, it is now a quarter of a century since Thomas G. Masaryk, the first President of the Czechoslovak Republic and my great predecessor, came, in the last year of the First World War, to Washington to inform American leaders how his Czechoslovak countrymen were fighting for their freedom and independence and to obtain the American support for their struggle. His mission in the United States met with favor and encouragement everywhere. He found a great understanding of, and sympathy with, the national aspirations of the Czechoslovak people in the President of the United States, Woodrow Wilson, in his Government, and the people. It was known

that for centuries beginning with the Middle Ages this small nation in the heart of Europe had been a glorious independent kingdom and a prosperous state, the state that first began the fight for religious freedom in Europe. In the fifteenth and sixteenth centuries, Prague, its capital, was a great center of learning, contributed largely to European cultural, spiritual, and material development, and played an outstanding role in European history and particularly in the history of the Holy Roman Empire and the Austro-Hungarian Monarchy. Perhaps your Government knew, too, the famous declaration made by the German Chancellor Bismarck after his victory over Austria in 1866: "Whoever is master of Bohemia is master of Europe." Europe must, therefore, never allow any nation except the Czechs to rule it, since that nation does not lust for domination. The boundaries of Bohemia are the safeguard of European security and he who moves them will plunge Europe into misery. In my estimation, there can be no better comment on the position of my country even today. The recognition of our cause here in this country in 1918 was also undoubtedly due to the unmistakable determination of our people to live as a free and independent nation. More than 150,000 Czechoslovak soldiers fought for their country's liberation in the First World War in Russia, France, and Italy. When the war was drawing to a close, the epic march of the Czechoslovak legionnaires across the Siberian plains to Vladivostok fired the imagination of the American people.

When the collapse of the Central Powers was imminent, Masaryk made our Declaration of Independence in Washington on October 18, 1918. It was promptly accepted and recognized by the American people and by their Government. That is why Czechoslovakia was considered and often called the god-child of the United States of America.

Czechoslovakia's 20 years' record as a free and independent democratic state is one of which we are justly proud. Surrounded on all sides by authoritarian countries and government, she remained faithful to the democratic traditions which came to her very largely from the United States. Her social legislation and her educational system were progressive and advanced; her financial system was stable, her currency, one of the soundest in Europe; her general economic standard was very high and her import and export trade greater than that of Italy. Until 1933 this Republic was one of the most prosperous and happy countries in Europe. Even the concentrated campaign of Nazi Germany, beginning in 1936, using corruption, lying propaganda, and threatening war and violence, failed to shake the inner harmony of the Czechoslovak Republic.

In her foreign policy Czechoslovakia resolutely and consistently followed the policy of peace, international arbitration, and collective security. She fostered and encouraged friendship with her neighbors—Austria, Yugoslavia, Poland, and Rumania. She was the most loyal mem-

ber of the League of Nations. She supported the Locarno Policy, was an original signatory of the Briand-Kellogg Pact and was ready to play the part demanded of her in any generally accepted system of collective security. In Geneva she resolutely opposed the Japanese invasion of Manchuria and China; I was President of the Assembly of the League of Nations when we voted the sanction against Italy upon her invasion of Abyssinia. Czechoslovakia was ready to oppose militarily the occupation of the Rhineland and Austria. Our Army and Air Force were ready and thoroughly efficient. Up to the year 1939 we did our duty completely, not only to our Nation, but to Europe and democracy as well.

Czechoslovakia was in mortal danger from the moment that Hitler and the Nazi leaders came to power.

When Hitler saw that the policy of sanctions against Italy was not strictly applied and when the German remilitarization of the Rhineland was not opposed by force, he thought that the countless seeds of bitterness and mistrust sown by the dictators would permit him to reap a harvest of destruction of democracy in Europe and bring about the realization of his pan-German plan. The success of the annexation of Austria in March led to the September crisis in 1938.

My own view then was that Hitler's demands and attacks against Czechoslovakia should have been rejected even at the cost of a war. We were ready, but the western powers were not. By the sacrifice of Czechoslovakia, Europe and the world gained a year's time in which to prepare for the defense against the coming onslaught. In my opinion, the Second World War began with the criminal occupation of Prague. And from the very day of occupation, March 15, 1939, all Czechoslovak citizens have been at war with Germany.

Since 1938 the Czechoslovaks at home have endured great hardships, sorrows, and suffering. They know that many of their soldiers and airmen, who escaped from their enslaved homeland lost their lives while fighting for its liberation in Poland and in France. They know that after the Franco-German armistice, Czechoslovak soldiers and airmen reassembled in Great Britain and that in the decisive battle of Britain, Czechoslovak airmen played an honorable part. They know, too, that Czechoslovak soldiers are now fighting in Russia and in Africa and manning the defenses of Great Britain. On the other hand, they see their own country being converted into an arsenal for a war against the United Nations. Many are now working as forced laborers in Germany and elsewhere. Those who resist the oppressors are either executed in masses or tortured in prisons and concentration camps. Their country is pillaged and Germanized, their national education completely destroyed. The undying memory of the martyred village of Lidice forbids us ever to relax in the world struggle now waged against the powers of evil and darkness. The all-out participation—after Pearl Harbor—of the United States in this fight for the freedom of the world has turned into cer-

tainty what until then had been the hope of the ultimate liberation for the Czechoslovak people and the other occupied nations.

Mr. Speaker, permit me to say before this august body, in conclusion, with gratitude and appreciation:

It was here in this great democratic country that in October 1918 the freedom and new independence of my nation were solemnly proclaimed and its first free Government recognized. When on March 15, 1939, Nazi Germany destroyed the new Czechoslovak liberty, and I personally, as a member of the faculty of the University of Chicago, respectfully asked President Roosevelt to refuse to recognize this insulting and lawless act of violence, it was the Government of the United States which first among all great powers categorically repudiated this wanton aggression. It gave its full approval to the refusal of the Czechoslovak Minister in Washington to hand over his Legation to the Nazi authorities. The Government of the United States never recognized the German occupation of the Czechoslovak Republic. By this decisive act, this great historic land of freedom defended the national liberty of my country at the most tragic moment of our modern history. Later your Government recognized our reconstituted government and independent country and accepted our Republic as a free and equal member of the United Nations. Through all these acts the immortal spirit of the great American tradition, of Washington, Jefferson, and Lincoln, rose to defend the highest, undying principles of human and national liberty at the time when a small, democratic, peace- and freedom-loving nation was assassinated by a vulgar authoritarian aggressor.

The entire Czechoslovak Nation expresses its warmest thanks and gratitude to the great American people not only for all that they have done on behalf of Czechoslovakia, but also for the enormous and outstanding contribution of your great country to the war effort of all the United Nations.

They do not doubt that this great struggle, in which the United States is playing so decisive a role, will end with one of the greatest victories in your and our national annals. They are greatly encouraged and proud that I have the privilege of addressing the Members of the Congress of the United States. I know that they will accept the promise I make to you, today, as theirs.

As President Masaryk in 1918, I, today, feel authorized to declare on behalf of my nation, here in the Washington Capitol, that after the final victory in this great war is achieved, the Czechoslovak Nation will reconstruct its old home rapidly and successfully by its untiring efforts, remaining faithful—as it always was during the difficult period of its long, checked, and glorious history—to the democratic way of life, to the principles of spiritual and religious freedom, to the ideals of peace and peaceful international collaboration, considering itself again the godchild of

the great and glorious Republic of the United States.

At 1 o'clock and 6 minutes p. m., the President of Czechoslovakia and his party departed.

AFTER THE RECESS

The recess having expired, at 1 o'clock and 7 minutes p. m. the House was called to order by the Speaker.

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess of the House be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

(Mr. KLEIN asked and was given permission to extend his own remarks in the RECORD.)

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Rear Admiral L. O. Colbert, Director of the United States Coast and Geodetic Survey.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in three particulars, on the subject of Austria, on the subject of the Bermuda Conference, and on the Cremeux Decree.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 111) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 111, with Mr. WOODRUM of Virginia in the chair.

The Clerk read the title of the bill.

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Before the period in line 3, insert a colon and the following: "Provided, That hereafter no such foreign-trade agreement shall become effective before the expiration of 90 legislative days after the date of its submission to the Congress, and shall not thereafter be-

come effective if during such 90-day period the Congress shall adopt a concurrent resolution stating its disapproval of any such agreement."

Mr. KNUTSON. Mr. Chairman, you have heard the amendment read so it is not necessary to make a detailed statement about it.

The purpose of this amendment is to recapture for Congress a portion of its constitutional right which it surrendered upon the passage of the original Trade Agreements Act in 1934. The amendment merely provides that any treaty agreed upon with another country shall lie on the desk for 90 days, to give Congress an opportunity to study its provisions. If we find that it is not to the interest of our country, we may nullify it by the passage of a concurrent resolution.

That in substance is the entire explanation.

Mr. DOUGHTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have heard much said about crippling amendments. The Speaker of the House and the majority leader as well as others have warned the House against adopting crippling amendments to this resolution.

You may cripple an individual and still that individual may render useful service in some sorts of work, but in others he cannot accomplish very much. In my judgment, this is not only a crippling amendment but a fatal one. The straightforward and fair thing for those to do who want to kill this act would be to vote directly against the adoption of this joint resolution.

The representatives of what government would sit around a conference table with those of this Government if this resolution should be adopted? The basis of their negotiations would be too uncertain.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Why would it make it more uncertain to give the American Congress the same right that most of the congresses have in the countries with which we have entered into agreements?

Mr. DOUGHTON. The negotiation of any agreement would become more uncertain if after the negotiators had reached an agreement it should become the subject of logrolling in Congress.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield further?

Mr. DOUGHTON. I will yield to the gentleman. The gentleman has been opposed to this act from the first. He voted against the original act and he has voted against every renewal of it. He is consistent, but not as consistent as he would be if he would endeavor in a straightforward way to kill the whole proposition. Everybody knows that the only purpose of this amendment is to so cripple the act as to make it ineffectual. Do you suppose representatives of this Government would sit down around the conference table if there was such uncertainty as to whether an agreement

would be adopted by some other government?

Mr. KNUTSON. The gentleman does not have as much confidence in the integrity of the American Congress as he has in those congresses of South American countries? Why, the gentleman knows that what I say is true.

Mr. DOUGHTON. Oh, I don't have the pharisaical idea that I have a monopoly on how to legislate properly. Sometimes I think that my friend from Minnesota is almost that way and assumes that in all these matters he has a superknowledge. He is a very able member of our committee, but we are talking now about this amendment. If Members want to kill this whole proposition, then I say adopt this amendment, and then the law will not be worth carrying on any further. We may just as well end the whole proposition as to adopt this amendment. My opinion is that that is the purpose of it, and those who are opposed to the program and have always been opposed to the program want to defeat it in any way that they can. They do not step up and try to defeat it with a frontal attack, but they do it by a flank movement, and I repeat, if this amendment is adopted, that will be the result of it. I trust the amendment will be defeated.

Mr. COOPER. Mr. Chairman, as was so clearly pointed out by the chairman of the committee the adoption of this amendment would definitely destroy the program. I agree with the chairman that that is the real purpose to be served by offering the amendment. We have been hearing the gentleman from Oregon [Mr. MOTT] all along in years past in the consideration of this matter, because he has opposed it all of the time. He is opposed to it now, and he has the right to be opposed to it.

He has been against it all of the time and, of course, is still against it. Bear in mind that this is a legislative program which was adopted by the Congress in the act of 1934. It has continued as a legislative program all through these 9 years, and every 3 years Congress checks up on it, and decides for itself whether it is to continue, whether it is to be carried forward. The distinction between the operation of the program in this country and other countries of the world is that the other countries do not have this authorizing legislation. Trade agreements are negotiated and then submitted to their legislative bodies, but their legislative bodies have not previously conferred discretionary power on the Executive to negotiate trade agreements of this type.

Mr. MOTT. Will the gentleman yield for a question?

Mr. COOPER. I yield briefly.

Mr. MOTT. Is it not a fact that under the constitution of every country in the world, including our own, the Executive has the right to negotiate treaties, and that also under their constitution they must be ratified by the legislative body?

Mr. COOPER. I do not yield further. The gentleman overlooks the fact that

many countries of the world do not even have a constitution. Great Britain does not even have a constitution. We just have a different situation here.

In those other countries that have parliamentary systems quite different from our legislative system, these agreements are negotiated and then receive parliamentary consideration. But those countries have not previously passed legislation such as this, authorizing the negotiation of those trade agreements. That is a very clear distinction. As pointed out by the distinguished gentleman from North Carolina [Mr. DOUGHTON], those countries would not indulge in the time required to negotiate trade agreements with any such uncertainty as this. For all practical purposes, this is the same amendment that was offered yesterday for a 90-day veto power. It simply means that we could not carry forward this program. It could only result in the program being stopped just where it is. That is the purpose to be served by the amendment offered by the gentleman from Minnesota [Mr. KNUTSON]. That is what he would like to see happen. He has been against the program all the time. He is against it now. Let us not deceive ourselves by thinking that this amendment could be offered in any friendly spirit, because that is not what he is trying to do. He is not trying to help the program. He is not trying to help the legislation.

Mr. FORD. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. FORD. Would it not be more forthright to offer an amendment to strike out all after the enacting clause? Would that not have the same effect, as a matter of fact?

Mr. COOPER. Of course it would have the same effect, as was pointed out by the chairman. The fair thing to do for those who are opposed to the program, who always have been opposed to it, and who are opposed to it now, is simply to vote against the legislation.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this country has great commercial interests with the Republic of Czechoslovakia and with its Government now in exile in London. You listened with rapt attention to the remarks of a glorious statesman from a glorious country, Czechoslovakia. We have ties of honor with that country. We have great community of interest. I want you to compare the attributes, the attainments, and the honorable conduct of that gentleman, President Beneš, who has just addressed you as he, with great dignity, stood beside the Speaker, with the sort of papier-mâché monarch or pretender to the Austro-Hungarian Empire, Otto von Hapsburg, who is presently in this country under a diplomatic passport issued by the Belgian Government. Why an Austrian pretender to the throne of Austria, Poland, Yugoslavia and Czechoslovakia could get a Belgian passport as an attaché of the Belgian Embassy is beyond my comprehension. At best he is here as a refugee. He is an outcast—

ostracized and repudiated by his own native land of Austria. A solemn decree of Austria cast out the entire Hapsburg entourage.

This Otto von Hapsburg would destroy everything that President Beneš stands for. I am going to ask the Members of this Congress to watch the scheming and the conspiracies and the machinations of this Otto von Hapsburg, operating as he does with his monarchial "stooges" in New York, Montreal and Washington. He has the temerity, in this land of freedom, in our great Republic, to hold court as a king, in the Essex House, for example, in New York City, where he demands and receives kingly allegiance from certain social satellites and cafe society lickspittles. Yea, he gets obeisance even from some high in authority in Washington. It is indeed passing strange. He even goes as far as to bestow titles and decorations upon those who would fawn upon him and abet and support his ambitions to go back to the so-called Austro-Hungarian throne. He drives a wedge between us and our allies in exile—Poland, Czechoslovakia and Yugoslavia. Indeed there are those in this Government even who seek to reestablish the Austro-Hungarian Empire with this "Chocolate Soldier," Otto, as Emperor. They desire this set-up as a sort of sanitaire cordon against Russia. It is time to call a halt to the "shenanigans" of Otto von Hapsburg. Our respect for Dr. Beneš and his Republic should cause us to spew out this Hapsburg and put an end to his anti-democratic actions.

Mr. ELMER. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. ELMER. Which side of this war shall we come in on?

Mr. CELLER. I am not talking about a war. I want to show my respect to Dr. Beneš and Czechoslovakia. I want the gentleman to exercise his usual intelligence and perspicacity and help me and others like-minded to scotch the ridiculous—shall I say tragic—ambitions of this Otto von Hapsburg, who would strike at everything that President Beneš stands for, because Hapsburg means the very antithesis of the "four freedoms." As far as the Czechs are concerned, represented by President Beneš, there is no choice between Hitler and Hapsburg. They both mean Prussian Junkerism, totalitarianism. The very name Hapsburg is anathema to the Czechs.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ROBSION of Kentucky. Mr. Chairman, as has been pointed out frequently, the administration in 1934 forced through Congress, using its top-heavy majority in the House and Senate, the so-called Reciprocal Trade Agreements Act.

Article I, section 8, of the Constitution gives to the Congress alone the power to levy taxes and to levy and collect tariffs, and the Constitution gives to the Senate the exclusive power to ratify treaties. The Congress, by the Reciprocal Trade Act, surrendered its constitutional power to levy taxes, fix tariffs, and so forth,

and turned these powers over to the executive branch of the Government, and this act took away the right of the Senate to ratify treaties made by the executive branch of the Government.

We are now considering the extension of this Trade Act. The administration has asked it be extended for 3 years, but we have already voted to limit this extension to 2 years. The amendment now under consideration provides that where the executive branch makes one of these trade agreements or treaties that it be submitted to the Congress and that the Congress have 90 days in which to pass a joint concurrent resolution to veto such agreement, if, in the opinion of a majority of the House and Senate, such agreement or treaty is not to the best interests of the American people. If the House and Senate adopt such a joint resolution then in that event the agreement or treaty would not become operative.

The administration strongly opposes this amendment. In fact the administration has resisted every amendment offered to this act. They insist we must accept it without the crossing of a "t" or the dotting of an "i." Many of us favor this amendment because it will recapture some of the powers the Congress in violation of article I, section 8, of the Constitution, granted to the Executive. The Congress had no constitutional right to strip itself of these constitutional powers and delegate them to the Executive.

The Reciprocal Trade Act is a series of acts pushed through subservient Congresses by the administration. We have made about 30 different trade treaties under this act. Twenty-six of them were with countries that required the Congress, or legislative body, of those countries to ratify them before they became operative. This amendment would provide like action by our Congress before these trade agreements became operative.

I just listened with interest to the speech of our distinguished colleague from Tennessee (Mr. COOPER). He pointed out that these countries with whom we made these treaties were operating under a different procedure. He pointed out in those countries there was no general authority given by the lawmaking bodies of those countries to the executives to make the agreements. The lawmaking bodies of those countries did not give to their executives the blanket authority that the Congress gave to our Executive in 1934 when the Reciprocal Trade Act was passed.

Of course, the Executive has the right to make agreements or treaties, but under our Constitution they must be ratified by a two-third vote of the Senate. In these 26 countries they waited until the treaties were made and were submitted to them for ratification. That is the course the Congress of the United States should have pursued. In these 26 countries they were unwilling to give to their executives this blanket authority. They retained the power within themselves until the treaties were made and submitted to them for ratification.

Let me repeat, a subservient Congress violated article I, section 8, of the Constitution, and granted to the Executive of this country these extraordinary powers and stripped themselves of the powers that belonged to them as the Representatives of the people.

What does this amendment do? It simply provides that after the Executive makes these treaties they must be submitted to the Congress. They must lie over for 90 days giving the House and the Senate, the Representatives of the people, the right to pass upon the agreement or agreements after they have been made.

The administration forces say this amendment will hamstring the administration and the Reciprocal Trade Act. How can that be contended? Are they unwilling to submit these agreements to the scrutiny of the House and Senate? Members of the House and Senate are the elected Representatives of the American people. They well know if any agreement is not in the interests of the American people. If any agreement is not in the interests of the American people, do not you think the Congress ought to have the right to look into such agreement and reject it?

Under this Reciprocal Trade Act the Executive is given the power to lower or remove tariffs on industrial and agricultural products brought into this country from foreign lands. The able Representative, Mr. WEST, a Democrat of Texas, and many other Democrats, have pointed out how viciously some of these agreements have and are affecting cotton, fruits, and vegetables, corn, wheat, meat, shoes, pottery, textile goods, and other products. Until the war came on they put many of our industries out of business and destroyed markets for many farm commodities.

With this situation confronting us, Mr. WEST offered an amendment prohibiting the lowering of the tariffs to such a point as would permit the importation of any farm commodities or other products coming into this country that were in competition with American farm or industrial products at a price below the cost of production in this country.

We have the highest standard of living of any country in the world. We have higher wages, shorter hours and better working and living conditions. The cheap labor in industry in many other countries, and the peon labor on the farms in other countries have always been a real threat to our standard of living and to the employment of the American people, and I cannot understand how any Member of the American Congress can favor the entry into this country of industrial or farm products that are in competition with our own industrial or farm products at a price less than the cost of producing such product in the United States. That amendment does not provide anything as a matter of profits for those engaged in industry and agriculture in this country. It merely provides that the Executive in making these trade agreements shall not lower the tariffs to the point where these articles of industry and the farms of foreign countries can

come into our country and be sold at less than their cost of production here. The administration was able to defeat this salutary amendment.

A distinguished Democrat introduced another amendment which provided these arguments should not lower the tariff or duties on foreign commodities to the point where the products of the farms of foreign countries could be dumped into our country at less than parity prices paid to the American farmers for identical or similar products.

Myself and other friends of the farmers in the House and Senate have been striving for years to secure parity payments for the American farmers, and hundreds of millions of dollars have been paid out by the Treasury and out of the pockets of the taxpayers of this country to achieve parity for the American farmers. The administration fought this amendment and it has already been defeated.

The administration has already made agreements under this act that have and will continue to defeat parity payments for many of the essentials and leading farm commodities, and evidently they desire to continue this policy, and for that reason they opposed this limitation. By refusing to accept this amendment and give this protection to the American farmers the administration is helping to break down parity prices for American farmers.

Inasmuch as the amendments that would provide at least cost of production for American products of industry and on the farms, and the amendment protecting parity prices for American farmers, have been defeated, a motion to recommit this bill will be made to the Ways and Means Committee with instructions to report the same back forthwith with the following amendment:

Provided, That no reductions shall be made in the duties on any competitive foreign agricultural or industrial products which will result in the entry of such competitive foreign products into the domestic market at prices which are less than the cost of production of like or similar domestic products.

I voted for the amendment that would forbid the reduction in duties to the point where foreign industrial or agricultural products could come into this country in competition with our products at less than their cost of production in this country, and I voted in favor of the amendment to preserve parity payments for the American farmers, and I shall vote for the motion to recommit.

I cannot understand how anyone can oppose this motion to recommit. It merely provides that no reduction shall be made in the duties on any competitive foreign agricultural or industrial products which will result in the entry of such competitive products into our domestic markets at prices which are less than the cost of production of like or similar domestic products in our own country. Without such protection how can the American farmers compete with the cotton, hides, and tallow from Mexico, Central and South America; or butter, lard, cheese, cream, and so forth, from the low-wage countries of Europe; fruits, vegetables, and other farm products from

Cuba, India, China, and so forth, or shoes, clothing, and textiles from Europe and Asia. We cannot compete and without at least this much protection, when the war is over, our country will become the dumping ground for the world.

If this amendment provided in the motion to recommit is defeated, as these other amendments have been defeated, and as it appears the amendment before us to give the Congress the right to veto agreements which appear to be detrimental to our country, I shall vote against the extension of this act.

It is said business, labor, and so forth, are for this bill. Some of them have expressed approval provided there are safeguards. The requests for these safeguards have been denied.

I would be unwilling to give this power over industry, agriculture, wages, and standards of living to a Republican administration without the safeguards set forth in the amendments that have been offered.

The Republican Party has always stood for protection of American industry and American farmers and the wage earners on the farms and in industry, and when such an issue has been presented squarely to the American people the Republican Party has always won.

Who conducts the negotiations for these trade agreements? It is our distinguished Secretary of State, Hon. Cordell Hull. He does not now nor never has believed in protection of industry and agriculture as favored by the Republican Party. In fact, he has opposed such policies throughout his public career. If there is anyone in public life in this country who favors the old Democratic policy of free trade and tariff for revenue only that person is Mr. Hull. He looks upon protection for our industry and our farms as trade barriers. It has been his policy to pull down the walls and open our gates to the world.

When these trade agreements are being made with foreign countries our people do not have an opportunity to be heard. These matters are determined behind closed doors in the State Department.

If the amendment before us is adopted giving the House and Senate an opportunity to veto these agreements that do not serve the best interests of the American people, the whole of this matter would be brought out into the open and the American people would have an opportunity to be heard before the committees of the Congress and their Senators and Representatives could be heard.

We have not had an opportunity to observe just what bad effects these agreements would have upon the economic life of this country. We do know they were adopted in 1934. The last year before they were adopted our balance of trade was hundreds of millions of dollars. Until the war between China and Japan got well under way the balance of trade in favor of our country dropped off tens of millions every year, and for 6 months before that war got well under way in 1937 and 1938 we had an adverse balance of trade of about \$200,000,000. It was when we began to

ship hundreds of millions of dollars' worth of oil, gasoline, steel, scrap iron, and other war materials to Japan, to Italy, and to Germany, and these war supplies that we found later on provided defense for our three enemies turned the balance of trade again to our country, and, of course, a little later on we began to supply France and Great Britain with large quantities of war supplies, and finally we began to ship our supplies to all parts of the world to carry on the war, billions of dollars in material going to various countries free. For about 2 years we have had no foreign trade except what we have given away to foreign countries, but when this war is over and the embargo created by the war is lifted, and these countries that have but little money to buy with begin again to produce and to dump their products into our country, then the American people will demand the repeal of these reciprocal trade agreements and that American industry and American labor and American farms be given protection against the cheap labor and the flood of industrial and farm products that will be dumped into this country.

Let us not forget that when Mr. Wilson took office in 1913 they pushed through, with the aid of Mr. Hull and others, a free trade or low tariff act. This country felt the effects of it at once. We had a great depression in 1913 and 1914 until the European War started, and, of course, the people in Europe were busy in destroying each other and their factories and farms and we had a great market during the war we thought, but in the end we found out we were giving billions of dollars of industrial and agricultural products to various countries of the world as we are now doing but not on as large a scale as now.

I came to the House immediately following the First World War, and I saw the result of the dumping of foreign products into our country in competition with agriculture, industry, and labor in this country. The situation became so serious the Congress passed an emergency tariff to protect American industry, labor, and farmers. Mr. Wilson vetoed the measure.

Now, that is the very thing that will happen when this war is over. I know these trade agreements will have very little effect one way or the other so long as this war continues, but when people quit destroying and go back to work then we will face disaster under this reciprocal trade policy of Mr. Hull and others.

Mr. MOTT. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. MOTT. The gentleman spoke of the speedy time with which the Congress was to act by concurrent resolution; just 90 days. I should like to call his attention to the fact that under the laws of Brazil the President of that country must lay the same treaty before the Congress of Brazil and let it stay there 10 months before it becomes effective. In Colombia it must lie over 8 months, and in Costa Rica 8 months. We are asking for only 90 days.

Mr. ROBSION of Kentucky. Let me ask the House this question. This

amendment merely gives the House and Senate the right to veto these agreements if they appear to be detrimental to our country. When one of these agreements comes up for your investigation, are you afraid you will not be able to rise up and vote for the best interests of the American people? In Brazil the law-making body has 10 months to veto any of these trade agreements with our country; in Colombia the Congress has 8 months; and in Costa Rica, in Central America, the Congress has 8 months to pass on treaties they may make with our country. The amendment before us only asks for 90 days.

If it was deemed wise for these 26 other countries with whom we have made trade agreements to have their Congress pass upon the treaties, what good reason could be assigned to deny this right to the American Congress of passing on such treaties, especially when article I, section 8, of the Constitution gives the Congress alone the power to levy tariffs, duties, and so forth, on goods which enter this country from foreign countries?

Believing that the original act itself violated the Constitution of the United States and believing we must preserve the Congress as one of the three great coordinate branches of the Government, and that the election last fall was a mandate from the American people that the Congress reassert itself and recapture these powers that have been granted to the Executive by subservient Congresses, if these protective amendments are not provided in the bill, I shall feel compelled to cast my vote against it.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I realize there is quite a demand to vote on this amendment. I do not think it is going to carry, but it should. As a new Member of this House I cannot understand why the Congress wants to give away more and more of its powers, delegate more and more authority to some bureau. I came here as a Member from Nebraska, my people asking that we regain some of the authority we have given away. I realize that in the last 10 years under the leadership of Members on the right-hand side of this House where they have had a large majority, year after year, there has been a tendency to delegate authority to some departments or bureaus. There has been nearly as many directives issued in this country as there have been laws passed by the Congress. I am wondering if the Members of this Congress want to become more and more impotent. You are here representing the people of the country, the people of your district. Is it the desire of the people who sent you here that you give away more of your authority and power, your rights, and your controls?

This amendment merely makes it possible for you, the Congress, the representatives of the people, to say, "No; we do not like this trade agreement with this particular country; we cannot agree

to it." Is there anything wrong with that? Is there anything undemocratic in such action? I say, Mr. Chairman, we are here as representatives of the people. If we continue the course we have pursued in the last 10 years under the overwhelming leadership of the right-hand side of the House, someone will some day introduce a resolution, or the Chief Executive himself may issue an order, dissolving Congress, because what rights have we left? I have wondered sometimes as I sat here day after day if we have much right left now, because even the laws that we pass here are not followed by some of the departments. I plead with you—this may be a partisan matter, and I have played some partisan politics—but I am asking the Members not to become as impotent as the unharnessed mountain torrent. For heaven's sake, let us start now to regain some of the rights we have delegated to bureaus and the executive branch of the Government.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the gentleman from Tennessee [Mr. COOPER] and others have urged that the reciprocal trade law has come up for consideration and examination every 3 years. It is true that it has come up for consideration, but this time it is not coming up for an examination on its merits, for I know many Members on both sides of the aisle intend to vote for the measure because they do not want to do anything that will interfere with the unity of the nations who happen to be our allies at the present time. The merits of the legislation are not being considered at all.

The distinguished gentleman from New York [Mr. WADSWORTH] spoke yesterday and he has been quoted by several Members. He stated that he had opposed extension of the reciprocal trade law but that he would vote for its extension at this time only on account of the facts we were in war and he did not want to do anything that would disturb the unity of the Allied Nations. When this legislation comes up again 2 years from now it is my hope the war will be over and that we can then consider the legislation on its merits.

Some have charged, both in and out of Congress, that Congress is not competent to legislate on tariff legislation, therefore we must turn this constitutional power over to a bureaucratic group who will decide tariff rates and policies. It may be that such group is competent, but before long I venture to say to you that, instead of having a domestic bureaucratic group passing on this question, we will be asked to turn that tariff-making power over to an international group that will sit some place in the world and regulate the tariffs of the various countries of the world, including our country. Do you suppose this Congress will go along with that international group and surrender the sovereignty of the United States and the tariff-making power that is lodged in

us under the Constitution? I do not know.

I am not willing to turn tariff-making power or any other constitutional power which belongs to the legislative branch over to the President or any other group, domestic or international.

Mr. KNUTSON. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I have been a Member of this body a long time, but this is the first time I have ever heard a Member chided because he was trying to recapture for this body certain prerogatives that are vested in it by the Constitution of the United States. I may say to the gentleman from Tennessee that we have sunk to a new low level.

Mr. AUGUST H. ANDRESEN. I am satisfied that the American people want us to recapture our constitutional power to legislate for the interests of America. We are all in this war and we want to do everything we can to win it at the earliest possible time. But that is no reason why we should not continue as representatives of the people to legislate in their interest for the present and for the future. If we do not act in that manner we are not worthy of being called their representatives and we had better adjourn the Congress and turn all legislative authority over to the Executive and his appointees.

I am aware of the fact that the bill before us will pass by a large majority. The easy course for me and others to take at this time would be to surrender to the will of the Executive and continue the delegation of this legislative authority in the President. But I cannot take such a course. As a Representative in Congress, I have taken an oath to support and defend the Constitution of the United States, and as long as I remain in this body as a representative of one of the finest districts in our country I will carry out my obligation to the American people according to the dictates of my conscience. I am convinced that my position on this legislation is the proper course for me to take when I consider the future welfare of my fellow Americans and their standard of living.

During the war period the reciprocal trade law may be purely academic. If the provisions of this law are to be used as trading stock for the post-war era, then I believe that Congress should have something to say about the sacrifices to be made by the American people. I believe in post-war planning to rehabilitate war-devastated countries and in taking proper steps to prevent another conflict, but I feel that we should know what we are doing, rather than to leave the making of economic, political, and social policies to a group of bureaucrats, to be settled by them in secret session, without conferring with the representatives of the people.

I have supported and will support every measure to win the war. Millions of American men and boys are fighting to save our American form of government and way of life. They are being called upon to sacrifice everything to gain this

objective. Surely we, on the home front, should be willing and glad to carry out our obligation to safeguard at home what they are fighting for on the battle front. We must and will back them to the limit, and when victory comes and the boys return, they will find that we have done our job to save the things for which they fought.

Mr. McLEAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this is the fourth time that Congress has been called upon to consider the reciprocal trade-agreement program. On each of the previous occasions I have opposed it. Because of world-war conditions I shall give it my support at this time.

When the reciprocal trade-agreement program was first presented to Congress in 1934, it was put forward as an emergency measure for aiding in bringing about economic recovery by expanding foreign markets for the products of the United States. In the act of 1934 the authority granted to the President to make reciprocal trade agreements was limited to a period of 3 years. Everybody knew that this limitation was only to attract support for the legislation, and that the administration was confident of the continuation of the program as long as the New Deal controlled the Congress; otherwise, it did not matter. That was typical New Deal practice.

The limitation expired in 1937. During the intervening period the favorable trade balances of the United States decreased from \$478,000,000 to \$34,000,000. In 1937, as was expected, Congress was requested to extend the power and authority for a further period of 3 years. The reason then given for the extension was on the pious hope that it would contribute to world peace. The economic objectives which were the sounding board for the enactment in 1934 were not emphasized. The limitation again expired in 1940, and, as was expected, a request came for a further extension of 3 years. Nothing that had been done had contributed to world peace, but the request for further extension was based largely on the contention that it was necessary as a part of the foundation of any stable and durable peace.

The limitation granted in 1940 is about to expire, and Congress is asked to further extend the authority for a period of 3 years. It is urged that the act must be extended lest others be made to think that this Nation is preparing to withdraw from active participation in world affairs and pursue a policy of economic nationalism in the post-war era. This, to me, is an extravagant statement. We have in many ways demonstrated to our allies and the peoples of the world our purpose to cooperate in the efforts to establish and maintain an enduring peace. The outstanding examples of this attitude are the aids we are extending through the lend-lease program, the declarations of the Atlantic Charter, and the extent to which we are participating in the conflict. In the light of these assurances, can it be that the failure to continue any administrative powers in

the President with the purpose of reverting to the constitutional method of fixing tariff rates is any indication that we intend to withdraw from world affairs and shirk the obligations which are ours? There can be little hope for enthusiastic cooperation with other nations if our relations are bound by such a slender thread. I cannot believe that is so.

I have opposed this method of fixing tariff rates on economic and constitutional grounds. It threatens the stability of our home market for our own products, and it does violence to our scheme of government.

I have always been a protectionist—that is, I have always believed that our standard of living was higher than that of other nations; therefore, our cost of production was necessarily higher on agricultural and manufactured goods, and that a tariff on imports to cover the difference in the cost of production at home and abroad was justified and necessary to maintain our standard of living and provide necessary employment to our own people. That has been our traditional policy, and under it our country has developed and prospered. The present administration is committed to a different policy, and the danger is that those who think along lines of free trade or tariff for revenue only may so reduce the rates of tariffs on imports as to open our market to unfair competition with foreign-made goods. Already, some 1,180 tariff rates have been reduced under existing treaties, affecting 63 percent of the total dutiable imports. In the case of the 160 major items listed by the Tariff Commission, one-half were reduced by more than 35 percent. The general level of rates on the items affected by trade treaties has been reduced from 56 percent ad valorem to 32 percent ad valorem—a net reduction of 43 percent. Thus, not only have a large proportion of our tariffs already been reduced under the trade treaties, but the reductions have been very substantial.

During the last few years it has been impossible to make any fair estimate of the value of the program because the war has placed a virtual embargo on foreign products, and our foreign trade has consisted almost exclusively of the export of war materials and supplies. This condition will continue for the duration of the war, and will be followed by circumstances which cannot now be contemplated and which will probably require an entirely different approach to our tariff policy. It will then be necessary to solve an economic upheaval in a world torn asunder. Many factors will demand consideration by all nations according to their respective interests. Not the least of these will be the part the airplane will have in transportation, and the radio as a means of communication. Also, the barrier of national self-interest will be easier to remove because there will be a better understanding of each other by the peoples of the Allied countries. Hence, our present-day discussion of reciprocal trade agreements and tariff legislation may turn out to have been entirely academic.

However, it is appropriate to give some thought to the proposed amendments. They recognize the limitations of the Constitution, and they preserve to the American people the right to participate in post-war tariff adjustments that are bound to be necessary.

The present method of adjusting tariff rates, which we are about to endorse and continue, does violence to our scheme of government. Under the Constitution all bills for raising revenue must originate in the House of Representatives. The reciprocal trade-agreement program affects the revenue. Under it rates of tax on imports are fixed by administrative act, and the House of Representatives is denied its prerogative. The President, under the Constitution, can make treaties with foreign nations only with the advice and consent of the Senate. It is argued that this provision of the Constitution does not apply to reciprocal trade agreements because the President does not make treaties, his activities being limited to agreements. This is a distinction without a difference. It is made only for the purpose of justifying this breach of our fundamental law. Every definition of a treaty distinguishes it from an agreement only in that it is an agreement between two or more States or sovereigns. In other words, by whatever name it may be known, a treaty or agreement with a foreign power should be made by and with the advice and consent of the Senate if our constitutional provisions are to be complied with.

These limitations are part and parcel of our supreme law. They are calculated to preserve our governmental institutions, and the Congress cannot delegate its powers or act beyond the limitations of the Constitution except in time of war or grave public danger when the exigencies of the moment justify that the Constitution be virtually suspended by the grant of extraordinary powers to the President.

There is sound reason for these limitations. They have been the safeguards of our liberty and cannot be too jealously guarded.

In the great enterprise of making democracy workable—

Said Chief Justice Hughes—

we are all partners. One member of our body politic cannot say to another, "I have no need of thee." We work in successful cooperation by being free, each department to its own function, and all to the spirit which pervades our institutions—exalting the processes of reason, seeking through the very limitations of power the promotion of the wise use of power.

The reciprocal trade-agreement program disregards this fundamental principle and says to the Congress, "I have no need of thee."

The President himself has said that "everybody recognizes that general tariff legislation is a congressional function." There is an inconsistency between this statement of the President and the policy which denies to the Congress its prerogative to enact tariff legislation.

The excuse given for this high-handed disregard of fundamental principles is that the drafting of tariff legislation is

too much for the Congress to undertake. When the time comes that the Chief Executive, suiting his own whims, can take from the Congress any or all of its prerogatives on the simple ground of the incompetency of Congress, measured by his own yardstick, then government of the people, by the people, and for the people will soon perish from the earth.

The purpose of the Constitution was to provide a government that would coordinate the interests of the several States and protect them against aggressors. The men who constituted the Constitutional Convention had for the most part participated in the war for freedom, and it was realized that in the defense of that freedom there had to be a more perfect Union than had existed during the period of the Revolutionary War. The Government that they created has survived for a century and a half and has met every crisis during that period. We are now in the midst of a world-wide conflict which will strain our patience and our facilities. It is such a situation as the founders of the Government contemplated. It is necessary under such circumstances to concentrate our activities, particularly those of international concern, in the Chief Executive.

The President, as Commander in Chief of the Army and Navy, has information that the citizen body does not have and which for military reasons should not be divulged. He has represented that the reciprocal trade-agreement program is necessary during this emergency. Under these circumstances the Congress should support him. This is my justification for voting for this extension. At the appropriate time the powers thus granted should and must be revested in and exercised by the coordinate branches of the Government to which they belong.

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I have not taken any time during the 4 days that we have been debating continuation of the Reciprocal Trade Agreements Act. I made up my mind several months ago that I was going to vote to continue this act under existing circumstances. It appears to me that it is pretty much academic, at least for the duration of the war.

I do want to express two thoughts before the debate comes to an end. First, I desire to express my agreement with the thought stated by the distinguished gentleman from New York [Mr. REED]. Certainly there is nothing in the history of the United States which would cause any nation in the world to believe that we are not going to keep every promise we have made to any other nation in the world. In my opinion, there has been an overemphasis on the effect that our acts here in this House may have in the various capitals of the world.

The other thought that bothers me and which has bothered me as this debate went along is this: It has been said several times that either we must continue this Trade Agreements Act or we are going back to a period of isolationism. I do not know just what period

those who say we are going back to isolationism have in mind. It has been said we were isolationists in the post-war period. I would like to ask some Member who feels that way to tell us before the debate comes to an end, or to point out to me, some period in our history where we did as much to try to cooperate with the other nations of the world as we did between 1920 and 1933.

We sent commissions and delegations to Europe; we invited delegations to come here; we sat in and signed the Kellogg-Briand Act, we signed disarmament treaties and, I hope the good Lord will forgive us, we even sank our Navy as part of one of those agreements. But, whether we were right or wrong, in that period from 1920 to 1933, led pretty much by those who had served in the First World War and who were as anxious as anybody could be to see that we never went through another war, we did try. We may have failed, but we did try to cooperate and we gave more in the way of cooperation to the other nations of the world between 1920 and 1933 than in any other period of our history. As a matter of fact, and the record will bear this out, we kept on trying to cooperate with the nations of Europe until the Roosevelt administration wrecked the London Economic Conference which was our last effort in the direction of cooperation.

Mr. JENKINS. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, the so-called Reciprocal Trade Agreements Act under which the President has almost full and unlimited power to enter into agreements with any country and at the same time has the same power to decline to enter into such agreements is, as the Secretary of State, Mr. Cordell Hull, once said "Too much power for a bad man to have and too much power for a good man to want."

It is unfortunate that the matter must be debated at the time when the great war creates a psychological situation which aids those who advocate the continuance of this act and which deters those who wish to point out to the people just what the real facts are.

Should Congress vote to extend the operation of this act, it will not be because of the merits of the case but it will be altogether because the people have been propagandized into a belief that a failure to extend this act at this time will militate against America's interests in the war. If the advocates of this extension were inclined to be fair and would shake themselves loose from their blind subservience to the New Deal they would recognize the clamor that has been going up from many businessmen in the Nation against the unfair and unjust treatment that they have received at the hands of the willful and autocratic administrators of this law. The most convincing proof that this act was written and prepared by New Deal smart boys and has been administered in an unfair way, is shown by the fact that although there are probably thousands of American businessmen who have been severely imposed upon and injured by the high-

handed tactics of those who make and administer these so-called reciprocal agreements yet not one single person has been able to secure redress of his wrongs through the courts of our Nation. Many have sought this relief but to this time no lawyer has been able to get his aggrieved client into court.

There is a well-known axiom of law that every wrong has a legal redress. This act is an exception to that rule. The Governor of Ohio several years ago on behalf of and at the request of many labor groups and other groups in that great State ordered the attorney general of Ohio to make an investigation and to ascertain whether he, on behalf of the State of Ohio, or whether aggrieved parties in their own right, could bring their cases in to any court of the land for the purpose of having their wrongs redressed. The attorney general of Ohio reported that he was unable to find any method or means by which this redress could be accomplished. When this bill was passed Senator Harrison, then a strong proponent of the bill in the Senate, indicated clearly that the bill had been drawn with the special point in view that the people should not have a right to go into court because that might make their negotiations with some foreign countries more difficult. In other words, he placed the rights of foreigners before and ahead of the rights of Americans.

In support of my contention that many American businessmen have been seriously discriminated against by these trade agreements and by the manner and method by which they have been entered into, I wish to quote you some of the testimony given before the Ways and Means Committee by Mr. J. M. Wells, who appeared before that committee in opposition to the further extension of these Trade Agreement Acts. Mr. Wells is one of America's leading pottery manufacturers and spoke as the representative of the United States Potters Association; and this is in part what he said:

Also, we oppose it because in many, if not all, of the treaties already negotiated, American industry, labor, and agriculture have been sold down the river by our State Department. I know of no concession granted the United States in any treaty that would mean the elimination of work opportunities for any substantial number of workers in the treaty country. Foreign nations just do not treat their nationals that way. On the other hand, concessions made by our representatives had caused considerable unemployment in various industries before the war, but this was nothing compared to what the situation would have been, had there been no war. And this condition can only be intensely aggravated after peace comes and the factories of foreign countries are again in production on civilian goods. That, gentlemen, will be when we are trying to give full-time employment to our returned soldiers and sailors at American rates of pay.

Let me give you as briefly as possible the experience of the pottery industry. When the treaty with Great Britain was being negotiated we were advised that there were under consideration certain reductions in the duties specified in paragraphs Nos. 211 and 212; No. 211 covering plain and decorated earthenware and No. 212 china. Under both paragraphs Japan had been for a number of

years the largest exporter to this country. We were naturally at a loss in these circumstances to understand how the committee could be considering reductions in the tariffs under No. 211 and No. 212 in a treaty with England. All our efforts to obtain any information from our State Department were a total failure. We finally discovered what was planned through friendly importers of British wares, who had encountered no difficulty in obtaining full information from the British Embassy.

Everyone knows that one of, if not the, chief objective of the State Department in negotiating these trade agreements is to lower the American protective tariff rates and to permit ever-increasing imports of competitive merchandise. The desire to increase American exports seems entirely secondary. Certainly there could be no better proof of this than the lopsided treaties that have already been made. This total disregard for American labor's work opportunities becomes even more glaring when the trades that have been made are measured in man-hours of labor, and that, I maintain, is the only proper way to fairly gage concessions in tariff rates.

Spokesmen for the State Department have gone even further than admitting the trade treaties are a tariff-lowering device. They have said in practically so many words that these are the first steps toward a final objective of complete free trade.

Just what can be their reason for furthering a policy that would be so completely destructive of the American living standard? Surely there is no one so gullible he still believes that the elimination of all or any part of the American tariff is going to make the world just one big happy family. If that myth was never exploded before, it certainly has been by the present conflict. I grant you the statement has been made by certain free-trade fanatics that the Smoot-Hawley Tariff Act is largely responsible for this war. Nothing could have been more specious than the reasons given by Hitler for attacking Poland, Norway, Denmark, and the Low Countries, and by Hirohito for Pearl Harbor, and yet it never occurred to either one of those nimble brains, in their mad scramble for plausible alibis, that they could justify their criminal actions to even their strongest supporters by blaming them on the American tariff policy.

Let us note the difference between this indefensible desire on the part of our present administration to permit the indiscriminate dumping in this country of the products of the pauper and regimented labor countries of the world, and the attitude of Great Britain. In the last issue of the British Pottery Gazette and Glass Trade Review there is an account of a tour of the English pottery districts by the Honorable Hugh Dalton, Member of Parliament, and President of the British Board of Trade. The following is quoted from one of his statements to the potters:

"An industry which can export goods of high quality, for the manufacture of which very small quantities of imports are required, will be performing a very great service to the country in the post-war days. You will be in that position, and I am quite sure you will be ready to render that service."

And again, in the same article, quoting from the same speech:

"Next, after whisky, pottery is the most important export branch, particularly because you make practically no demand on imports."

There, gentlemen, is Great Britain's realistic approach to finding jobs for her returning soldiers and sailors. A minimum of imports, a maximum of exports. You will find no open door after the war to England, nor to any of her colonies, for the products of any country whose wage rates are below hers.

We all remember the tremendous "buy British" campaign that was in full swing before the war and that was supported entirely by Government funds. Be sure it will be continued in even higher tempo after the war.

Mr. Chairman, the following are some of the questions and answers that I propounded to Mr. Wells and will further prove my point:

Mr. JENKINS. I think you stated you employ a total of about 25,000 men?

Mr. WELLS. Yes. In the industry there are about 25,000 people employed at the present time, and that is the absolute maximum employment.

Mr. JENKINS. You stated that you are afraid to expand because you feel that if you do you will have just that much investment and capital to lose?

Mr. WELLS. Yes.

Mr. JENKINS. For instance, I was talking to quite a few big steel men yesterday, and the Government is driving them to increase their capacity, as it has for years, and they have, as everybody knows, increased their capacity; but your industry for years was starving along and going into bankruptcy, like a lot of people were, and then when the boom comes along, because of war conditions, you cannot realize on that with any degree of hope?

Mr. WELLS. That is right. We know that whatever investment we put in will be lost later on.

As indicated by that remark, in 1927 there were 53 firms who were members of our association, who were manufacturing dishes. Today there are 28. There have been 25 of them that have either failed or gone out of business.

Mr. JENKINS. In your industry you have never had any trouble with your labor?

Mr. WELLS. No. We have done collective bargaining in our industry on an industry-wide basis for nearly 50 years, and in that 50 years we have had only one strike of about 10 weeks' duration. That was about 20 years ago.

Mr. JENKINS. I wish you would go into a little more detail and explain just what this British situation has been, how it was brought about down here in Washington—the authorities—and just what was done. I am not clear on that.

Mr. WELLS. First of all, when it was suggested or we were advised by the information committee of the reciprocal trading agreement that our paragraphs were being considered for reductions in duties, we could not understand why, because we knew that the largest importer was Japan, and the policy of the committee making these treaties had been not to make any recommendations on any commodity to a country that was not the largest importer of that commodity. We made every effort we possibly could to find out, through that information committee and through the State Department, what it was they had in mind, and we could get nothing from them at all. Finally we got that information from some friends we had who were British importers and who had gotten all the information they wanted, not only from the British Embassy here in Washington but from their British committee who was working on this trade treaty. But we could get nothing from our representatives.

Mr. JENKINS. Here is the situation that you make out, and I think you are a living example of the effective argument that can be made against the statements of Mr. Hull and everyone else who has appeared in favor of these trade agreements, because they have argued all the time that they are properly administered and that everybody gets a fair chance and that the rates are fixed after thorough study and complete investigation.

As I understand it, you say that you got a notification that your paragraphs were to be considered, and you came to Washington, and you were never able to find out from them, or any of them, after your complete investigation, what was the reason back of what they were trying to do?

Mr. WELLS. That is right.

Mr. JENKINS. You know today what the purpose was or why they wanted to recanvass and change the rates in your paragraphs.

Mr. WELLS. Well, they claim that the information that they were able to obtain—and there was no way they could possibly collect the information, because it was not kept, and I am not saying that they are wrong—was that on certain items, like cups and saucers or other dishes which were charged for, on which there was a certain price at the factory, Great Britain was the greatest importer of those earthenware.

Probably they were right, but there were no figures they could get to determine that. They took the word of the British manufacturers on that, but they did not ask us.

By the same token, they took the word of the British manufacturers, which again was right—I mean they were correct—that the British were the greatest importers of this particular bone china, but bone china was grouped with the other in the Tariff Act. There was no differentiation made between bone china and other china. They said England was the largest importer. I think they probably were. But there were no figures to satisfy that contention. They had the word of the British for that. They did not ask us.

Heretofore in these debates the gentleman from Tennessee [Mr. COOPER] adverted to the testimony given before the Ways and Means Committee by Mr. William Green of the American Federation of Labor. The record of the hearings before the Ways and Means Committee shows conclusively under questioning by me that Mr. Green acknowledged that he was at that time speaking solely for himself and that he had not been authorized by his organization to make an appearance before the Ways and Means Committee and had not been authorized to make the statements which he was then making. He was speaking as William Green and not as the American Federation of Labor.

In proof of the feeling of the employees in the potteries of this country who are affiliated with the American Federation of Labor let me refer you to the hearings that I have heretofore referred to. These employers emphatically oppose the further extension of this legislation. They took pains to make known to the Ways and Means Committee their unqualified opposition.

I respectfully submit that Mr. Green was speaking for himself and not for the workmen of the country.

I am sorry that my time is so limited, for there is no dearth of convincing arguments that can be made against the constitutionality of this act. And there is no trouble in producing adequate and convincing arguments and facts to refute all claims of benefits that have been derived by our country from the trade agreements already in force.

The people will some day wake up to the situation and will demand that Congress reclaim the power that has been unlawfully surrendered to the Executive through the passage of this act in its original form. This act now fits beauti-

fully into the New Deal scheme of a united states of the world.

I am opposed to the enactment of this resolution continuing in the President's hands the right to continue to make these trade agreements. In these critical times, treaties with foreign countries should be made carefully and they should be made only in the manner provided by the Constitution, which is with the approval of the Senate of the United States. I am opposed to any program that will lead us into a united states of the world.

Miss SUMNER of Illinois. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, some of us view the amendment to the reciprocal trade measure permitting Congress to ratify or reject separate treaties in a way which has not yet been expressed. The measure as it stands seems to be popular at present but people hire lawyers to keep them out of difficulties and guard them against their own optimism and they require the same kind of service from their Congressmen.

The war-torn years during which these agreements have been handled during the past are scarcely a criterion for the future. We do know that, throughout American history, the tariff raising or lowering device has been a means of helping some industries grow at the expense of others. Historians tell us, for instance, that slave labor, with all its sad consequences including war between the States was forced upon a protesting South by protective tariffs which raised prices of manufactured articles southern agriculture had to buy to such high levels that growers could pay their labor little or nothing. So we Congressmen ask what relief can our laborers or manufacturers or farmers or consumers get under this measure in the event some one treaty should be ruining them.

The procedure the complainant must follow, it seems, is painfully similar to that by which you get a quota or ceiling price altered at W. P. B. or O. P. A. The complainant really should be advised to hire a lawyer or lobbyist to write up the necessary briefs and present his arguments effectively, though, of course his Congressman, the poor man's lobbyist, would also try to help.

Falling to get justice from the executive department what could the complainant do? He could scarcely get a law repealing the proclamation implementing the offensive treaty because the President would surely veto any bill repealing a proclamation he himself had signed. There is no further chance for relief except to wait until the end of the 3 years and try to prevent renewal of the Reciprocal Trade Act.

Many, I think, have a false sense of security from the fact that Cordell Hull is at present in charge of this program. Think what would be done in this Congress if the administrator were a more typical appointee and cotton were being flooded into this country from new fields in Brazil at less than parity, or if there were an administrator favoring the pol-

icy of importing products from foreign countries where we have recently built factories where labor is cheap? If having the Executive make these negotiations of many items is such an improvement over the old system of letting Congress do it, surely it is unwise to leave this measure as it is so that accumulating pressure will soon destroy the whole program in order to get rid of one or two treaties. There are two kinds of power involved in this delegation, the power to negotiate tariff changes and the power to decide an economic policy which determines which industries shall be built up and which shall be laid low. The economic policy involved is one which it seems not only dangerous but highly impractical to delegate. The amendment permitting Congress to ratify or reject separate treaties seems, therefore, anything but a crippling amendment; on the contrary, it is a safety valve which will prevent the accumulation of pressure which will result in destroying the whole program.

We all want, above anything else, to be honorable in our dealings with foreign nations. Those of us who believe that this measure will not endure without a safety-valve amendment cannot honestly vote for the measure as it stands and thus lead foreign nations to think that we believe it will be permanent.

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last six words.

Mr. Chairman, I am very much interested in this program which we are undertaking to continue here. I believe in it. I think it is not only good for us, but it is good for the world.

But what I particularly want to address myself to is the constant statements that are being made here in the debate on this amendment that the purpose is to bring back to Congress some of the prerogatives under the Constitution which we have given away.

I do not believe there is any sensible Member of this House who thinks that Congress, in the future, can legislate on the details of the millions of things that have to be done in a great country like this or in a world such as we live in. We might just as well advocate that Congress exercise the power of the veto over every freight rate that is promulgated by the Interstate Commerce Commission. It would be just as sensible as what is proposed in this amendment; the same principle is involved exactly.

You might just as well say that the Congress is going to veto every order issued by the O. P. A. setting a price ceiling. All right. I am no more satisfied with the operations of the O. P. A. than you are, but I am talking about what we can do and what we cannot do as Members of Congress. There is no man in this body who is not now working more hours than he should for the good of his health, trying to do the best he can for the people he represents, and yet we are talking about loading upon ourselves the job of trying to find out whether a particular duty on a particular item is wise or unwise, is fair or unfair, and you know and I know that we cannot do it. This

is the sensible way to do it, and the only purpose of this amendment, as has been so well pointed out by the gentleman from Tennessee, is to destroy the program, offered by the people who are opposed to the program.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. JENKINS. The gentleman surely would not claim that the duly constituted Tariff Commission, of impartial tariff experts, cannot view the facts as well as lay them before the Congress.

Mr. RAMSPECK. I do not mean they would not.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. COOPER. The same fine Tariff Commission referred to by the gentleman from Ohio participates in every one of these negotiations.

Mr. RAMSPECK. That is my understanding. But the point I wanted to stress is this, that as a Congress, we have been delegating the authority that is given us under the Constitution; we are doing it at the present time, we are doing it every day, and as time goes on we will do it more in the future. This is no different from any other delegation. We delegate powers to the Food and Drug Administration for the protection of our health; we delegate powers to all the agencies of the Government, and we are going to continue to do so. We are going to do so even more in the future than we have in the past, because of the complexity of modern civilization, and it is an impossibility for the Members of Congress to go into the mass of details that must be studied in order to arrive at a decision in connection with a subject matter such as this.

I hope this House will reject this amendment and let the program go on in its present form.

Mr. HOBBS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I cannot resist the impulse to say a word about this great constitutional question that has been brought up. You do not have to be a constitutional lawyer to be able to read and interpret plain language. That is what this essentially is. Boiled down, we went ahead on the basis that section 8 of article I gave us the power to legislate in this field, and we did it. We found that in a shrinking world, a world which instead of being a giant globe almost incapable of comprehension is now the size of a lemon, there were forces drawing us closer together and making it more and more foolish for the nations to legislate independently and severally. Therefore, Congress in its wisdom, acting under and in accordance with section 8 of article I, delegated this power to that agency of government which has the only voice of authority—so said the Supreme Court, and prior to the days of the New Deal was this deliverance made in the Curtiss-Wright case—to speak for this Nation in the matter of international affairs.

Congress said, "Quit standing in your own back yard and sticking out your tongue at us with these tariff barriers, and let us quit standing in our own back yard and sticking out our tongue at you by enacting prohibitive tariffs. Let us get together and, through the authorized agencies of government for international affairs, see if we cannot reciprocate. You lower some of your tariffs, and we will lower some of ours, so that world trade may flourish."

That is the whole thing. It is as simple as that. It has nothing in God's world to do with the Constitution. There is not a man on either side who can show me one iota of authority for the proposition that we have surrendered any of our rights except in accordance with our own free and sovereign will.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I will be delighted to yield to the distinguished gentleman from Ohio.

Mr. JENKINS. Why is it that those who are responsible for these reciprocal trade agreements have studiously and successfully thwarted every effort to test the constitutionality of this law in the Supreme Court or any other court of the United States?

Mr. HOBBS. I deny that. In my judgment, the gentleman's major premise is utterly false. I do not mean to say that it is intentionally so, of course, but it is a specious question that the gentleman raises. There has been no attempt to thwart any such adjudication, nor could there be.

I for one and numbers of others are going to vote against this iniquitous amendment, speciously advanced, which would mean the ruin of this extension for which most of you are going to vote—

Mr. JENKINS. Will not the gentleman agree that many people who have had business with this organization down here that operates on what we call the reciprocal trade agreements have studiously for months and for years tried to find some opportunity to test the constitutionality of it, and every time they have been blocked?

Mr. HOBBS. I do not know that that is a fact.

Mr. JENKINS. That is a fact; that is the truth.

Mr. HOBBS. I do not know that that is a fact. I do not think it is a fact, and according to my best information, knowledge, and belief I state that it is not a fact.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the gentleman from Tennessee.

Mr. COOPER. The gentleman from Alabama is correct, and the gentleman's statement is borne out by the record presented to the committee.

Mr. HOBBS. That is my information, but I do not have the first-hand knowledge of it that the gentleman from Tennessee has.

There are many of us on both sides who would welcome any such alleged test,

but there need not be any test when all that the Congress has done is to exercise the constitutional power it has in the best way, selfishly and for the world as well.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I will be delighted to yield to the distinguished gentleman from California.

Mr. GEARHART. I call attention to the legislative history of this act. I think the gentleman will recall that the Senator from Mississippi the late Pat Harrison, offered an amendment in the Senate to close the courts to protest against these agreements, and he practically said at the time he offered the amendment that it was offered for that purpose. That is the amendment which takes away the right of a citizen who thinks he has been aggrieved to apply to the courts. The amendment was the one which repealed, insofar as the reciprocal trade agreements are concerned, section 516 (b) of the tariff law.

Mr. HOBBS. I stated in my former utterance that I was not familiar with the details of pertinent history. He may have done so, but that was not the question which the gentleman from Ohio [Mr. JENKINS] asked. He asked if this organization downtown that is administering this law were not attempting to thwart such a test.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BURDICK. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I am not going to discuss the question of whether trade agreements ordinarily are right or wrong. I am not going into that feature of it at this moment. I have great admiration for the gentleman from Minnesota, who is conducting the debate on the minority side. Ordinarily, I believe I would agree with him that this Congress should have the power to supervise these agreements, but as I have sat here for 2 days and listened to this debate I am convinced that this is not the time to do it.

This authority was granted in 1934, before I became a Member of this Congress. Now, at this moment, when we are starting to become united in this war—when we are starting to win in this war for the first time—I am not willing to cast my lot with anyone who will, in my opinion, disturb that unity.

For a long time we were divided on the question of what Russia wanted out of this war. We have that settled now. We settled that by saying that we had better wait until the war is over and see what there is to settle and we seem to be going along together once more.

Suppose in 60 days—and I do not think it will be longer than that—we are called upon to make some arrangement with Italy. Do we want to do it on the spur of the moment, do it right away, or do we want to come back here to the Congress and debate the question for three months? During the war there is no danger of our markets being flooded with foreign goods as is evidenced by our struggle to keep down the submarine menace in the Atlantic.

The power the President has to negotiate trade agreements may perhaps injure some of our industries but in time of war the lives of our men is more precious than property. Now is the time we want quick action—and not a 3-months' debate. In time of war we should not recede from our policy carried on with other nations in times of peace. I am opposed to the amendment offered by the able gentleman from Minnesota.

Mr. REED of New York. Mr. Chairman, it was not my intention to take the floor, and I realize that there is nothing that I can say that will change the opinion of any Member of the House. A recent speaker here said that he did not want to have anybody sticking out their tongues at us. I certainly do not want Hitler and Mussolini to be sticking out their tongues at us and saying that our great Congress of the United States, operating under the Federal Constitution, admits that it is a total failure, and that it simply shows that they are going back to their system of government—one-man rule. I do not know how you people feel about this legislation. I admit that I am somewhat old-fashioned. I was taught very early in my career to respect this great Constitution, this charter of liberties, under which we live, and when I was elected to Congress I expected to keep within the limits placed upon me and not encroach or attempt to encroach upon the rights of the people. Furthermore, when I came down here, before I could perform one official act for my people, I was required by them to come down into the well of the House and raise my right hand and take an oath of office to protect and defend the Constitution of the United States.

There is not a lawyer of standing in this House or one in the country who believes in his heart that the delegation of powers as we find them in the act of 1934 is constitutional. There is no standard set up at all. We are abdicating our functions, and we are doing it in an unconstitutional way. If we have lost all respect for our great Constitution on any plea because the world is at war, and therefore must violate it, then we are headed for the black pit of ruin. I know that the people of this country do not want one-man rule. They do not want Congress to abdicate its functions, and they are feeling the impact now of unconstitutional laws, of the encroachment upon their rights and liberties by a bureaucratic government, and they want no more of it.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. Yes.

Mr. JENKINS. Is it not true that this whole proposition has never stood the test of any judicial decision?

Mr. REED of New York. Of course, it has not, and every barrier to having a test in the courts has been erected by the New Deal, and it has been done deliberately. If we are going to fight a great war and lose thousands upon thousands of men, as we know we are before this war is over, fighting for freedom, fighting for liberty, do we want our men to come back and find they have lost the

very priceless things for which they have shed their blood and their comrades have given their lives? I, for one, shall not support this delegation of powers, this unconstitutional act.

Mr. CREAL. Mr. Chairman, one gentleman here said a moment ago something about the history of this legislation. Nearly all legislation is born out of necessity, the mother of invention. The history of this legislation came right following the action when 165 great industries in America that had been using American labor, established branches all over Europe and elsewhere out of the United States and from 1 to 35 branches each, in order to avoid the retaliatory tariffs which had been imposed against them. We once sent American-made automobiles and tires all over the world but retaliatory tariff walls caused American industry to establish branches abroad and we lost the business for American labor as well as raw materials. That total and permanent loss is almost too great to be estimated. This loss came directly as the result of spite tariffs imposed by other nations because of our tariff barring them from our trade. Even Mr. Mellon, while in Washington, transferred a part of his aluminum works to the Dominion of Canada for the same reason. Yes, that is the history of the legislation, and it was a Congress composed of some kind of people that had brought about the necessity for reciprocal trade agreements and to stop the flood of American industry going away from our own country.

Mr. JENKINS rose.

Mr. CREAL. Oh, I have not the time to yield. People have been talking here now for 3 days, and I have only 5 minutes, and I shall not get another chance. Reciprocal trade agreements! You are going on the supposition, and act as if you thought the purpose of the agreements was to injure instead of help; you must presuppose, from everything that has been said, that somebody is acting for the express purpose of destroying some American industries. Why have a Tariff Commission?

Why not presuppose that when you fixed one that it would try to destroy our business? Why not suppose that we are going on, putting back American industry and not promoting it, but you have to presuppose, as has been done. I wonder who these gentlemen represent who oppose reciprocal treaties. You talk about representing a constituency. The United States Chamber of Commerce has long been regarded as the mouthpiece of big business, and the boy in the street knows that. They endorsed this, and did not say anything about limiting its time, or anything about a congressional veto. Organized labor, that has never gotten along with big business in recent years, endorsed it, and they did not say anything about a congressional veto or about a reduction in time of its extension. The agricultural people endorsed it. They did not say anything about congressional veto or reduction in time. Then I want to know, if you do not represent the farmer if

you do not represent the laboring man, if you do not represent the businessman, whom do you represent when you advocate either reduction in time or congressional veto? There are mighty few people left outside of that. Reciprocal trade agreements are everywhere in the customs of man, even without laws. An old woman lived on one side of a creek and she had a big apple tree. It was loaded down with apples until it broke the limbs. Across the creek was another old woman who had a plum tree, one of those big, wild-goose plums. They would go out and gather their plums and their apples, and one day they mustered up courage enough to get acquainted, and one woman said, "Don't you want some of my plums?" On second thought, the other gave her some of her apples. After that, every summer both of them had two kinds of fruit instead of one and it did not cost them anything. A boy 6 years old will trade a duplicate toy with a neighbor boy across the street for something he does not have. Reciprocal trade just comes from an outburst of nature. The reason this thing has never been tested in the courts, with all the lawyers and technicians, is that it has furnished such satisfaction that nobody ever had sufficient interest in wanting its repeal to have it tested. That is the best recommendation for it.

Yes, it is probably true that in some small way in some parts of our country that there was a visible, temporary hindrance. But at the same time the program for the entire Nation has brought other benefits to the same people that more than makes up for the one item they did not like.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this amendment presents a very far-reaching question which this Congress eventually must answer. There is no appeal or review whatsoever from the agreements which are entered into, notwithstanding the fact that in effect they may put out of business hundreds of American industries and farmers. We have several comparable situations. It was announced this morning over the radio and in the press that the Office of Price Administration was setting up about 1,400 little courts all over the United States. Likewise, there is no method of review of any of the decisions or findings or orders or determinations of those little courts. Fourteen hundred Gestapo courts organized in the United States, which can take the bread and butter out of the mouths of American citizens by taking away from them their coupons with which they purchase rationed food.

Out in California a former circuit judge was appointed to one of these little Gestapo courts, and in respect to his own power, the power which he has in this little court, he is quoted as having this to say:

I thought I had pretty broad powers when I was superior judge, but no court in American history ever had such powers as this.

It is about time that the Congress of the United States gave some considera-

tion to fundamental rights of the American people in respect to the guaranties of freedom and liberty under the Constitution. For that reason, I am introducing today a bill which will establish within the Office of Price Administration, a Board of Administrative Review, with power to judge each case upon its merits. This board will be authorized to meet either as a board or individually or through commissioners. This Board will be given the power to set aside, modify or amend any of the rulings or orders of the Office of Price Administration, and any citizen may review any order of the Price Administrator or of that Board in the regularly constituted constitutional courts of the United States by petition to the circuit court of appeals in respect to prices or the district courts on the question of rationing.

Mr. DOUGHTON. Will the gentleman yield?

Mr. WOLCOTT. No; I am sorry, I cannot yield.

Mr. DOUGHTON. Why not have it reviewed by the Congress?

Mr. WOLCOTT. I am sorry, I do not yield.

Now, I hope the Congress will give consideration to this fundamental question as to whether in the delegation of this power we have not estopped citizens of the United States from obtaining a redress of their grievances in the regularly constituted courts. In clear defiance of the constitutional provisions, these acts are administered. In clear defiance of legislative intent and the Constitution and statutes, Executive orders take the rights, privileges, freedom, and liberty away from American citizens, and twice within the last 2 months this Congress has found it necessary to reclaim those powers by rescinding Executive orders. The time to do it in respect to this particular legislation is now, by the adoption of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I move to strike out the last word. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HAYS. Mr. Chairman, the issue in the debate over the reciprocal trade agreement program is not nationalism versus internationalism, but nationalism versus sectionalism. We are living in a different kind of world—a world in which American interests are identified with those of many other great nations, and it should be apparent now that the idea of trading with other nations involves no conflict with the greatest and highest good of our own people. Those of us who favor continuation of this program are nationalists in the sense that we believe that all of the interests of the Nation—not just the interests of those that produce for the domestic market—must be conserved. Does anyone think that the national interests would be served by destroying the foreign market of our producers of exportable products, and does anyone question the fact that those markets are destroyed when we say to them

that our markets are closed to their trade?

Are we going to say through fear of the minor readjustments in some types of agricultural production that might have to be made occasionally as trade conditions change that the millions of people in the United States who depend upon cotton and other exportable farm products are to see their foreign markets close, and their economic situation ultimately collapse? Are the American industries which depend upon foreign markets to be destroyed? If that is to be our policy we shall have to prepare for a shrinking home market. The domestic market is not independent of other nations. It simply cannot be supported without the outlets which world trade provides. When we talk about the domestic market as a stabilized institution we are talking about something that does not exist.

However, the domestic market can be made more stable through stimulation of world trade as envisioned in this program. The American producer of goods consumed in our country is enjoying a better market because the workers in industries and on farms dependent on the foreign market have a purchasing power they would never have had without the reciprocal trade program.

Everything that promotes trade is good and everything that retards trade is bad. If here and there some individual advantages are lost the Nation's gains as a whole greatly overshadow these losses.

Moreover, we know that the agents of this Government, acting under the President's direction, are not going to betray the basic interests of our country. We can exercise faith in them to continue the program with a broad understanding of our varied economic interests.

It has been said over and over again that the issue finally comes down to this point: Do we want to live in an isolated world or do we want to take our place in the society of nations as a functioning part of the world's economy.

Mr. LEWIS of Ohio. Mr. Chairman, I move to strike out the next to the last word.

Mr. Chairman, with respect to this question as to whether or not we have the right to go into the courts on the matter of these trade agreements, I want to say that when this matter was called to the attention of Senator Harrison in the Senate, at the time of the passage of the original act, Senator Harrison had this to say when that question was raised:

That is what we intend to do since we want no interference or delay from domestic interests.

He accomplished his purpose. When Governor Bricker, of Ohio, took office a little over 4 years ago he was asked by a delegation of representatives of trade unions, whose employment was being taken away from them by some of the reciprocal trade agreements, so-called, then in existence, to test the constitutionality of this act in the Supreme Court of the United States. He immediately asked the attorney general of Ohio to bring such an action on behalf

of the sovereign State of Ohio. The attorney general, after full and careful investigation of the law on the subject, advised him that there was absolutely no way in which the State of Ohio or any of its citizens could bring such an action in the Supreme Court of the United States or in any other court.

Not content with that, they sought the advice of a former Solicitor General of the United States and a former Federal judge, Hon. Thomas Thacher.

That gentleman, an authority on constitutional law advised them to the same effect. The truth of the matter is that this Reciprocal Trade Agreements Act as it was originally framed was designed to keep sovereign States and their citizens out of the courts. There is absolutely no way to get into the courts under the law as it stands at the present time. For all practical purposes the act sets aside the judicial authority of the United States and the rights of citizens to resort to the courts to protect their interests. As one Member has said, this authority gives these negotiators, whoever they may be—and try to find out who they are on any particular agreement that is under consideration; you cannot do it—the power to build up certain industries and to ruin others without regard to the rights of citizens, and the affected citizens have no redress. Certainly it seems to me the Congress of the United States ought to trust itself with the power and authority to review these agreements and to protect these citizens.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The gentleman from California [Mr. GEARHART] is recognized.

Mr. GEARHART. Mr. Chairman, by virtue of the Harrison amendment, which has been referred to by some of the last speakers, the courts have absolutely been closed through all these intervening years to any citizen who might have been aggrieved by any of the 30 reciprocal trade agreements that have been heretofore negotiated. A citizen may have been seriously injured, his business may have been destroyed, yet, by virtue of the Harrison amendment, he has no recourse to the courts whatsoever.

Since we have legislated our constituents out of the courts it would be but fair, it would seem to me, to at least allow their representatives in the Congress to scrutinize and pass finally upon these agreements which affect vitally every man, woman, and child in this vast country of ours.

If "We the People"—that magnificent phrase which occurs so often in our constitutional literature, if that phrase is going to be made to mean anything at all, the representatives of the people should at all times have an opportunity to be heard. Suppose a treaty were made—and these are all treaties whether you call them Executive agreements, compacts, conventions, or something else—it would seem to me that if an agreement were executed and placed in effect which contained matters objectionable to the American people as a national group, their representatives should have the

right to object to it and suspend its operation. This is all that the Knutson amendment would do; it would merely provide that after the agreement has been executed insofar as the executive departments are concerned, it should be presented to the representatives of the people for them to determine whether or not it is detrimental to the best interests of the American people, whether or not it is wholesome, whether or not the principles it contains are sound. Is there anything unfair about that? Is there anything un-American in such procedure? Of course there is not. The right to be heard in court is the very essence of Americanism.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I shall vote for the extension of the reciprocal trade treaties for a period of 2 years. I am not in favor of a 3-year extension. We should not bind the next Congress with this legislation. I do not favor its extension beyond the war period.

Mr. Chairman, I am not satisfied with this legislation. I think it should have been amended so that Congress would have at least something to say about agreements that may be made even during the war period. Mr. Chairman, I have always been opposed to the making of trade treaties without the consent of Congress. I believe all treaty-making powers, as well as of these reciprocal agreements, should, to some extent, be under the supervision and control of Congress. I have voted against the extension of such agreements on two other occasions. I would vote against this one today if it were not for the fact that our country is at war, and for the further reason that few, if any, agreements are being made now. As a matter of fact, we have very little foreign trade that would be affected during the war period by reciprocal agreements. I still think if any agreements are made they could be submitted for the ratification of at least one of the Houses of Congress, and that it could be done without very much delay. In other words, I feel that, after all, Congress should, as a matter of principle, have authority over agreements made with foreign countries. I do not share the view of some Members of this House who believe a requirement of congressional sanction would ruin the reciprocal trade treaty program. However, if this House does not see fit to amend the measure in that respect I shall vote for the extension rather than seem to hinder this country in making agreements that may be helpful in the prosecution of the war. Rather than take the position that no agreements may be made at all during the war period I shall vote for the measure with the inclusion of an amendment providing for a 2-year limitation.

Mr. Chairman, the question of foreign trade after the present crisis has subsided is bound to be one of the most important issues confronting this country. This Congress would do well to examine the

problem pretty carefully with a view of working out plans that will be sure to protect our people against abnormal imports of products of all kinds that may injure or even ruin the producers of our own country.

Mr. Chairman, I believe that regardless of political affiliation Congress should make sure that it does not grant unwarranted or unnecessary authority to any individual or group of persons to handle the question of making treaties with foreign countries except and unless such treaties have the approval of Congress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 93, noes 105.

Mr. KNUTSON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. DOUGHTON and Mr. KNUTSON to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 149, noes 170.

So the amendment was rejected.

Mr. LEWIS of Ohio. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of Ohio: At the end of section 1, strike out the period and insert a colon and add the following: "Provided, That so much of section 2 of the act of June 12, 1934, as suspends the application of section 516 (b) of the Tariff Act of 1930 (relating to appeal or protest by American producers) to any article with respect to which such foreign-trade agreements have been concluded, or to any provisions of such foreign-trade agreements, is hereby repealed."

Mr. COOPER. Will the gentleman yield?

Mr. LEWIS of Ohio. I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

Mr. LEWIS of Ohio. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I am about to make and those I previously made.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio [Mr. LEWIS]?

There was no objection.

Mr. LEWIS of Ohio. Mr. Chairman, the purpose of this amendment is very evident from a reading of it. Its purpose is to extend to the citizens of the United States, who may feel themselves aggrieved by any trade agreement negotiated under this act, as well as to sovereign States the right of appeal to the courts. As it stands and as this debate has disclosed, the act gives a citizen absolutely no redress whatsoever and if he is so unfortunate as not to have the opportunity to appear before the nego-

tiators preceding the negotiation of an agreement he has no recourse and there is not one-tenth of 1 percent of any industry affected in the United States that is given this right or that even has actual opportunity of knowledge that its interests are being bargained away. My amendment gives these people the right to appeal to the courts.

Certainly, if Congress is not willing to trust itself to protect the rights of citizens, it ought to be willing to trust the courts. So, if we are not willing to trust ourselves to act as a review court, let us make use of the legal machinery of this country and give to anyone aggrieved by the negotiation of these agreements the right to resort to the courts and have his interests judicially determined.

Mr. Chairman, that is the purpose of my amendment.

Mr. ROBERTSON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. LEWIS].

Mr. Chairman, the constitutionality of the program has been invoked this morning on two different counts. First, that the Reciprocal Trade Agreements Act has taken a constitutional right away from this Congress in conferring upon the President the right to lower duties as much as 50 percent. It is unfortunate that more Members of this House do not know more about tariff history, because if they did know more about tariff history they would know that that power was conferred upon the President in 1922 in the Fordney-McCumber Act and was continued in the Hawley-Smoot Act of 1930. It was conferred upon the President because the Congress did not want to take the time to go into each individual item that the Tariff Commission had investigated and other agencies had investigated or that the President thought would be to the interest of this country to have lowered. Certainly nobody complains of the President getting some other nation to lower their tariff as against our exports.

The power to lower tariff rates was conferred upon the President in 1922, reconferred in 1930, and he has no more power in that respect under the Trade Agreements Act than he had under those two tariff acts. So if Congress gave away a constitutional right that it had it did so under the Republican administration in 1922.

Section 516 (b) was inserted in the Fordney-McCumber Act and carried forward in the Hawley-Smoot Act not to promote international trade but to implement first the highest tariff protection in history, the Fordney-McCumber tariff, and the still higher one later, the Hawley-Smoot tariff.

The Supreme Court in the case of *Norwegian Nitrogen Co. v. U. S.* (288 U. S. 294, 318), held that no one has a constitutional or legal right to the maintenance of a given protective rate or duty. It never was a common-law right; it never was in any statute. The right to litigate inserted in the Fordney-McCumber Act was put in there solely for the purpose

of permitting domestic producers to litigate in the customs courts the question of valuation, under 516 (a) and classification under 516 (b). Those sponsoring that provision in 1922 had in mind keeping out imports. The adoption of such a provision in this act will be heading us in the opposite direction from which we plan to go or that we ought to plan to go, and that is to engage in mutually beneficial international trade. That is the reason when this act was framed in 1934 this provision of the Hawley-Smoot Tariff Act was not carried into the Reciprocal Trade Agreements Act.

Mr. COOLEY. Will the gentleman yield?

Mr. ROBERTSON. I yield to the gentleman from North Carolina.

Mr. COOLEY. Is the treaty-making power vested in the Congress rather than in the judiciary?

Mr. ROBERTSON. Yes. The treaty-making power is vested in the President, subject to ratification in the Senate. These are trade agreements, and a lot of people have not gone into it technically enough to know the difference between a treaty and trade agreement.

Mr. COOLEY. While there may be some constitutional questions involved, there are not judicial questions involved in the treaty powers of the Congress, is that true? In other words, the individual citizen has no right to go into court to adjudicate anything concerning one of the treaties made by this country?

Mr. ROBERTSON. You are exactly right. Never in the history of this Nation has Congress extended to American producers any right or privilege to litigate in the courts the customs treatment of imported articles, whether under a statute enacted by Congress or by virtue of a treaty or trade agreement with a foreign nation, because such customs treatment is injurious to their interests or threatens their future security.

We have always followed the English doctrine "the King can do no wrong," and a citizen cannot even sue his Government for a personal tort unless Congress authorizes him to do so. The purpose of this amendment is to hamper the program.

I hope the House will vote the amendment down.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 75, noes 138.

So the amendment was rejected.

Mr. VORYS of Ohio. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. VORYS of Ohio: At the end of the first section, before the period, insert a colon and the following: "Provided, That hereafter no such foreign trade agreement shall take effect:

"(a) Before the expiration of 60 calendar days after the date on which such trade agreement is transmitted to the Congress, but only if during such 60-day period there

has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor such trade agreement.

"(b) If the Congress adjourns sine die before the expiration of the 60-day period, a new 60-day period shall begin on the opening day of the next succeeding regular or special session. A similar rule shall be applicable in the case of subsequent adjournments sine die before the expiration of 60 days."

Mr. COPPER. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. COOPER. I ask unanimous consent that all debate on this amendment and all amendments thereto close in 7 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. VORYS of Ohio. Mr. Chairman, the amendment you have just heard read, providing for a 60-day veto, is patterned exactly on section 5 of the Reorganization Act of 1939, and is, with the exception of changing the words "reorganization plan" to "trade-agreement" in the exact words and is taken verbatim from the Reorganization Act, which passed this House by a vote of 246 to 153 in 1939.

I wish the gentlemen on my right would listen when I quote Lindsay Warren, now Comptroller General, who was then in Congress and sponsored the reorganization bill containing this amendment, who said:

It received the largest percentage of Democratic votes that has obtained on any controversial measure in the House during the last 8 years.

Our distinguished Speaker [Mr. RAYBURN], the gentleman from Massachusetts [Mr. McCORMACK], and the gentleman from Georgia [Mr. Cox] vigorously supported this on the floor. The gentleman from North Carolina [Mr. DOUGHTON], the gentleman from Tennessee [Mr. COOPER], and the gentleman from New York [Mr. WADSWORTH] voted for this amendment in 1939.

I did not vote for it. I am offering it now as a compromise, as the lowest common denominator of congressional self-respect. I am offering it, not as a flank attack on the trade-agreements program, but as a last-ditch effort to meet the flank attack on the self-respect of Congress, which has seen every attempt to preserve some semblance of congressional right to participate in the post-war trade policy of our Government voted down on this floor.

Remember, the Reorganization Act which these gentlemen I have mentioned supported vigorously here against Republican opposition, did not by the amendment that I am offering now scuttle reorganization.

Under the reorganization law five reorganization plans were submitted to the Congress by the Executive. Only one of them, Reorganization Plan No. IV, was defeated in the House, but since it was not defeated in the Senate it, nevertheless, went into effect.

This amendment that I am offering would not make the change in the rules

provided in the Reorganization Act, and therefore any resolution of disapproval would be subject to the ordinary rules of the House and a possible filibuster in the Senate. Therefore, only an extremely unsatisfactory trade agreement would have a chance of being vetoed under this procedure. We could only turn down the whole agreement. No piecemeal review of items in a trade agreement is provided by the amendment.

The only difference between this and passing a new act would be that a mere majority would be sufficient instead of the two-thirds vote which might be required to pass such a new act over a Presidential veto.

There is an elaborate discussion of this amendment in the CONGRESSIONAL RECORD in 1939—a discussion of the constitutional features. I am not raising any constitutional question as to whether we have the power to authorize Executive trade agreements without congressional review. I think there is a deep constitutional question, however, as to whether the Congress should use this power in this way, even if it has the power. Should we send out to the world, when we give the world a symbol of our post-war cooperation, the message that this Congress deems itself lower in rank, in worth, in dignity, and ability than the bodies in the 23 nations that require legislative approval of these agreements? Shall we use our power to divest ourselves of power? Remember this: Free governments usually die by suicide—by surrender of the people's representatives of their own powers to a leader who is not unpopular but popular. Germany still has a Reichstag. Russia has a popularly elected assembly.

In this instance all we are asking is not the right for Congress to write tariff laws, nor the right for one House to turn down one of these trade agreements, nor the right of both Houses to disapprove of a single item in an agreement, but a 60-day symbolic period, if you please, of review, which was previously written into the laws of the country by the majority—by the New Deal—a symbol which most certainly should be granted in this hour when representative government is on trial all over the earth. If we will only retain some such power, then the life of this legislation could well be extended beyond the war period.

I urge support of this simple symbolic amendment.

Mr. COOPER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the distinguished gentleman from Ohio was, of course, just as wrong in his position on the reorganization bill as he is on this bill. There is certainly a vast difference between a purely Democratic measure relating to the shifting of employees or bureaus of this Government and a far-reaching international policy such as that embraced in this measure.

For all practical purposes this amendment is the same as the amendment offered a few moments ago which was overwhelmingly voted down, and we

should not adopt this amendment. I ask that it be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. VORYS of Ohio), there were—ayes 89, noes 115.

So the amendment was rejected.

Mr. CURTIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS: On page 1, line 8, after "1943" strike out the period and insert a colon and the following: "Provided, That no trade agreement with respect to natural or synthetic rubber shall be entered into pursuant to this act, if the terms of said trade agreement extend beyond the duration of the present war."

Mr. CURTIS. Mr. Chairman, there are many Members of the House who have been very much interested in a program to make greater use of farm products by using them in the production of synthetic rubber and alcohol, and for other purposes. The amendment I have offered would permit those in charge of making these agreements to make any agreement they wish with reference to rubber now while the war is on, but in the post-war world it would prohibit them from sabotaging our synthetic-rubber industry through the trade agreements.

I do not believe it is necessary for me to mention the fact that many people in the administrative branch of the Government are opposed to a continuation of the synthetic-rubber program in this country.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from New York.

Mr. REED of New York. Of course the gentleman is well aware that in one of the trade agreements rubber is found on the free list now.

Mr. CURTIS. That is right.

The Vice President of the United States has been very hostile toward the production of synthetic rubber from farm products. He has repeatedly stated that he does not want such an industry to exist in the post-war world.

This is an amendment which will in no sense sabotage or destroy the trade-agreements program. It merely takes one item out of the consideration of those agreements. It is entirely a question of whether or not we want to defer action in regard to these industries of ours during the war, until such time as we may have an opportunity to prove the economic feasibility of the rubber plants that are built throughout the country.

I believe that by a greater use of farm products we can solve the agricultural problem so that it will not always be necessary to appropriate huge sums of money to make agriculture a worthwhile industry in this country. The estimates vary. Some people believe that eventually the products of perhaps 30,000,000 acres of farm land will be used to make rubber, plastics, and many other articles for whose development we are indebted to

the advancement in chemistry along that line.

I am quite sure that if the philosophy of HENRY WALLACE prevails these rubber plants will not have any chance of continuing in the post-war world. It will mean that America will be forever dependent on other countries for our rubber. It will mean that American agriculture will have taken away from it that great opportunity to expand by a greater use of farm products, which is contrary to the theory of scarcity.

Mr. Chairman, I hope this amendment will be adopted.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. CREAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not want this amendment to be placed in the bill for the very reason the gentleman who offers it says he does want it. I am quite sure that my own district would benefit more by the manufacture of synthetic rubber than would the district of the gentleman who offers the amendment, as synthetic rubber can be made from alcohol which is made from farm products. If no trades could be made about synthetic rubber then our plants now making synthetic rubber might be abandoned after the war. We hope they will not be abandoned but eventually make enough for us and have some to sell to other nations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. CURTIS].

The question was taken; and on a division (demanded by Mr. CURTIS) there were—ayes 57, noes 130.

So the amendment was rejected.

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Before the period at the end of the first section insert a colon and the following: "Provided, That each such agreement entered into after the date of the enactment of this joint resolution shall provide that if, as a result of unforeseen developments and of the concession granted on any article, such article is being imported in such quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the Government of the United States shall reserve the right to withdraw such concession in whole or in part."

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KNUTSON. Mr. Chairman, we have heard a great deal about the United States Chamber of Commerce throughout this debate. The majority has made

much of the fact that the Chamber has favored prolonging the life of the Trade Agreements Act for another 3 years. The United States Chamber of Commerce asked for certain safeguarding amendments. This is such an amendment as they ask for. In view of the solicitude displayed by the gentleman on the majority side for the views of the United States Chamber of Commerce, I am prompted to offer this amendment. I think it is a very proper one, because it instructs the State Department to insert an escape clause in every trade treaty hereafter entered into. I understand the last treaty that was made, the one with Mexico, contained such an escape clause. All trade agreements should contain such a clause in order to protect the best interests of the American people, both on farm, shop, and factory.

Mr. DOUGHTON. Mr. Chairman, the amendment offered by the gentleman from Minnesota is entirely useless. This escape clause is embodied in all these trade agreements. That matter is safeguarded. This is just to harass the State Department, that is all. The gentleman from Minnesota is constitutionally and conscientiously opposed to the whole trade-agreement program, he is trying to sabotage it at every turn, and this is just another move in that direction.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. COOPER. Mr. Chairman, I am sure the distinguished chairman will recall that when the spokesman of the United States Chamber of Commerce was before the committee, I mentioned the very point included in the gentleman's amendment, when his attention was called to the fact that the escape clause is included and especially his attention was called to the fact that the escape clause is included in the agreement with Mexico, he then said that that was all they were interested in. It is an administrative matter. He did not ask it to be put into the law, but only that it be continued as an administrative matter.

Mr. DOUGHTON. I thank the gentleman from Tennessee. This is another attempt to throw a cloud of suspicion over the Secretary of State, as if he did not have patriotism enough or honesty enough or interest enough in American labor and American agriculture to administer this program in a sincere way.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. ROBERTSON. This is the escape clause being put in—

ARTICLE XI

(Trade agreement between the United States of America and the United Mexican States, signed December 23, 1942)

1. If, as a result of unforeseen developments and of the concession granted on any article enumerated and described in the

schedules annexed to this agreement, such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the Government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury. Accordingly, if the President of the United States of America finds as a fact that imports of any article enumerated and described in schedule II or schedule III are entering the United States of America under the circumstances specified in the preceding sentence, he shall determine whether the withdrawal, in whole or in part, of the concession with regard to the article, or any modification of the concession, by the imposition of quantitative regulations or otherwise, is necessary to prevent such injury, and he shall, if he finds that the public interest will be served thereby, proclaim such finding and determination, and on and after the effective date specified in such proclamation, and so long as such proclamation remains in effect, imports of the article into the United States of America shall be subject to the customs treatment so determined to be necessary to prevent such injury. Similarly, if the Government of the United Mexican States finds as a fact that any article enumerated and described in schedule I is being imported into the United Mexican States under the circumstances specified, it may, if it finds that the public interest will be served thereby, withdraw in whole or in part the concession with regard to the article, or modify the concession by the imposition of quantitative regulations or otherwise, to the extent and for such time as may be necessary to prevent such injury.

2. Before the Government of either country shall withdraw or modify a concession pursuant to the provisions of paragraph 1 of this article, it shall give notice in writing to the Government of the other country as far in advance as may be practicable and shall afford such other Government an opportunity to consult with it in respect of the proposed action; and if agreement with respect thereto is not reached the Government which proposes to take such action shall, nevertheless, be free to do so and the other Government shall be free within 30 days after such action is taken to terminate this agreement in whole or in part on 30 days' written notice.

Mr. DOUGHTON. It is already covered in the law.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. DINGELL. As a matter of fact, under this escape clause, it has been invoked in more than one instance already.

Mr. Chairman, under leave to extend my remarks at this point, I will say that in more than one instance the Government of the United States has invoked the escape clause to give relief when and where necessary.

I cite the instance of handkerchiefs with Switzerland:

Beginning January 1, 1941, the concession on handkerchiefs granted by the United States to Switzerland in the agreement—effective February 15, 1936—was modified, pursuant to article XVI thereof—the "third country" article—to exclude from the concession hand-ornamented handkerchiefs.

China and not Switzerland had been the principal beneficiary of the concession on this type of handkerchief, imports of which had increased greatly and had caused concern to Puerto Rican producers.

Other instances of relief accorded industry and agriculture may be found by reference to State Department files which will show favorable actions on petitions from aggrieved parties and these concessions were obtained by the medium of either the escape clauses contained in the agreements or by renegotiation.

I remember one instance covering fox furs, the details of which I shall not discuss, and again regarding plate glass with Czechoslovakia where, by renegotiation with that country, duties were revised at the request of American industry. The agreements can be changed or amended, as I understand it, because of the flexibility of the act, by Presidential order or suspension or by invoking the escape clause or by renegotiation, all covered in the act.

Mr. DOUGHTON. That is correct.

Mr. KNUTSON. There is more misinformation being put on on that side than I have seen in any debate. There is only one treaty that has the escape clause in it, and that is the one with Mexico, and I will bet a suit of clothes that I am right.

Mr. DOUGHTON. Mr. Chairman, I ask that the amendment be overwhelmingly defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken, and the amendment was rejected.

Mr. SUMNERS of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 1, line 8, after the period, insert: "Or until such earlier time as the House of Representatives and the Senate by concurrent resolution or the President may designate."

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

Mr. VORYS of Ohio. I object, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

Mr. McCORMACK. Mr. Chairman, I am sorry the gentleman from Ohio objected to the unanimous-consent request of the distinguished chairman of the Committee on the Judiciary. This remark is not to be construed as criticism, because the gentleman acted clearly within his rights; so in making this observation I do not want the slightest implication to be left that it was criticism of the exercise of the gentleman's right.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Gladly.

Mr. VORYS of Ohio. It was only because of my deep feeling that it was a good amendment and I felt it should not be withdrawn.

Mr. McCORMACK. The gentleman from Massachusetts, of course, under no condition would impugn the motives of the gentleman from Ohio. I assumed that he had a justifiable reason. That does not, nevertheless, change the fact that the gentleman did object, and I am sorry he did.

Mr. Chairman, the amendment offered means that on June 13, 1943, the day after this extension act becomes effective, a joint resolution could be offered in the House of Representatives to terminate the extension, whether it be this or some other act. That is what it means. Nothing in the world could stop any Member of either branch on June 13, 1943, the very first day the extension act becomes effective, from introducing a concurrent resolution for the purpose of repealing for all practical purposes the 2-year extension, assuming the pending bill becomes law, or the 3-year extension, assuming a 3-year extension became law, but in any event either 2 or 3 years. No one wants to do that except one who is absolutely opposed to any kind of legislation along this line. All amendments except the one fixing the time of the extension have been defeated. No one who favors the extension of the present law either for 2 years or 3 years should vote for this amendment, for it would be most crippling to the effectiveness of this law, and when I say "most crippling" I do not say that in any criticism of the author but as an observation of my own as to the effect of this amendment.

Mr. LEWIS of Ohio. Mr. Chairman, will the gentleman yield for a question?

Mr. McCORMACK. Briefly; for a question, yes.

Mr. LEWIS of Ohio. The question is this: Could not any Member of the House introduce a bill to repeal the Reciprocal Trade Agreements Act the very day it goes into effect?

Mr. McCORMACK. The gentleman understands, of course, that a bill to repeal is entirely different from the provisions of this amendment, which calls for a concurrent resolution.

Mr. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KENNEDY. I think it might be well for the gentleman to point out the distinction between a bill repealing an act and a concurrent resolution.

Mr. McCORMACK. I think the gentleman from Ohio realizes that.

Mr. KENNEDY. The one requires the signature of the President; the other does not.

Mr. McCORMACK. I am sure the gentleman from Ohio realizes that.

All I want to say is that this amendment would be most disastrous to the bill. Anyone on either side of the aisle who believes the law should be extended should vote against this amendment. We have already adopted an amendment for a 2-year extension. I have not criticized anyone who voted for that amendment. I think I made it clear

that I personally prefer a 3-year extension. I would like to see this policy made permanent legislation, for I believe it would be for the best interests of the country; and as between 3 years and 2 years, personally, I prefer 3, but I do not consider the 2-year amendment as essentially hostile.

This amendment will be crippling in its nature; it would be disastrous to any extension. We might as well vote flatly against the bill as to vote for the passage of the bill with this amendment. I hope therefore, without further argument, that the amendment will be defeated.

Mr. MURDOCK. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Arizona is recognized for 5 minutes.

Mr. MURDOCK. Mr. Chairman, I regret to differ with my friend, the gentleman from Texas, but I am opposed to this amendment. While I am no lawyer I have studied the Constitution and given some thought to the veto power of the President under our Constitution. I doubt whether the gentleman's amendment, if passed, could effectively bypass the Presidential veto power. Therefore, I think the amendment would likely be futile. However, if it should be held effective, I doubt the wisdom of its application to this trade program. If it is unwise in this case, although the idea might be wise in another case, I would still be opposed to its application in this case.

I can think of important war programs, greatly increasing the President's power, which might wisely be subject to discontinuance without the President's signature or consent. However, this trade-agreement program is not a wartime program. It was originally adopted in days of peace and has been twice renewed while our Nation was at peace. It is a program intended to promote peace and ought to be so continued.

In the controversy aroused by this debate I am in a difficult position, for I come from a great State producing raw materials and not as yet highly industrialized in manufacture. Whatever possibility of harm to certain raw-material producers there may be in the reciprocal trade program my constituents, who are livestock men, farmers, or mining men, are subjected to possible competition to a large degree without the counteracting benefits of the program extending to my State. Yet so convinced am I of the possibilities of Nation-wide benefit and of promoting peace and friendly commerce which this program makes possible that I am supporting the program and voting again to renew its terms. I certainly want America to assume her rightful place in an ordered world, without playing Santa Claus, but by assuming a position of commercial and economic leadership in peaceful ways instead of narrow selfishness. I believe these trade agreements, properly administered, tend in the direction of peace and mutual profit.

Much of the adverse criticism which I have heard voiced here has implied that this program is a New Deal scheme to

sell America down the river. Certainly it is true that the power to adjust tariff rates upward or downward to the extent of 50 percent was delegated by earlier Congresses to President Harding, President Coolidge, and President Hoover. I do not know whether those earlier Congresses hoped that the President would use such power very sparingly, or only in the case of upward revision, but I mention this to show that the policy itself was adopted long before the New Deal administration came into power. Possibly it all depends upon who is administering it as to how some regard it. I do feel that it all depends upon how it is administered as to whether it is wise. Friendly as I am to the program, I would oppose it bitterly if it were used by dangerous and selfish characters linked with foreign governments in an effort to sell America down the river.

I have heard much on the part of the opposition which seems to assume that those opponents took it for granted that the members who make up the Committee on Reciprocity Information to conduct these studies and the members who were negotiators of these trade agreements were avowed free traders and long-haired professors, conspiring with foreigners to the disadvantage of Americans. Now, if that be the case—the burden of proof rests upon those who make the assumption—then I would be opposed to continuing the program. However, I assume that these men are neither fools nor knaves. They are public officials charged with a weighty responsibility. I trust they are performing their duty with the best interests of America at heart.

How many times we have heard the charge made that Congress has delegated away its powers. Many amendments have been offered to this measure which were said to be attempts to recapture the power which Congress has supinely surrendered. Congress is a policy-determining branch of our Government. Our laws must be general rules; administrative details must be left to another branch of Government. The Constitution, which is our basic guide, and which we have all sworn to uphold, is even more general in its terms. For example, I read, "Congress shall have power to declare war." Under that power Congress has declared war against our present enemies; Congress has appropriated money to conduct that war, and Congress has made other general regulations concerning the conduct of that war, but shall we now say that Congress must carry on the war? Would you have the general staff displaced by our Military Affairs Committee?

That same Constitution says "Congress shall have power to coin money and regulate the value thereof," but a large part of that power has been delegated to someone else, and that someone else is not even a governmental branch of the administrative department. Yes; that same Constitution says "Congress shall have power to regulate commerce," but what a world of meaning those words convey. We have delegated the control of domestic commerce to an adminis-

trative agency and who of those talking about recapturing the power of the Congress would expect us here in this body to write the freight rates of our internal commerce and adjust them in detail? Now, Mr. Chairman, much of this power of regulation has been placed, and necessarily placed, in the hands of administrative agencies. I do not see how it could be otherwise. In the increasing complexities of modern economic life more of this power of regulation must be placed by Congress in somebody else's hands. The only thing we need to ask is, "What is the wisest general policy for the immediate future and for the long future?" and the next question is, "Are the details of this general policy in safe hands by those who are administering the policy which we have written into law?"

I understand some of the fears entertained by the gentleman from Texas [Mr. SUMNERS] and I have some of those same fears. In the growing complexities of our Government I could point out developments with more potential power for evil than anything apparent to me in this program.

Mr. DIRKSEN. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. Mr. Chairman, perhaps as a witness in this case I should first qualify myself.

Irrespective of what happens to this amendment I propose to vote for the bill. While I had no opportunity to testify before the Committee on Ways and Means I did file a memorandum indicating my support and indicating also my interest in some procedural changes, but whether they were adopted or not would be of no moment because I still would support this legislation. I am of the opinion, however, that the matter before us today is really fundamental; namely, the amendment offered by the gentleman from Texas.

First. Let me recite it is not new. That same provision is included in the Lend-Lease Act. I offered the amendment; it was refined by the Senate, and you will find it in section 3 (c) which provides that after June 30, 1943, or after the passage of a concurrent resolution by the two Houses before June 30, 1943. That is instance No. 1 of the exercise of this instrumentality by Congress for the purpose of recapturing a power, if it desires to do so.

Second. We wrote that same amendment into the First War Powers Act effective on the 18th of December 1941, and that has been in effect now for 18 months.

Third. We wrote that same amendment into the Second War Powers Act approved March 27, 1942, which has been in effect for 15 months.

Here are three major pieces of legislation enacted by both the House and Senate and signed by the President which have this identical provision in it. Now, it differs from things that we have considered in the form of amendments thus far. Most of the amendments that were

offered dealt entirely with the question of resubmitting a trade agreement after it had been negotiated.

The amendment now pending does not deal with trade agreements as such. It deals with the law under which trade agreements are made. It provides that the law may be terminated at the end of 2 years or such sooner date as both Houses of Congress by concurrent resolution may determine. You have got to make that distinction. We are not dealing with ministerial functions now, we are dealing with recapture of power, and if we want to do it fundamentally this is the place to do it. We are not dealing with a crippling amendment, as the majority leader indicates. It does not cripple this proposal at all. It does not affect morale at all. It gives us an opportunity in case of an emergent situation which may arise before the expiration of 2 years by concurrent resolution, which requires no signature by the Executive, to recapture this power. So this is one time in the whole discussion that we are dealing with a fundamental proposition.

Having written it into both of the War Powers Acts under which we made the President an economic dictator in time of war, having written it into the Lend-Lease Act under which the President is making leases, deals, contracts, and undertakings with all the nations that are associated with us in the war effort, who, then, would say that we are affecting morale or the war psychosis at the present time? Here is one time where Congress can express itself and say that through concurrent resolution of both Houses it can recapture this power in an emergent moment if there should be an excess or abuse. I regret that the gentleman wanted to withdraw this because I think it is fundamental. I think his premise is right. I think the amendment ought to be adopted because it will not cripple the trade-agreement program. It does not relate to the submission of individual agreements to the Congress and it is very fundamental in our legislative structure.

Mr. KENNEDY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am opposed to those amendments, offered to House Joint Resolution 111, which have for their object a limitation as to the term of operation or powers, heretofore delegated to the President by previous legislative act which, by the adoption of this resolution, will be extended for a period of 3 years, from June 12, 1943.

I am in favor of this legislation, the extension of Reciprocal Trade Agreements Act, because, in my opinion, since its original enactment in 1934 it has been one of the greatest aids to the Department of State and President Roosevelt in their efforts to develop and extend our friendly relations with foreign governments.

Not only has the Secretary of State and other Government departments given approval to this resolution but, in addition, we have the favorable endorsement of the American Federation of La-

bor, the C. I. O., the United States Chamber of Commerce, the New York State Chamber of Commerce, the representatives of the farm groups, and many other leading businessmen and students of economics.

I would like to direct attention to the purposes of the act. The following explains the legislation:

THE TRADE AGREEMENTS ACT AND ITS ADMINISTRATION

THE ACT

The Trade Agreements Act of 1934 authorizes the President:

"(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and

"(2) To proclaim such modifications of existing duties or other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article"

As is appropriate to carry out agreements made.

The act provides, as a limitation on the authority—

"No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and the free lists."

The initial term of an agreement may not be longer than 3 years, and each agreement must be terminable at the end of this period or thereafter upon not more than 6 months' notice.

This authority is granted "for the purpose of expanding foreign markets for the products of the United States." It is to be exercised only if the President "finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States." It is to be exercised "by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets * * *"

Before any trade agreement can be entered into, the President must "seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate"; and in each case "reasonable public notice of the intention to negotiate an agreement" must be given "in order that any interested person may have an opportunity to present his views."

The act provides that when new duties are agreed to and proclaimed they "shall apply to articles the growth, produce, or manufacture of all foreign countries whether imported directly or indirectly" with appropriate provision for suspension of trade-agreement benefits in the case of countries which discriminate against our commerce, or which take other action tending to defeat the purposes of the act. With the exception of the special provision in the act for the continuance of preferential arrangements with Cuba, which go back to 1902, the act thus continues the traditional trade policy of the United States not to discriminate between foreign nations but to extend equality of tariff treatment to all who do not discriminate against the trade of this country.

The Trade Agreements Act does not authorize the conduct of any portion of our export or import business by the Government of the United States. It seeks to lighten the

restrictions, both in this country and abroad, on the operations of private businessmen, and leaves the rest to private enterprise. The existing wartime conduct of large portions of our foreign trade by government is under other laws.

The authority of the President to enter into agreements under the act was originally granted for a term of 3 years only. It has been renewed twice since, each time for a like term and without change. It will expire June 12, next, unless renewed. The present resolution, if adopted, will renew it for another 3-year term.

THE ADMINISTRATION OF THE ACT

The act, it will be noted, did not create a special new commission to advise the President, but instead directed him to utilize the specified existing departments and agencies for advice and information in the administration of the act.

Pursuant to this provision in the act, an effective interdepartmental organization has been developed with a view to bringing to bear upon each detailed question all the facts available. The interdepartmental trade-agreements organization is designed to draw on the full information and resources of the qualified Government agencies and to obtain the views and all pertinent facts which private interests desire to furnish on the items under consideration.

The Committee for Reciprocity Information, which is composed of responsible officers of the Tariff Commission and the Departments of State, Commerce, Agriculture, and Treasury, is the interdepartmental agency through which private interests present their views and information. The Vice Chairman of the Tariff Commission serves as Chairman of the Committee and most of the members of this committee also serve as members of the Trade Agreements Committee, the interdepartmental committee which coordinates the work of all the interested Government agencies in the administration of the trade-agreements program.

When it has been determined to attempt negotiation of a trade agreement with any country, and before negotiations start, notice of intention to negotiate is published in the Federal Register, other governmental publications, and in the press. The notice names the country, and along with it is published a list of products on which concessions in the American rates will be considered. No concession is considered on any product which is not included in this list. Upon the announcement by the Secretary of State that a trade agreement is to be negotiated with a particular country, the Committee for Reciprocity Information sets a date (usually more than 30 days after the Secretary's announcement) for a public hearing before the committee and a date for the filing of briefs (usually a week or more before the date of the hearing). Both oral and written statements may be offered before the committee, and there are no restrictions on the character of the considerations that may be heard. Full opportunity is given to everyone concerned to present whatever facts or views he wishes. In addition to the holding of such regular hearings prior to the commencement of negotiations the committee stands ready at all times to hear interested parties on a formal or informal basis whenever they desire to present additional facts or arguments bearing on possible concessions. Many such informal meetings with interested private groups have been held after the formal hearings have been concluded.

The information so presented to the Committee for Reciprocity Information is thoroughly organized and briefed for convenient use of the trade-agreements organization by the specialists on the staff of the Tariff Commission. Exact copies of formal briefs sub-

mitted and full transcripts of the hearings are available to and are carefully studied by each agency concerned.

Digests of all available information are prepared by the United States Tariff Commission and the Department of Commerce on all commodities that are under consideration. For items being considered for possible concessions by the United States, the digests furnish, among other things, a history of the United States tariff rates on the commodity together with ad valorem equivalents of the rates, a description, and an account of the uses of the commodity, the size, and characteristics of the United States industry, and of the foreign industry which produce the commodity, the import and export trade, conditions of competition, and other considerations.

As each of the agencies specified by the act is represented at every level of the preparatory work, all of the resources of each are utilized. The care with which this work is done is illustrated by the digests which the Tariff Commission has made public following the completion of each agreement.

Members of the Tariff Commission are on the main trade agreements committee, and the specialists of the staff and the full informational resources of the Commission are utilized at all stages of the negotiations. Representatives of the Commission are members of the country committees where the detailed work is done of preparing the information required by the trade agreements committee in its consideration of the trade agreement.

Similarly the Department of Commerce's full resources are utilized, particularly in furnishing technical information and advice concerning the nature of the concessions to be sought from the other government in the interest of American exports.

The Department of Agriculture, through its representatives on all committees, furnishes full information and advice on all items pertaining to both imports and exports of agricultural products.

The Treasury Department supplies information and advice on all questions pertaining to its field of interest, including customs revenues and customs administration.

The Department of State acts as the coordinating agency through which the findings and recommendations of the Trade Agreements Committee are presented to the Secretary of State and the President for consideration and approval. The international negotiations involved are carried out by the Department of State, assisted by the interested agencies of the interdepartmental organization. All negotiations are confined to and based on the approved findings and recommendations of the Trade Agreements Committee.

The interdepartmental organization does not shut itself off from contacts with private interests even after a trade agreement has been signed and has entered into force. The Committee for Reciprocity Information stands ready at all times to receive the views of interested persons or organizations concerning any aspect of the operation of agreements. Informal conferences or hearings are arranged whenever anyone has a complaint to make. Such complaints have been remarkably few, attesting to the care with which the agreements have been formulated. In several cases adjustments have been made either through supplementary agreements or pursuant to "escape" clauses in the agreements. Under this procedure any necessary future adjustments can be made.

It is clear that the successful administration of the trade-agreements program requires the combined efforts and resources of various departments and agencies in the Government. The committee is satisfied that the existing interdepartmental organization

has brought the full resources of the Government to bear upon the problem in an effective and economical manner with the sole view of carrying out the policies prescribed by Congress in the best interest of the Nation as a whole. The results achieved under the trade-agreements program during the past 9 years of its operation fully support this conclusion.

RESULTS

Agreements entered into

During the past 9 years reciprocal trade agreements have been concluded with the following 27 countries, in the order in which the agreements were signed: Cuba, Brazil, Belgium and Luxemburg, Haiti, Sweden, Colombia, Canada, Honduras, the Netherlands, Switzerland, Nicaragua, Guatemala, France, Finland, Costa Rica, El Salvador, Czechoslovakia, Ecuador, the United Kingdom of Great Britain and Northern Ireland, Turkey, Venezuela, Argentina, Peru, Uruguay, Mexico, and Iran. Negotiations are in progress with Bolivia and Iceland.

Over 65 percent of the total foreign trade of the United States is carried on with the countries with which reciprocal trade agreements have been concluded. The United Kingdom and Canada are, respectively, the largest and the second largest customers for American exports.

Under the act, agreements have been made, as follows:

Country	Signed—	Effective—
Cuba.....	Aug. 24, 1934	Sept. 3, 1934
Brazil.....	Feb. 2, 1935	Jan. 1, 1936
Belgium and Luxemburg.....	Feb. 27, 1935	May 1, 1935
Haiti.....	Mar. 28, 1935	June 3, 1935
Sweden.....	May 25, 1935	Aug. 5, 1935
Colombia.....	Sept. 13, 1935	May 20, 1936
Canada (superseded).....	Nov. 15, 1935	Jan. 1, 1936
Honduras.....	Dec. 18, 1935	Mar. 2, 1936
The Netherlands.....	Dec. 20, 1935	Feb. 1, 1936
Switzerland.....	Jan. 9, 1936	Feb. 15, 1936
Nicaragua.....	Mar. 11, 1936	Oct. 1, 1936
Guatemala.....	Apr. 24, 1936	June 15, 1936
France.....	May 6, 1936	Do.
Finland.....	May 18, 1936	Nov. 2, 1936
Costa Rica.....	Nov. 28, 1936	Aug. 2, 1937
El Salvador.....	Feb. 19, 1937	May 31, 1937
Czechoslovakia.....	Mar. 7, 1938	Apr. 16, 1938
Ecuador.....	Aug. 6, 1938	Oct. 23, 1938
United Kingdom.....	Nov. 17, 1938	Jan. 1, 1939
Canada (second agreement).....	do.	Do.
Turkey.....	Apr. 1, 1939	May 5, 1939
Venezuela.....	Nov. 6, 1939	Dec. 16, 1939
Cuba (first supplementary agreement).....	Dec. 18, 1939	Dec. 23, 1939
Canada (supplementary fox-fur agreement) ¹	Dec. 13, 1940	Dec. 20, 1940
Argentina.....	Oct. 14, 1941	Nov. 15, 1941
Cuba (second supplementary agreement).....	Dec. 23, 1941	Jan. 5, 1942
Peru.....	May 7, 1942	July 29, 1942
Uruguay.....	July 21, 1942	Jan. 1, 1943
Mexico.....	Dec. 23, 1942	Jan. 20, 1943
Iran.....	Apr. 8, 1943	(4)

¹ The duty concessions and certain other provisions of this agreement ceased to be in force as of Mar. 10, 1938.

² The operation of this agreement was suspended as of Apr. 22, 1939.

³ This replaced a previous supplementary agreement relating to fox furs, signed on Dec. 30, 1939.

⁴ Will become effective 30 days after exchange of formal documents.

The success of the trade-agreements program

The trade-agreements program had to make its way against a general deterioration in international relations and the strong currents of barter trading and other nationalistic excesses which tended to paralyze foreign trade generally.

The United States was faced with a choice between the use of its economic power in an ultimately self-defeating effort to coerce other nations into maintaining trade with us or to offer them an example of leadership in reestablishing world trade on the basis of cooperative action. To the everlasting credit—and self-interest—of the United States, it chose the latter course.

The course chosen in 1934, and held to since then, has paid dividends of two kinds: Expanded trade, with all that it has meant in terms of income, pay rolls, and employment, and, at the same time, improved general relations with other countries, which have meant much to us in time of war and which will continue to mean much to us not only between now and complete victory of the United Nations over the Axis Powers but also in the years of peace.

I ask for your support and vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. SUMNERS].

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 120, noes 134.

Mr. DIRKSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. DOUGHTON and Mr. SUMNERS of Texas to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 142, noes 169.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, after line 8, insert the following:

"Sec. 2 Section 350 (a) (2) of the Tariff Act of 1930 (U. S. C., 1940 ed., title 19, sec. 1351 (a) (2)) is amended by inserting after 'because of its discriminatory treatment of American commerce or because of other acts' the following: '(including the operations of international cartels).'"

Mr. DEWEY. Mr. Chairman, I rise in support of the committee amendment.

I ask unanimous consent that I may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. DEWEY. Mr. Chairman, the amendment which is now under consideration only adds six words, "including the operations of international cartels."

I will admit that it may not seem necessary to add these to this bill because it is admitted that the President has already the power of withdrawal from any treaty, in the case of discriminatory treatment of American commerce or because of other acts. But during the 9 years that this act has been in effect, the operation of international cartels, in fact an invisible government, has completely circumvented many of the provisions of the trade agreements.

I will read momentarily from a book entitled "Germany's Master Plan," which I believe is of interest to all Members of the House. It was written by Joseph Borkin and Charles A. Welsh, of the Department of Justice. I read from

that book one paragraph to give you an idea of the nature of cartels:

By their nature, cartels are paternalistic and totalitarian organizations, and their policies consequently cannot be thought of as truly capitalistic. Capitalism is based on freedom of enterprise; cartels are based on rigidity, stabilization, and private economic planning. They are the forerunners of the managerial revolution. Because they must play safe and avoid risk, they cannot be progressive. They fear two things—competition and technological change—for their existence depends upon concentration of ownership and control over patents, raw materials, and resources.

Our Army and Navy Munitions Board includes among the 14 strategic materials necessary to national defense the following items:

Antimony, chromium, coconut-shell char, manganese, manila fiber, mercury, mica, nickel, quartz crystal, quinine, rubber, silk, tin, tungsten.

Of the 14 items, not less than 7 or 8 are under international-cartels control. These cartels are composed not only of private companies but, in many cases, companies under control of national governments, and they operate, as I have already stated, to circumscribe the trade agreements that are made by public governments and treaties entered into between public governments.

That they are operating now, even though we are at war, is perfectly obvious for the reason that the rubber cartel was renewed for 5 years from 1938.

I shall read from the CONGRESSIONAL RECORD remarks that I made on Monday on this same subject. The London Economist, in its October 3, 1942, issue, stated that an agreement that was entered into between Great Britain, Bolivia, Belgium, the Netherlands, and the International Tin Committee is to carry on for an additional 5 years, from October 3, 1942, and further stated:

The new scheme, like its predecessors, is a scheme aiming at the prevention of surplus supplies.

Mr. Chairman, this amendment, which is a committee amendment, and one on which there is no controversy, is merely intended to set up a flag in our trade agreements warning that in all future trade agreements the executive authority should take into account the operation of international cartels, which are not to the best interest of the United States and United States industry and may frustrate post-war rehabilitation.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Just so that there may be no misunderstanding, do I correctly understand that the gentleman's amendment is a committee amendment?

Mr. DEWEY. It was reported by the committee.

Mr. KEEFE. And it is offered here as a committee amendment?

Mr. DEWEY. Yes.

Mr. KEEFE. I ask this so that the Members of the House will understand the situation.

Mr. DEWEY. I hope this amendment will have the support of the House because it is not a controversial amendment. It is a permissive amendment. It merely waves a red flag and sets up a warning sign to look out for the operations of international cartels.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from California.

Mr. VOORHIS of California. I should like to express my own appreciation for the fact that this amendment is in the bill to the gentleman himself as well as his colleagues on the committee, and to say that I believe this problem of international cartels is one of the most serious ones we have seen in recent months and that we shall have to confront in the future.

Mr. DEWEY. I thank my colleague.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from Arizona.

Mr. MURDOCK. I should like to express the same appreciation. I think it is a wise step. I greatly appreciate it and approve of it.

Mr. DEWEY. I thank the gentleman.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. WOODRUM of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the joint resolution (H. J. Res. 111) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, pursuant to House Resolution 227, reported the same back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. KNUTSON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. KNUTSON. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KNUTSON moves to recommit the joint resolution (H. J. Res. 111) to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment: Before the period in line 8, insert a colon and the following: "Provided, That no reductions shall be made in the duties on any competitive foreign agricultural or industrial products

which will result in the entry of such competitive foreign products into the domestic market at prices which are less than the cost of production of like or similar domestic products."

Mr. COOPER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. KNUTSON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. KNUTSON. Mr. Speaker, I demand tellers.

Tellers were ordered, and the Speaker appointed as tellers Mr. KNUTSON and Mr. DOUGHTON.

The House divided; and the tellers reported that there were—ayes 122, noes 188.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. DOUGHTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 343, nays 65, not voting 25, as follows:

[Roll No. 71]

YEAS—343

Abernethy	Chipperfield	Fulmer
Allen, Ill.	Church	Gale
Allen, La.	Clark	Gamble
Anderson, Calif.	Coffee	Gathings
Anderson,	Cole, Mo.	Gavagan
N. Mex.	Cole, N. Y.	Gavin
Andrews	Colmer	Gilchrist
Angell	Compton	Gillie
Arends	Cooley	Goodwin
Arnold	Cooper	Gordon
Auchincloss	Costello	Gore
Baldwin, Md.	Courtney	Gorski
Baldwin, N. Y.	Cox	Gossett
Bardeen	Cravens	Graham
Barry	Crawford	Granger
Bates, Ky.	Creal	Grant, Ala.
Bates, Mass.	Crosser	Grant, Ind.
Beall	Cullen	Gregory
Beckworth	Cunningham	Gwynne
Bell	Curley	Hale
Bender	Curtis	Hall,
Bennett, Mich.	D'Alessandro	Edwin Arthur
Bennett, Mo.	Davis	Hall,
Bishop	Dawson	Leonard W.
Blackney	Delaney	Halleck
Bland	Dewey	Hancock
Bloom	Dickstein	Hare
Bolton	Dilweg	Harless, Ariz.
Bonner	Dingell	Harness, Ind.
Boren	Dirksen	Harris, Ark.
Boykin	D'sney	Harris, Va.
Bradley, Mich.	Ditter	Hart
Bradley, Pa.	Dondero	Hartley
Brooks	Doughton	Hays
Brown, Ga.	Drewry	Hébert
Bryson	Durham	Heffernan
Buckley	Eaton	Herter
Bulwinkle	Eberharter	Hess
Burch, Va.	Ellison, Md.	Hill
Burchill, N. Y.	Ellsworth	Hinshaw
Burdick	Elston, Ohio	Hobbs
Burgin	Engel	Hoch
Busbey	Fay	Hoeven
Butler	Feighan	Hollfield
Evrne	Fellows	Holmes, Mass.
Camp	Fenton	Holmes, Wash.
Canfield	Fernandez	Hope
Cannon, Mo.	Fish	Howell
Capozzoli	Fisher	Izac
Carlson, Kans.	Fitzpatrick	Jackson
Carlson, Ohio	Fiannagan	Jarman
Carter	Fogarty	Jeffrey
Case	Folger	Jensen
Ceiler	Forand	Johnson,
Chapman	Ford	Calvin D.
Chenoweth	Fulbright	Johnson, Ind.

Johnson,	Miller, Mo.	Schuetz
J. Leroy	Mills	Schwabe
Johnson,	Monkiewicz	Scott
Luther A.	Monroney	Sheppard
Johnson,	Mruk	Simpson, Ill.
Lyndon B.	Mundt	Slaughter
Johnson, Okla.	Murdoch	Smith, Maine
Johnson, Ward	Murphy	Smith, Va.
Jonkman	Murray, Tenn.	Smith, Wis.
Judd	Murray, Wis.	Snyder
Kean	Myers	Somers, N. Y.
Kearney	Newsome	Sparkman
Kee	Norrell	Spence
Keefe	O'Brien, Ill.	Springer
Kefauver	O'Brien, Mich.	Stanley
Kelley	O'Brien, N. Y.	Starnes, Ala.
Kennedy	O'Connor	Steagall
Keogh	O'Leary	Stearns, N. H.
Kerr	O'Neil	Stefan
Kilburn	Outland	Stevenson
King	Pace	Stewart
Kirwan	Patman	Stockman
Kleberg	Patton	Sullivan
Klein	Peterson, Ga.	Summers, Tex.
Kunkel	Pfeifer	Sundstrom
LaFollette	Phillbin	Taber
Landis	Phillips	Talbot
Lane	Pittenger	Talle
Lanham	Ploeser	Tarver
Lea	Poage	Taylor
LeCompte	Poulsen	Thomas, Tex.
LeFevre	Powers	Thomason
Lesinski	Pracht	Tibbott
Luce	Price	Toian
Ludlow	Priest	Towe
Lynch	Rabaut	Treadway
McCord	Ramey	Troutman
McCormack	Ramspeck	Van Zandt
McGehee	Randolph	Vincent, Ky.
McGranery	Rankin	Vinson, Ga.
McGregor	Reece, Tenn.	Voorhis, Calif.
McKenzie	Rees, Kans.	Vursell
McLean	Richards	Wadsworth
McMillan	Rivers	Walter
McMurray	Robertson	Ward
McWilliams	Robinson, Utah	Wasielewski
Maas	Rockwell	Weaver
Madden	Rodgers, Pa.	Weiss
Mahon	Rogers, Calif.	Weich
Maloney	Rogers, Mass.	Wene
Manasco	Rohrbough	Wheelchel, Ga.
Mansfield,	Rolph	Whitten
Mont.	Rowan	Whittington
Mansfield, Tex.	Rowe	Wickersham
Marcantonio	Russell	Wigglesworth
Martin, Mass.	Sabath	Winstead
May	Sadowski	Winter
Merritt	Sasser	Wolverton, N. J.
Merrrow	Satterfield	Woodrum, Va.
Michener	Sauthoff	Wright
Miller, Conn.	Scanlon	Zimmerman

NAYS—65

Anderson,	Hagen	Mott
H. Carl	Heldinger	Norman
Andresen,	Hendricks	O'Hara
August H.	Hoffman	Peterson, Fla.
Barrett	Horan	Plumley
Brehm	Hull	Reed, Ill.
Brown, Ohio	Jenkins	Reed, N. Y.
Buffett	Johnson,	Rizley
Cannon, Fla.	Anton J.	Robison, Ky.
Clevenger	Jones	Schiffner
Day	Kilday	Short
Domengeaux	Kinzer	Sikes
Dworshak	Knutson	Simpson, Pa.
Elliott	Lambertson	Smith, Ohio
Ellis	Larcade	Sumner, Ill.
Elmer	Lenke	Vorys, Ohio
Gallagher	Lewis	Welchel, Ohio
Geartbart	McCowan	West
Gerlach	Martin, Iowa	Wheat
Gillette	Mason	Wilson
Green	Miller, Nebr.	Wolcott
Griffiths	Miller, Pa.	Woodruff, Mich.
Grocs	Morrison, La.	

NOT VOTING—25

Clason	Guyar	Sheridan
Cochran	Jennings	Smith, W. Va.
Culkin	Magnuson	Thomas, N. J.
Dies	Morrison, N. C.	White
Douglas	Nichols	Willey
Englebright	Norton	Wolfenden, Pa.
Furlong	O'Konski	Worley
Gibson	O'Toole	
Gifford	Shafer	

So the bill was passed.
The Clerk announced the following pairs:

General pairs:

Mr. Sheridan with Mr. Shafer.
Mrs. Norton with Mr. Englebright.

Mr. Smith of West Virginia with Mr. Gifford.

Mr. Cochran with Mr. Guyar.
Mr. Furlong with Mr. Jennings.
Mr. Worley with Mr. Clason.
Mr. Morrison of North Carolina with Mr. Willey.

Mr. White with Mr. Douglas.
Mr. Nichols with Mr. Culkin.
Mr. Weiss with Mr. O'Konski.
Mr. Dies with Mr. Thomas of New Jersey.
Mr. C'Toole with Mr. Wolfenden of Pennsylvania.

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the bill was passed was laid on the table.

THE LEGISLATIVE PROGRAM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object in order to ask the majority leader what the program is for tomorrow and the rest of the week, and also whether he can give us any information as to when the tax bill may be brought back from the Senate?

Mr. McCORMACK. Mr. Speaker, tomorrow, the deficiency appropriation bill will be under consideration. I understand there is likely to be one controversial matter, and that is an amendment which will exclude from the pay roll certain individuals whose cases have been passed on by the special committee of the Committee on Appropriations, in considering certain cases.

Mr. MARTIN of Massachusetts. Is that controversial? I understood the committee is unanimous.

Mr. McCORMACK. Some member of the committee will be better able to advise the House in that respect.

Mr. MARTIN of Massachusetts. The gentleman from New Jersey [Mr. Powers] says that the committee is unanimous.

Mr. McCORMACK. When a subcommittee of the Committee on Appropriations is unanimous that is a very good sign.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. TABER. It is our idea that the House should go on record by a ye-and-nay vote on this matter. That is practically the unanimous opinion of the committee, and it is proposed that the committee shall instruct the gentleman from North Carolina, Judge KERR, to propose an amendment to accomplish that purpose in the Committee of the Whole, and that we will have a roll call on that amendment when the bill comes into the House.

Mr. McCORMACK. In other words, there is to be an amendment offered, as I understand it, in the Committee of the Whole, and the Committee itself will ask for a roll call.

Mr. TABER. Yes; that is it.

Mr. McCORMACK. I am very glad to get that information, so that the House can have it. If the appropriation bill is

not disposed of tomorrow, it will go over until Monday. There are three bills which have been reported unanimously, as I understand it, by the Committee on Immigration, and those bills, or as many as can come up, will be under consideration on Monday. On Tuesday the naval appropriation bill will be under consideration, and that is likely to take 2 days, according to the best information I have, Tuesday and Wednesday. So far as the tax bill is concerned, if it passes the Senate this week, it is the agreement of the leaders—and I think my friend from Massachusetts will concur—that it will not be brought up before Tuesday next.

Mr. MARTIN of Massachusetts. I agree to that.

Mr. McCORMACK. So that the Members may have definite information that the tax bill will not come up before next Tuesday, and if it passes the Senate between now and next Tuesday, it will be brought up Tuesday.

Mr. MARTIN of Massachusetts. Then the naval appropriation bill will follow that?

Mr. McCORMACK. Yes.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. JENKINS. The gentleman indicated that three immigration bills would be under consideration. Does that mean the Consent Calendar will be up?

Mr. McCORMACK. Oh, no; these bills will come up under rules that have been reported.

Mr. JENKINS. And there will be no Consent Calendar and no Private Calendar on Monday?

Mr. McCORMACK. I think the Consent Calendar may be considered. I am very glad the gentleman from Ohio asked that question. I had overlooked that fact. I think the Consent Calendar should be called on Monday, and we can probably dispose of the Private Calendar on Tuesday.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. FISH. Has the majority leader given any consideration to bringing up the Bituminous Coal Act extension bill? The time is very short, and it is necessary to bring that up very soon. We have been hopeful that the Ways and Means Committee would report that bill out tomorrow, and we can then have a rule on it by Tuesday.

Mr. McCORMACK. If that is reported out, it is a matter of primary consideration. That is a matter of such importance if it is reported out on Monday and can be brought up on Tuesday, it should be brought up. It should be brought out as quickly as possible.

Mr. WOODRUFF of Michigan. Mr. Speaker, I reserve the right to object, but I shall not object to the request of the gentleman from Massachusetts if we can work the matter out satisfactorily on the extension of the Bituminous Coal Act.

Mr. McCORMACK. Of course, that is a moot question now, because it has not yet been reported out.

Mr. WOODRUFF of Michigan. As a matter of fact, I think it is a mistake to attempt to carry this over until next week, and for that reason I think I shall object. We are meeting in the morning in the Ways and Means Committee to report out an additional extension of 90 days on the Bituminous Coal Act. It is imperative that we act promptly.

If the Ways and Means Committee should report that bill out we can take it up on Friday. If not, it could be taken up on Saturday.

Mr. McCORMACK. We are going to meet tomorrow.

Mr. WOODRUFF of Michigan. Well, all right. We could take it up on Saturday, then. I am frank to say it is rather important and I hope the majority leader will not be unreasonable about this. The Congress is here for the purpose of transacting the business of the country.

Mr. McCORMACK. Of course, I am here every Saturday. When we go over from Friday to Monday it does not give anybody a day. Everyone of us is working hard. I do not apologize at all for asking permission to go over from Friday to Monday. You will be in your office working.

Mr. WOODRUFF of Michigan. Yes, I am working every day.

Mr. McCORMACK. Certainly. But I will say to the gentleman if you report it out Friday, there has to be a rule granted and the rule must lie over for 24 hours.

Mr. WOODRUFF of Michigan. The gentleman knows full well that this House extended that act by unanimous consent and you did not need any rule and you will not need a rule when you get unanimous consent of the House.

Mr. McCORMACK. We can do it on Monday. However, there was a rule granted this morning.

Mr. FISH. Permit me to say you will have to get a rule on this bill. So it cannot be taken up before Monday in any event. I hope the gentleman will not object.

Mr. SABATH. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SABATH. In view of its importance and the anxiety on the part of the gentleman to get this bituminous coal extension bill out, if the Ways and Means Committee will meet tomorrow morning, I, as chairman of the Rules Committee, will call a meeting in the afternoon and I believe we will have enough votes to report out a rule and file it so that there will be no delay. It can be taken up then. By unanimous consent the rule can be adopted and action taken immediately. But, of course, it depends on the Ways and Means Committee acting tomorrow morning.

Mr. WOODRUFF of Michigan. Mr. Speaker, in view of the statement of the chairman of the Rules Committee, I do not object.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days in which to extend their own remarks on the reciprocal trade resolution on which we just voted this afternoon.

The SPEAKER. Is there objection? There was no objection.

EXTENSION OF REMARKS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that I may extend my own remarks on the bill H. R. 7120.

The SPEAKER. Is there objection? There was no objection.

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include an editorial.

The SPEAKER. Is there objection? There was no objection.

Mr. DINGELL. Mr. Speaker, in order to keep the record straight and in order to correct my friend the gentleman from Minnesota [Mr. KNUTSON] I ask unanimous consent to insert in the RECORD at the point where the colloquy occurred between the gentleman from North Carolina, Chairman DOUGHTON, the gentleman from Minnesota [Mr. KNUTSON], and myself relative to the implications of the escape clause in trade agreements, my own statement.

The SPEAKER. Is there objection? There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent that the Resident Commissioner of Puerto Rico [Mr. PAGÁN] be allowed to extend his remarks in the RECORD and include therein certain newspaper articles.

The SPEAKER. Is there objection? There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to insert in the RECORD a radio speech given by Gabriel Heatter.

The SPEAKER. Is there objection? There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks and include a telegram I received from two persons at Shelby, Mont., vitally interested in the oil industry.

The SPEAKER. Is there objection? There was no objection.

Mr. MOTT. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and to include certain tables, figures, and statistics.

The SPEAKER. Is there objection? There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a very thoughtful letter by Prof. Ernest Hahne, professor of economics at Northwestern University, on the subject of taxes.

The SPEAKER. Is there objection? There was no objection.

Mr. POULSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an editorial.

The SPEAKER. Is there objection? There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent that I may revise and extend the remarks made by me in committee and include therein certain excerpts and quotations.

The SPEAKER. Is there objection?

There was no objection.

Mr. DAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include therein an editorial.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. MASON] is recognized.

THE CRADLE-TO-GRAVE OR "WOMB-TO-TOMB" SECURITY ILLUSION

Mr. MASON. Mr. Speaker, Noah Webster defines a mirage as "an optical illusion." My name being Noah, I make bold to define this cradle-to-grave security program put out by the National Resources Planning Board as a mental illusion, without logical foundation, based entirely upon fancy and futile hope. It is more fantastic than the Mississippi Bubble, that grotesque fantasy of yesteryear. This cradle-to-grave plan brings back to my mind the fable of the Pot of Gold at the Foot of the Rainbow. That folk legend used to puzzle me much when I was a little fellow. I now perceive that it contained the same philosophy as that embraced in this cradle-to-grave scheme—something for nothing. This so-called security program is an alluring mirage to those travelers across the desert of life who thirst for economic security without too much work and sacrifice. It is a mirage that holds out hope, but one which can never materialize in the satisfaction of human needs or wants.

Perhaps you may have noticed that the something-for-nothing philosophy contained in the report permeates the entire New Deal set-up and has attracted millions of our people as a mirage in the desert attracts the weary traveler by promising comfort and security that never materializes. However, the experienced desert traveler, after being fooled by mirages many times, finally learns to resist the lure of those optical illusions and does not permit them to influence him or to divert him from a straight course to his real destination. I am beginning to wonder if the American people, having been fooled time and again by New Deal illusions, will permit this new cradle-to-grave security illusion to influence them or to deflect them from their ultimate objective, namely, a safe, sane, efficient, economical administration in Washington to operate the Nation's business—an administration that will prosecute this war to a satisfactory conclusion at the earliest possible moment.

Mr. Speaker, the report of the National Resources Planning Board that contained the so-called cradle-to-grave security program was signed by the chairman of the Board, Frederic Delano, an uncle of the President. It is called the Delano report. However, Frederic Delano was for years a hard-headed railroad executive who served as the president of the Wa-

bash Railroad. He knows all about safety devices on railroads to protect railroad workers from injury, but very little about social devices to provide security for workers in general. For that reason, although his name is signed to the report, it was actually prepared and written by someone else. The report expounds a socialistic program of security that is beyond the experience and understanding of Frederic Delano. In fact, his whole life's activity, starting as a machinist in the railroad shops of Aurora, Ill., and working his way up the ladder to the presidency of the Wabash Railroad by his own initiative, gives the lie to any socialistic philosophy. Who then did prepare this cradle-to-grave security illusion?

The real author of the Delano Report is one Mrs. Eveline Burns, Ph. D., the Director of Research for the National Resources Planning Board. She is an English Socialist who came to America a few years ago with her husband, Dr. Arthur R. Burns, now Chief Adviser to the War Production Board. She is an important cog in the New Deal machine that grinds out socialistic schemes to destroy private property in America and to bring about state socialism. She is a brilliant woman, saturated with the philosophy of Karl Marx. This same Dr. Eveline Burns in 1932 collaborated with others in the preparation of a book entitled "Socialist Planning and a Socialist Program". In her contribution to this book she urged outright government control of both labor and property. I quote her exact words:

Society will have to devise methods of preventing the indiscriminate use of resources by every optimistic producer * * * and of replacing the guesses of individual producers by a more orderly method of estimation of need. Such a method would imply the imposition of controls that would refuse individuals the right to make what use they wish of their own labor and property.

That last sentence is the essence of the Karl Marx program and also of this cradle-to-grave security program.

It is interesting to note at this point that the Drs. Burns are both natives of England and were British subjects until a recent phase of the New Deal era, at which time they became United States citizens, and very soon thereafter secured their high posts in these offices of the United States Government. It has been pointed out by Washington observers that the people of America are indebted for the Drs. Burns to the underground railroad, so to speak, operated jointly and expertly by the Honorable Felix Frankfurter, of the United States Supreme Court, and the Honorable Harold Laski, of the London School of Economics. The Drs. Burns are both former high functionaries of the London School of Economics, which has turned out in its day many a fine mess of confused master statisticians, enthusiastic Communists, and Socialist joiners. In fact, it may well be said that the London School of Economics has specialized in turning out brain twisters who are expert in producing calculated frustration on a mass scale by means of planned confusion designed to end up in regimented chaos.

Mr. Speaker, if you will take the time to study and analyze the Delano report, this cradle-to-grave security illusion, you will find the essence of the plan contained in the following paragraph taken from the report:

Where a State refuses to comply with the Federal requirements in accordance with the Federal law or refrains from participation in the program, the Federal Government should have the power to operate the program within that State with Federal personnel until the State demonstrates its ability and willingness to reassume its responsibilities.

This paragraph means, if it means anything at all, that if the States refuse to cooperate they are to be policed by the Federal Government until they see the light. It means permanent rationing, price fixing, and Government control of all business. No wonder the Congress has so far turned a cold shoulder to the plan.

Now, Mr. Speaker, if this cradle-to-grave security illusion, now dubbed on Capitol Hill as the womb-to-tomb plan, were an isolated plan, separate and distinct from the general socialistic program of the New Deal, I would stop right here after exposing the real author and the gist of the plan. However, that is not the case. It is not an isolated plan, but it is a definite part of an overall program to undermine and destroy our American system of government and our American way of life. I propose to prove that there is an organized effort being carried on to accomplish this objective by a group of new dealers now entrenched in government positions, and I propose to use their own words to establish my point.

Before doing that, however, I want to impress upon this House the fact that the President, when he submitted the Delano report to this Congress, recommended that we give it our serious consideration immediately. If we had followed his recommendation we would have placed this socialistic program ahead of the war effort; we would have given it first place in our thoughts; and we would have done exactly what the new dealers have been doing all along; namely, taking more interest in social reforms than in the war effort. Thank God this Congress did not follow his recommendation, but instead turned a cold shoulder to the plan, and has so far refused to discuss it.

Mr. Speaker, behind the National Resources Planning Board and Frederic Delano, and even back of Mrs. Eveline Burns, are a group of new dealers in government service, holding important and responsible positions, who have been scheming out this socialistic plan, pulling the wires to bring it about, working out the phraseology, and putting together the jigsaw puzzle which finally emerged as a formula by means of which they hope and expect to do away with the institution of private property, to do away with the independence of our citizens, and to carry the Nation over into state socialism.

At this point let us bring some of these new dealers, these social planners, out into the open, parade them before our

eyes, and examine their social philosophy. Let us take up one exhibit after another, study the pattern of this New Deal socialistic program, and see for ourselves what goes on behind the New Deal smoke screen.

EXHIBIT NO. 1

Dr. Rexford Guy Tugwell was for years a very prominent and authoritative spokesman for the President and the New Deal administration. As spokesman for the President he made many revealing statements from time to time. Dr. Tugwell's statements as an official spokesman for the New Deal have never been repudiated. Quite the contrary, because every step taken by the administration along the road to national socialism, and every bit of New Deal legislation either enacted or proposed, has followed the line which Dr. Tugwell laid down. Here are some of Dr. Tugwell's statements:

The industrial system is like a ship with plenty of power but with no rudder, no compass, and no captain. It wallows haphazardly upon the sea of human experience.

That is our capitalistic system as Dr. Tugwell sees it.

And again:

There is no denying that the contemporary situation in the United States has explosive possibilities. The future is becoming visible in Russia; the present is bitterly in contrast; politicians, theorists, and vested interests seem to conspire ideally for the provocation to violence of a long-patient people. No one can pretend to know how the release of this pressure is likely to come. Perhaps our statesmen will give way or be more or less gently removed from duty; perhaps our constitutions and statutes will be revised; perhaps our vested interests will submit to control without too violent resistance.

Again Tugwell says:

Planning will necessarily become a function of the Federal Government; either that or the planning agency will supersede the Government, which is why, of course, such a scheme will eventually be assimilated to the States * * * the next series of changes will have to do with industry itself * * * business will logically be required to disappear. This is not an overstatement for the sake of emphasis; it is literally meant. * * * Planning also implies * * * control of prices and profit margins. (The Principal of Planning and the Institution of Laissez-Faire, 1931, pp. 89-92.)

Now hear what Dr. Tugwell has to say about labor:

Not only labor, as a group, but also other groups frequently stand against progress. (The Industrial Discipline, 1933, p. 135.)

So much for the chief prophet of the New Deal who is now trying out his socialistic theories on the helpless people of Puerto Rico, much to their wrath and discomfiture.

EXHIBIT NO. 2

Now let us take up Vice President HENRY A. WALLACE, head of the Board of Economic Warfare, which agency, through its experts, had much to do, apparently, with the preparation of the great "womb-to-tomb plan." In his pamphlet America Must Choose, Mr. WALLACE said:

Much as we all dislike them, the new types of social control that we have now in operation are here to stay, and to grow on a world or national scale. We shall have to go on doing all these things we do not want to do.

Another quotation from the same source:

It may be necessary to make a public utility out of agriculture. * * * Every plowed field would have its permit sticking up on its post * * * it would be necessary to go to Congress to get a very large appropriation so as to have a police force of half a million men to keep down the racketeering.

EXHIBIT NO. 3

Now let us listen to Dr. A. A. Berle, Jr. Dr. Berle is now Assistant Secretary of State, and is another prophet of the New Deal. As an authoritative spokesman he stated to the Temporary National Economic Committee on May 23, 1939, in a monograph entitled, "A Banking System for Capital and Capital Credit," as follows:

If, therefore, wealth is to be created by creation of Government debt, the scope of Government enterprise must be largely increased. Briefly, the Government will have to enter into the direct financing of activities now supposed to be private; and a continuance of that direct financing must be inevitably that the Government ultimately will control and own these activities. Put differently, if the Government undertakes to create wealth by using its own credit at the rate of four billions or so a year, and if its work is well done, the Government will be acquiring direct productive mechanisms at the rate of four billions' worth a year, or thereabouts. Over a period of years, the Government will gradually come to own most of the productive plants of the United States.

What is this, I ask, but the socialization of all industry?

EXHIBIT NO. 4

Now, let us see what Mr. Paul Porter has to say. Paul Porter, the present head of the Shipping Division of the War Labor Board, is another Socialist on the Government pay roll at a salary of \$8,000 per year. In 1934 Porter wrote a tax plan for the Socialist Party of America which said, in part:

All natural resources of the United States, such as minerals, forests, and waterpower sites, all banks, insurance companies, and public utilities, and all basic industries such as mining and the manufacture of steel, automobiles, and textiles, shall be public property. * * * All owners of stocks, bonds, mortgages, land, buildings, or equipment affected shall be required to surrender them in return for Commonwealth bonds.

Porter's plan proposed the confiscation of all forms of property except dwelling houses and subsistence farms, Government limitation of all income, and a program that would force everybody to work for the Government. State socialism is the name we call it; nazi-ism is what they call it in Germany; fascism, in Italy; and communism, in Russia. And so, the socialistic pattern of the New Deal becomes plainly evident as we spread out before us the aims and objectives of the leading new dealers,

EXHIBIT NO. 5

Now, let us go to the President himself and trace from him the lines of this blueprint for a socialistic dictatorship as outlined in the monumental plan of the "womb to tomb" illusion. President Roosevelt in his Budget message of January 7, 1942, presented two important issues. They concerned a fundamental American principle—the control of the purse, and taxation only with representation.

In the name of military secrecy the President informed the American people that he could no longer present details of future war appropriations. Only total appropriations and expenditures would be published "so that the Nation may know the fiscal situation and the progress of the Nation's effort." The Nation obviously would not know much from those bare generalities. The President also suggested in his January 7 message that "our fiscal situation makes imperative the greatest possible flexibility in our tax system," and he recommended that "the Congress should consider the desirability of tax legislation which makes possible quick adjustment in the timing of tax rates and collections during an emergency period."

Without question this was one of the most dangerous and far-reaching proposals ever to come from the White House. Such a situation could be achieved only by the Congress delegating the authority over revenue to the executive branch of the Government.

It was obvious that the administration would sooner or later ask for this power for it is a necessary feature of a completely planned economy. The origin of the President's flexible tax proposal is to be found in a monograph entitled "Taxation, Recovery, and Defense." The following extract from that monograph places the origin of the idea, and at the same time indicates the degree of Executive control involved:

The fullest effect of this somewhat complicated tax program and fiscal policy cannot be achieved, providing vast sums of money as needed and preventing undesirable effects on the economy, unless the program is closely geared to the entire administrative policy and defense program. As this must necessarily be under the supervision of the executive branch of the Government, it seems desirable to have the Congress empower the Executive to apply one or another of these taxes and fiscal controls as they are required.

Those who prepared the monograph containing the foregoing startling idea numbered among them Gerhard Colm, fiscal expert in the Bureau of the Budget; Dr. Alvin Hansen, professor of political science at Harvard University, adviser to the Federal Reserve Board and consultant to the National Resources Planning Board. Other participants in this monograph were Marriner S. Eccles and his associates at the Federal Reserve Board, and Richard Gilbert, economist in the Department of Commerce.

Mr. Speaker, I could go on citing individuals like Leon Henderson, former Director of the Office of Price Administration; Milo Perkins, Director of the Board

of Economic Warfare; Charles W. Elliott, Director of the National Resources Planning Board; Attorney General Francis Biddle; Eugene Casey, Special Executive Assistant to the President, and a host of others, all part and parcel of the gang entrenched in Government positions seeking to change our American way of life.

However, I will give you just one more quotation to prove that this "womb-to-tomb plan" for deluding the people is simply the outgrowth of the thinking which the new dealers have engaged in for the past decade. Dr. Alvin H. Hansen states it is proposed by the executive department to retain the vast powers over money, over taxes, the power of life and death over industry, and complete control of all phases of our national life. In the Chicago Journal of Commerce on June 27, 1942, Dr. Hansen was quoted as follows:

Congress will surrender to the administration the power to tax, keeping to itself the right only to establish broad limits within which the administration may move. Congress will appropriate huge sums of money, surrender its power of directing when and how the money shall be spent. Other extraordinary powers such as, for instance, to effect wholesale social reforms will be delegated to the administration, which will retain most, if not all, of the extraordinary wartime powers.

Now, Mr. Speaker, I have given you only a few of the quotations which I have at hand from various members of the administration, from the President down, all showing the clear intention to continue the controls which have been set up under the necessities of war, and many controls not necessitated, but set up anyway, under the guise of a national emergency, into the post-war period as a permanent part of our Government economy.

No fair-minded individual reading such statements and declarations by these administration advisers who sat in with the National Resources Planning Board in the preparation of the cradle-to-grave security illusion can doubt that the plan, the definite purpose, the determined intention of the real framers of that program is to set up under cover of the war effort, and to maintain after the war, controls which can be characterized by no other designation than a paternalistic, socialistic dictatorship. As we review these declarations made by innermost officials of the New Deal clique, we begin to sense something of the sinister implications concealed in this monumental program for deluding the American people.

Now, Mr. Speaker, let us see what such a paternalistic, socialistic dictatorship will mean. It will mean a continuing of rationing for years after the war. It will mean that these bureaucrats will distribute the food and the other products of American sweat and energy wherever they choose, to whatever other peoples in the world they may select, and the American people will have to toil and sweat and like it. It will mean, if such a paternalistic, socialistic dictatorship is put over on the people of America

under the guise of this cradle-to-grave illusion of "something for nothing," that those people in the dairy districts of Wisconsin, Minnesota, Illinois, the Midwest, Pennsylvania, and New York who, morning and evening, have to lean their cheeks against the flossy flanks of gentle Jerseys and work the four "faucets" will be compelled to pump two of these teats, or perhaps three, for peoples across the ocean while they retain the streams from but two, or possibly one for themselves. It will mean, Mr. Speaker, if such a paternalistic dictatorship is foisted upon this country, that, as the farmers of America follow down the corn rows sweating under the torrid summer sun they will be sweating out half their energy for crops to be disposed of by these bureaucrats instead of producing the fruits of labor for themselves.

The effect on industry will be calamitous. Under the guise of maintaining a normal flow of work, business will be taxed to provide a perpetual political W. P. A. Business will then have to be subsidized and, in the words of Eugene Casey, special executive assistant to the President:

Business will accept legitimate enlightened guidance by intelligent, public-minded Government agencies in the same spirit that the people of the world will accept a policing of the world after a new peace has been born.

What will be the effect upon labor? The effect will be subsidies, money grants, and finally force to maintain Government control. But just as industry will find itself under the same sort of control and supervision as it is in Russia and Germany, so labor will eventually find itself under absolute Government control, as is now the case there. American labor should remember that Hitler's minions cannot strike; Hirohito's legions cannot strike; and neither can Mussolini's reluctant countrymen strike.

The effect on the farmers if such a paternalistic scheme is adopted, will be such regimentation and control as HENRY WALLACE foresaw when he said it would take a police force of half a million men to keep down agricultural racketeering, and that every plowed field would have to have its permit displayed on its post.

The effect on small business will be exactly as it has been in Russia and Germany. There will be no small business left except that controlled and regimented by the bureaucrats. In fact, the plain implication in the report is that the time of small independent business is past.

Mr. Speaker, even though security were possible or even probable under this cradle-to-grave plan, would such security be worth the price we would have to pay in lost liberty, in curtailed privileges and opportunities, in vanished freedom? My answer is "No." As Benjamin Franklin put it, we would be paying too much for our whistle. It was Benjamin Franklin who also said:

They that give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety.

Mr. Speaker, as a member of the Dies committee, I feel that our committee has barely scratched the surface in connection with the dangerous infiltration into our Government bureaus and departments of these enemies of our American way of life for the purpose of undermining and destroying this Government of ours. Our committee has the authority to investigate and expose all subversive organizations and members thereof who seek to overthrow our Government by force. "Socialist crackpots" in Government service, however dangerous they are during these critical days, do not come within the scope of our committee functions. They are not considered subversive, but rather as harmless crackpots to be tolerated and joked about. However, when we are engaged in the greatest war the world has ever known; when we should be straining every effort to achieve an early victory over a desperate and despicable enemy; when our boys are fighting and dying in the four corners of the world, I ask, Is this the time to appoint, to condone, or to tolerate socialist crackpots in important and responsible Government positions? Do you not think they should be weeded out now, and should not those elected officials who are responsible for their appointment be voted out of office at the first opportunity?

Mr. Speaker, just as "coming events cast their shadows before them," so also do coming campaign issues cast their shadows before them. In view of the "Delano report," the socialistic philosophy it contains, and the group in Government service who are back of this philosophy as shown by their statements, I believe the main issue in the 1944 campaign will be, "Get rid of the crackpots, Communists, and Communist sympathizers in Government service, and defeat at the polls all elected officials responsible for their appointment." On that issue I predict this Nation will return to a safe, sane, efficient, economical administration in Washington, an administration that will guarantee the continuance of the form of government handed down to us by the founding fathers, a form of government that has served us so well during the past 160 years.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks I had intended to make had our plans not unfortunately been changed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. KENNEDY and Mr. MORRISON of Louisiana asked and were given permission to extend their own remarks in the RECORD.)

GOVERNMENT OPERATION OF CERTAIN PLANTS, PREVENTION OF STRIKES, LOCK-OUTS AND STOPPAGES OF PRODUCTION

Mr. COLMER, from the Committee on Rules, submitted the following privileged resolution, on the bill (S. 796) relating to the use and operation by the United States of certain plants in the interests of the national defense (Rept. No. 445), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, S. 796, relating to the use and operation by the United States of certain plants in the interests of the national defense. That after general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on Military Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole House to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto for final passage without intervening motion except one motion to recommit.

PERMISSION TO ADDRESS THE HOUSE

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask that the special order I had to address the House for 30 minutes today be transferred to tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 658. An act to repeal the sixth paragraph of section 18 of the Federal Reserve Act; to the Committee on Banking and Currency.

S. 981. An act to assist relieving economic distress in Puerto Rico and the Virgin Islands by providing work for unemployed persons, and for other purposes; to the Committee on Insular Affairs.

THE LATE HONORABLE HARRY LANE ENGLEBRIGHT

The SPEAKER. The Chair recognizes the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Speaker, it is my solemn duty to announce the sudden death of a man who has served this House faithfully for many years. Only a few moments ago I learned of the passing today of our distinguished colleague, the Honorable HARRY LANE ENGLEBRIGHT of the second district of California.

HARRY ENGLEBRIGHT served the second district of California with honor, distinction, and devotion. His father served in this House from the same district, not immediately preceding him, but a few years before, there being one intervening Member in the continuity of service between Harry's father and himself. He not only served his district and his State well, but he held a place of high honor in his party, a place of trust and duty that he accepted with its full responsibility. My colleagues have seen him here on the floor in the capacity of Republican Whip, the duties of which office he performed with uniform courtesy and effectiveness. He was loved and respected by Members on both sides of the aisle. I am shocked beyond expression to learn of his sudden passing. My heartfelt sympathy is extended to his wife and son. They will be sustained by the splendid record he has left behind him. I am sure we all say of HARRY LANE ENGLEBRIGHT: "You served your district, you served your State, you served your Nation in a splendid statesmanlike manner, and your memory will long live with us."

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, the emotion surging within me at the death of a close friend of many years makes it impossible for me at this time to pay adequate tribute.

HARRY ENGLEBRIGHT came to Congress the same year with me, and through the years he has been one of my very closest and warmest friends. He was one of the most lovable and most loyal men who ever came to Congress. He was devoted to the public welfare. He had a broad national viewpoint, and his service here was actuated by one motive only: To serve well his beloved State and to contribute to the upbuilding and progress of the country he loved. He was a really great American.

In this grave hour when the world needs men, men of courage, men of character, men of determination to do that which is right we can ill afford to lose a man like HARRY ENGLEBRIGHT. He was fortunate in being able to win the firm friendship of everyone. Whether the Member served on the Republican side, the Democratic side, or with the independents, he loved HARRY ENGLEBRIGHT and appreciated his sterling worth.

He was for many years the Republican whip, and for the past 5 years he and I have worked closely together. No man could have a more devoted friend, a more loyal and efficient coworker. The heavy work of his office he bore cheerfully.

This morning at 7:30 his good wife telephoned and told me Harry had been taken to the hospital but she hoped he would soon be back with us. Fate has decreed otherwise; so we mourn his loss, but I know that a man of the character of HARRY ENGLEBRIGHT, a man who lived the splendid life he did, never dies; his spirit, his example will live long in our memories. The inspiration from his

life and service will ever urge us all to strive for the better things in life.

His good wife and his family in their hour of sorrow will find consolation in the fact the world is better for his having lived. We have all lost a friend and the country a public servant it could ill afford to lose in this hour of national peril.

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, during the journey of life that all of us take, at its best an uphill journey, there are some pleasant sides and some joyful incidents which we all encounter. One of the joyful incidents of life to me is the friendships, the real friendships, that I make. By accident or otherwise we are all here as Members of this body, some elected last year, some elected in bygone years. Fifteen or sixteen years ago I was elected. Our late distinguished friend some years ago was elected by the people of his district. He and I would otherwise never have met. But our little worlds came in contact with one another here.

The fact I have had the pleasure of meeting him, knowing him, and enjoying his friendship is a memory that I will always treasure; it is something that I always cherished while he was alive. His friendship is a memory that I shall always treasure during the remainder of my life. Our distinguished friend the gentleman from California [Mr. CARTER] has well said that our late friend occupied "places of honor and trust." Never did a gentleman say more truer words in relation to another than did the gentleman from California [Mr. CARTER]. Our late beloved friend, HARRY ENGLEBRIGHT, occupied a position of honor because he was honorable. He occupied a position of trust because he was trustworthy.

To me real friendship is the closest tie that can exist between two living beings outside of the sacred ties of the family life itself.

I imagine that in years hence, if I am blessed by the Supreme Being to live to a ripe old age, and I look back at life rather than forward, I will remember the real friends that I made, not some far-reaching bill which I might feel I was instrumental in passing, not some great speech that I thought I made in a passing moment of my imagination. But as I look back I will be thinking of the friends I made and where some of them are. I will know where those who have taken the journey into the Great Beyond are, but I will be thinking of them just the same and in accordance with the religious belief that I entertain I will be saying a prayer for them, as I have in the past. One of them I will be thinking of and one of those I shall miss and one of those I shall pray for will be one of the most courteous gentlemen I have ever met, who has gone to meet the Maker, our late friend HARRY ENGLEBRIGHT. You and I know that his life was such that he will be judged right by the Supreme Being.

I extend my most profound sympathy to his loved ones.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. ROLPH].

Mr. ROLPH. Mr. Speaker, the House of Representatives is not going to be the same to us after today. As the majority leader so beautifully spoke about HARRY ENGLEBRIGHT, we will remember the very courteous and cordial way in which he greeted us every time we came in the door. Monday morning is going to hold a great void for us because we will not have the announcement from the minority whip whom I learned to love very dearly since I came here.

I did not happen to know HARRY ENGLEBRIGHT before I came to Congress, although both of us come from the State of California and although his name is a household word in that State. It had not been my pleasure to know him before coming to Washington, but he took me in hand and treated me exactly like a brother. He introduced me to my colleagues in the House of Representatives and he made me feel very much at home.

I learned to love him and to admire him very much. My heart is very, very heavy this afternoon. I want to extend to his good wife and to his son my deepest, sincere affection in their very great loss.

This brings to mind some words of Edgar Guest that I would like to repeat at this time, which fit HARRY ENGLEBRIGHT, in my opinion, so beautifully:

As long as men are on this earth

There will be tasks for them to do,
And ways for them to show their worth

For each day will have its problems new.

And men will dream of mightier deeds

Than they have ever done before,
And there always will be human needs
For men to work and struggle for.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Speaker, the announcement we have just heard is most shocking. It is very difficult for one to express the reluctance of the acceptance of an announcement of this character.

I had the pleasure of knowing HARRY ENGLEBRIGHT for a good many years prior to my service in this House. I always held him in a very high esteem in prior knowledge, and since my service in the House with him I learned to have a deep affection for the trust and the characteristics that the man evidenced in his everyday life. He was a lovable character; he was a staunch and true friend. He was one of California's recognized outstanding Representatives in Congress. We on this side feel that California has lost one of its outstanding citizens and one of its finest men.

I pay tribute to him as an acquaintance, as a friend, as a man, and as a statesman. I extend to his family the deepest regret in their loss, and I petition our Master to receive him with the same graciousness that HARRY ENGLEBRIGHT accorded to you and to me every day as we met him on the floor of the House and in our social contacts with him.

Mr. O'CONNOR. Will the gentleman yield?

Mr. SHEPPARD. I yield to the gentleman from Montana.

Mr. O'CONNOR. Mr. Speaker, I want to say that I had the honor and the privilege and the joy of serving on an important committee of this House with our departed friend for nearly 7 years and I do not think that I have ever met or become acquainted with a more loveable character, a more patriotic American, and a person who was more deeply concerned in the welfare of his country and in the performance of his duty than our good friend who has left us.

Our departed colleague was one of the first Members of Congress with whom I became acquainted on my becoming a Member of the House and it just so happens at various times I have lived at the same hotel with him. I learned to know him well. We became fast friends.

The great State of California will miss him, the country will miss him; the Congress will miss him, and personally I will miss him.

I take this means of extending my sympathy to his beloved widow and his son. It is my prayer that his soul will rest in peace.

Mrs. BOLTON. Mr. Speaker, I, too, am perhaps too overcome by the shock of the knowledge of his passing to attempt to express even a small part of my affection and my appreciation of the strong, gentle, quiet man whom we have known as HARRY ENGLEBRIGHT. To all of us his going is a grievous thing. To those of us who knew him well, to whom he had given the exquisite gift of his friendship, the suddenness of his passing leaves an emptiness we do not want to face, even though we rejoice that for him there was no more than a short moment between the two worlds.

You will remember these lovely lines from Wadsworth:

Birth is but a sleep and a forgetting—
Trailing clouds of glory do we come.

Surely Harry has gone out wrapped in the clouds that saw his birth.

It is in such moments as these that we draw together, that we share each with the other some measure of that which our experience in life has brought us of the great truths that have upheld men down the ages. Out of one of the oldest of all Scriptures, the ancient Veda, translated with great beauty. I give you the following for your comfort and my own:

IMMORTALITY

Never the spirit was born; the spirit shall
cease to be never;

Never was time it was not; End and Beginning
are dreams!

Birthless and deathless and changeless remaineth
the spirit forever;

Death hath not touched it all, dead though
the house of it seems.

Nay, but as one who layeth

His worn-out robes away,

And taking new ones, sayeth

"These will I wear today!"

So putteth by the spirit

Lightly its robe of flesh,

And passeth to inherit

A residence afresh.

Mr. GEARHART. Mr. Speaker, of all of those who have been called to high service of their country I believe there is no one who is held in higher respect or warranted affection than was HARRY ENGLEBRIGHT.

I was shocked and saddened when the information in that indescribable way swept across the floor of this House of his passing. Though I heard plainly the first announcement that fell from the lips of the minority leader, I somehow could not believe that I was understanding aright.

My friend had passed; he had been called to his reward, the first Representative that I had come to know well 9 years ago. It was he who first communicated with me after my election to this body; it was with him I first conversed concerning the responsibilities I was about to assume. It was under his generous, careful guidance that I have made my weary way to this point in my career. I will remember him ever as a true friend. His true friendship through years of close association has been proved beyond question. It has not been always that I shared the same views with him with respect to public questions we have had to pass upon in this body, and in one of the bitterest debates I have participated he led the opposition. Though there was much at stake in that issue for each of us, I want to say to you now that nothing has ever occurred in that controversy or elsewhere which I cannot recall in grateful memory for the kindness he always exhibited.

For Harry my heart bleeds today. For Grace, who lingers behind awhile, I share her tears. A great man has left us. A great woman grieves today. All America shares our loss.

The SPEAKER. The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, it is my privilege to rise at this time to pay my humble tribute to my friend and colleague HARRY ENGLEBRIGHT and to say that I shall always remember his nobility and kindness and that I shall miss him. May I say further, Mr. Speaker, that I shall present my humble petition to the Almighty that He shall rest and reward his weary and deserving soul.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, announcement of the death of our beloved friend HARRY LANE ENGLEBRIGHT is a shock that is hard for some of us to bear. When the gentleman from Massachusetts, JOE MARTIN, came in but a few moments ago to tell us that Harry had suddenly passed away, the word spread around the floor of the House of Representatives like a wind-blown flame, searing the hearts of us, for he was our friend.

HARRY LANE ENGLEBRIGHT, distinguished native son of California, has brought honor and prestige to our great State in the Halls of the Congress of the United States. The State of California has lost one of its greatest citizens. The United

States has lost a great statesman from its loyal service. We who have served with him have lost a real friend and wise counselor.

To his dearly loved wife, Grace, known to us all, go our deepest sympathy in this hour of trial. I can say no more for my own heart is too heavy.

The SPEAKER. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I came into the Congress at the same time as the gentleman from California, HARRY ENGLEBRIGHT. I had a deep affection for him and his wonderful, devoted wife from the time I first knew them. I never think of one without the other. They were so united. I mourn his passing more than I can say. His kindly, lovable spirit was and always will be an inspiration to all of us. His service was always one without selfishness and one of generous helpfulness. He worked far too hard, giving his wise counsel and assistance to anyone who sought it. I know fine measure after fine measure was steered through the House for Members, for the Congress, and for the country because of his guidance and his leadership. Always a patriot, always a gentleman, I never saw him cross, I never saw him disagreeable. He was always gracious, courteous, and fine whether in the victory or the defeat of his plans. I like to think of a spirit and courage like his. It is good for us in the Congress, when passions run high, and it is good for the country in days like these to think of a spirit like his. He gave his all for the land he loved so well.

He died, or all that could die of HARRY ENGLEBRIGHT, in the service of his country just as surely as the men who die overseas fighting the battle for the United States and for the world. God rest his soul, as He will.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. COSTELLO].

Mr. COSTELLO. Mr. Speaker, as the shadows of the afternoon are lengthening, it is indeed a sad message that has come to us here in this body. The news of the passing of one who has been a genuine leader over a period of many years here in this Congress is a shock to each and every one of us, not alone to those of his party or to those of his State but to every individual. The death of HARRY LANE ENGLEBRIGHT darkens this day far beyond the power of the setting sun.

A native of California, he came from perhaps one of the most rugged western districts that the land can boast, and he typified that district. A distinguished individual, upright and stalwart, he had the character that typified the pioneer of the West.

Because of his fine character, because of the great uniformity of his disposition, because of his pleasantness and his leadership, we are going to miss him and miss him greatly in the days and months that lie ahead. We grieve with his widow and we mourn with his son, but most of all we regret as a Nation the loss of the

leadership of this great statesman. We can only pray that God in His mercy may grant him the reward that is due him for the exemplary life he has led.

The SPEAKER. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE. Mr. Speaker, the theme that has run through all these tributes to HARRY ENGLEBRIGHT this afternoon is that he was a man of an understanding spirit. I doubt if any man on the floor appealed to Members as having the depth of understanding and the respect for other people that HARRY ENGLEBRIGHT did. That is why everyone is so moved, I suppose; why each of us finds it so hard to speak, yet wants to say something. The year I came here I was one of the few new men to come from the West. HARRY ENGLEBRIGHT made me feel at home, as an older brother might have done. He understood me and my problems in representing a new, young country. Yet I found that he did this same thing for new Members from whatever part of the country they might come. To me, he personified what we think of as the finest in the traditions of the West, a man who appreciates the whole United States, yet understands the contribution which the West, as the young part of the country, has to make to the life of the Nation. Now he has made his contribution—a life of service, a life of splendid understanding service, a life of splendid interpretation in gracious, gentlemanly statesmanship. I counted him as my friend, as my understanding friend. I shall miss him more than I can say today, which means nothing to anyone else—except, I hope, that the deep sense of personal loss which each one has expressed may help to tell his family and his friends at home how greatly we loved him here.

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, the reason I take the floor at this time is that I have known HARRY ENGLEBRIGHT and his family intimately for many years. We have lived at the same hotel. We have attended social functions together. I have had an opportunity to know that he was pure gold.

It would not be in good taste for me to say very much at this time, because Mrs. Englebright knows that I loved HARRY ENGLEBRIGHT, and I can say for others, I think, that to know him was to love him. He was a man of the highest and finest character, a man who gave unstintingly of his strength for the benefit of his district and of his country.

These words of Phillips Brooks perhaps describe him to some extent:

Sad will be the day for every man when he becomes absolutely contented with the life that he is living, with the thoughts that he is thinking, with the deeds that he is doing, when there is not forever beating at the doors of his soul some great desire to do something larger which he knows he was meant and made to do.

That feeling, that ambition, was forever beating at the doors of the soul of

HARRY ENGLEBRIGHT. He has made an enviable record in Congress as did his distinguished father before him. All I can say, now that he has left us, is, God bless and keep him, and protect Mrs. Englebright, a devoted woman, a woman who is one of the Gray Ladies at the hospital. My affection and my sympathy go out to her son, who is fighting for his country in the Pacific Ocean; his son, who was worshiped by his father; his son, who is doing exactly what his patriotic father would wish him to do.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, it is with hesitation that I step into the Well of this House on any occasion, because I know I am just a new Member in the California delegation.

In my frequent councils with the older Members I had contact with my colleague, HARRY ENGLEBRIGHT. Although he sat on the other side of the aisle, I found in him the same kindness and consideration when I appealed to him for advice and counsel as I have found in the dean of the Members on our side of the aisle, the gentleman from California, Mr. CLARENCE LEA. I hope it will not be considered presumption when I say at this time that I too share in the loss of this worthy colleague, who has represented his district so well. I extend my sincere sympathy to his widow and his son.

Mr. MUNDT. Mr. Speaker, a very wise man said a long time ago that the measure of a man's greatness is determined in large part by his ability to face both triumph and disaster and to meet those two imposters just the same. In my opinion HARRY ENGLEBRIGHT exemplified the complete definition of greatness as defined by that philosopher.

I have seen him in the flush of success, and I have seen him in defeat. In his success he was gracious, charming, and understanding. In defeat he was optimistic and hopeful and heroic. HARRY ENGLEBRIGHT occupied on the Republican side of the aisle the important position of minority whip, which certainly in his case was an erroneous label for a high office, because never in my experience in Congress when HARRY ENGLEBRIGHT, in his responsibility, was marshaling the ranks of the party, did I find him exercising other than the influence that should be exercised. He never functioned as a whip; he always served as a leader. His highly successful leadership was always manifest by the inspiration of his character and idealism, and the respect which the members of his party held for the principles and ideals which he possessed. He was always judicious. He successfully fulfilled the highest expectations of the Republican Party that honored him by electing him to the high office of party whip, not only in his capacity as a legislator, and in his capacity as one of the leaders of the minority party in the House, but in his capacity as a friend.

When we met him in social activity and in nonofficial matters, around the

Capitol, or in his home, HARRY ENGLEBRIGHT's influence was always indelibly stamped upon his associates, because of that charm and gracious character, which has been so repetitiously referred to here today, and which could be repeated ad infinitum, because no one could overemphasize his unusual breadth and depth of character. Certainly we will all miss him greatly. We sympathize deeply with Mrs. Englebright and her family, and America can take real pride in the fact that it is able to develop leaders of a political party who are as widely and universally respected by men of all parties as was our departed friend, great and good, gallant and gracious HARRY L. ENGLEBRIGHT.

Mr. Speaker, there was something almost symbolic in the manner in which the news of HARRY ENGLEBRIGHT's passing spread across this floor a few minutes ago. It came while the House was busily engaged in the give and take of controversial statements by which legislation is shaped in this Republic. Men were bickering for position, arguing for advantage. And then, as the sad news was carried from Member to Member, the passing of Harry brought that calm dignity over the House that his presence always produced when he was with us. Harry's great strength lay in his ability to make his point and exert his influence without noise or excitement but by the calm integrity of his good judgment and through the force of his sterling character.

HARRY ENGLEBRIGHT was a gallant and determined crusader for any cause which he believed to be right. He never ran from criticism nor yielded to clamor. I recall how patiently and how perseveringly he worked to maintain the peace of America in the long, hard trying days before Pearl Harbor. He never ceased or modified his opposition to steps which he feared might carry us unnecessarily closer to war; when writers and magazine correspondents berated him for his opposition to what he believed to be provocative legislative acts, he kept his head high and his eyes straight ahead, voting in accordance with the dictates of his clear conscience. With typical courage, HARRY ENGLEBRIGHT fought bravely and well in a deep determination to avert war for America if such an alternative were possible. He was never one to choose the easy course when he believed the more difficult position contained the greater degree of rectitude.

In the death of HARRY ENGLEBRIGHT, California loses an illustrious statesman, the Congress loses one of its most gallant and effective Members, and America loses a distinguished public servant whose record of accomplishment will long serve to inspire and encourage all who knew him to measure up as best we can to the high standards which he so faithfully exemplified.

Mr. RANKIN. Mr. Speaker, it is difficult, indeed, to speak so soon after the staggering shock we have just received in the announcement of the death of our

distinguished friend, HARRY ENGLEBRIGHT, for whom I entertained an affection that rose high above the scramble for party vantage or the noisy clamor of men for place and power.

Addison once said, "Eternity! thou pleasing, dreadful thought!"

We feel bewildered and helpless as we wander along this "bank and shoal of time," striving to fathom the unsolved mystery of death.

The cradle asks us whence, the grave asks us whither. A cynic once said, "Life's but a walking shadow, a poor player that struts and frets his hour upon the stage, and then is heard no more. It is a tale told by an idiot, full of sound and fury, signifying nothing."

An agnostic tells us that "Life is a narrow vale between the cold and barren peaks of two eternities. We strive in vain to look beyond the heights. We cry aloud, and the only answer is the echo of our unavailing cry."

Longfellow, one of the greatest Christian poets of all time, says:

Tell me not in mournful numbers,
Life is but an empty dream;
For the soul is dead that slumbers,
And things are not what they seem.

Life is real, life is earnest,
And the grave is not its goal;
Dust thou art, to dust returneth,
Was not spoken of the soul.

HARRY ENGLEBRIGHT was a Christian gentleman who so lived that when the summons came to join the innumerable caravan leading to that mysterious realm where each must take his chamber in the silent halls of eternity, he welcomed the grim tyrant, death, and received him as a kind messenger, sent by the order of Providence to translate him from this imperfect to that all-perfect glorious and celestial parliament above, over which the Supreme Ruler of the Universe presides.

Mr. CHENOWETH. Mr. Speaker, I was greatly shocked this afternoon when I heard of the death of our distinguished colleague, Hon. HARRY ENGLEBRIGHT. I wish to add my tribute to the others that have been paid him. I am deeply moved and find it difficult to express my feelings.

HARRY ENGLEBRIGHT was a dear friend. During the 2 years that I have served with him in this House I have learned to love him. Because we represented districts that had much in common we were together frequently, and I looked to him for advice and counsel.

Last fall when an order was issued closing the gold mines of this country he and I worked along with others to obtain a reconsideration. He was the best informed man on mining I have ever seen. He constantly urged increased production of strategic metals to be found in the western part of the United States.

He was always of a good disposition. I never saw him angry or impatient. He was kind and gentle in his contacts with others. I think the following

words describe his services to this country:

Statesman, yet friend to truth; of soul sincere
In action faithful, and in honor clear;
Who broke no promise, served no private end,
Who gained no title, and who lost no friend.

I pray that God may comfort his loved ones, and give them strength to bear this loss, which we have all sustained.

A GENTLEMAN IS GONE

Mr. RANDOLPH. Mr. Speaker, I have sat quietly and reverently during the well-deserved and very genuine tributes to a man who was not remembered today as a Republican or a Democrat, but simply as a strong personage in this House, now passed from his service here.

The gentleman from Mississippi [Mr. RANKIN] spoke of an agnostic who told of the narrow veil which separates life and death and about the cruelties facing men and women during that period. There was once a Member of this body, William Jennings Bryan by name, who said:

Death is but a narrow starlit strip between
the companionship of yesterday and the
reunions of tomorrow.

This latter thought is the type of expression that I believe fits admirably the life of HARRY ENGLEBRIGHT. I never talked a political matter through with him but often in the cloakroom on Capitol Hill and downtown it was my good fortune to know him and to value him as a friend. Other colleagues found in his character the same attributes.

HARRY ENGLEBRIGHT possessed in rare degree the spirit of gentleness. He must have understood the meaning of the following poem, for its lines seemed meant for him:

May every soul that touches mine,
Be it the slightest contact, get therefrom
some good,
Some little grace, one kindly thought,
One aspiration yet unfelt, one bit of courage
For the darkening sky, one gleam of faith
To brave the thickening ills of life.
One glimpse of brighter sky beyond the gathering mist,
To make this life worth while—
And heaven a heritage.

With his going from us, it is "as if exquisite music had ceased."

Mr. RAMSPECK. Mr. Speaker, I do not want this occasion to pass without adding my tribute to that of the other friends of HARRY ENGLEBRIGHT, who had come to know and love him here in this body. I think whenever a man can serve here as long as he did and leave without an enemy, as HARRY ENGLEBRIGHT has left, it is about the greatest tribute that could be paid to any human being. I think that is true, as has been expressed by others this afternoon. He was lovable. He was conscientious. He was able. But, above all, he had the faculty of getting along with his fellow man in this place where we have so many contests and so many emotions. He made friends. He dealt fairly with everyone. He was always courteous.

We are going to miss him and miss him a great deal.

The SPEAKER. Without objection all Members who desire may extend their remarks at this point in the RECORD.

There was no objection.

Mr. SPRINGER. Mr. Speaker, this afternoon when the unwelcome news came of the very sudden and wholly unexpected passing of our fine friend, our distinguished colleague, and our worthy statesman, Hon. HARRY G. ENGLEBRIGHT, every Member in the House of Representatives suffered a shock. It was only yesterday that Harry was on the floor of the House, toiling with us. Today, we are informed that he is no more—that he has gone to that land beyond.

This was a distinct shock to me, because when I came here as a Member of the House of Representatives, at the commencement of the Seventy-sixth Congress, I met my fine friend, HARRY L. ENGLEBRIGHT, as one of the first of the older Members upon my arrival; we were then living at the same place, and our contacts were both frequent and pleasant. Since that first meeting I have seen HARRY ENGLEBRIGHT almost daily; in his post as minority whip of the House of Representatives; I have had many contacts with him; in our work on the floor of the House, on the many and various legislative matters, we have had many personal conferences and close contacts; in the work in committees, it has been our happy privilege to meet and to there discuss pending matters in the House of Representatives.

Throughout our rather brief, yet constant, acquaintance I was greatly impressed with the sincerity of my loyal friend in his better days; he possessed that friendliness of disposition, which was outstanding, and he attracted the attention of those about him because of his devotion to duty. He was no laggard, but he was alert and abreast of the hour; he was no pessimist, but he was wholly optimistic, ever looking forward into the beauties of the future; he was ever cordial, greeting every Member of the House of Representatives with a smile, making each one feel that warmth of his character and the loyalty of his disposition. HARRY ENGLEBRIGHT was a manly man; he was sincere, sturdy, loyal, and distinguished as a Member of this great law-making body; he was a natural leader of men; he was keen, capable, and learned; he was well equipped for the post which he had so admirably filled for so many years.

Mr. Speaker, we will miss HARRY L. ENGLEBRIGHT in this body; he will be missed by his State and Nation; but, most of all, he will be missed throughout the coming years by that devoted wife and that worthy son. God grant them strength to meet the future, and may their burdens be made lighter by the sustaining arm of Him who protects us all. And, as we go forward facing the future, we will revere the memory of our friend,

as we will miss him, and as a last farewell we say:

Behind the dim unknown
Standeth God, within the shadow,
Keeping watch above His own.

Mr. MURDOCK. Mr. Speaker, it is with great surprise and sadness I have heard the announcement of the untimely death of our colleague from California, Congressman ENGLEBRIGHT. It does not seem possible that he has gone from among us, for he has so lately been at his work among us. His going is but a reminder to all of us that no man knows when the hour strikes and the call comes.

As a member of the Memorials Committee of the House, I was so pleased to note that the past year had taken a smaller toll of our membership than for several years past, but even as I reflected thus on the situation this sad news is announced like a bolt from a clear sky.

I have been on several committees with HARRY ENGLEBRIGHT and thus learned to know him well and thereby have had cause to value his ability and judgment. Coming as he did from the Golden State and I from a great mining State adjoining, we have had much in common. I always consulted him about mining matters. He was unusually well informed and always alert to fight the battles for the great mining industry. He was not alone interested in the precious metals for which his district and State are noted but he was also interested in facilitating the mining of the other metals associated with gold and silver, especially war metals and minerals.

He sat on the other side of the table from me, but he was on my side of all important questions concerning the great West. I shall miss him, as will his colleagues on the other side of the aisle. The loss is not for California alone but for the whole West and the entire Nation.

Mr. CARTER. Mr. Speaker, I offer a resolution.

The Clerk read (H. Res. 235), as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. HARRY L. ENGLEBRIGHT, a Representative from the State of California.

Resolved, That a committee of eight Members of the House with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair will appoint the committee to attend the funeral on tomorrow.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

ADJOURNMENT

Accordingly (at 5 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Friday, May 14, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet at 10:30 a. m. Friday, May 14, 1943, in room 356, House Office Building.

COMMITTEE ON ROADS

The House Committee on Roads will meet at 10 a. m., Friday, May 14, 1943, to consider H. R. 2113, a bill to amend the Federal Aid Highway Act.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the committee at 10:30 a. m., on Friday, May 14, 1943, for consideration of H. R. 1172.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands at 10 a. m., Friday, May 14, 1943, for the purpose of considering H. R. 2209, H. R. 2210, H. R. 2241, and H. R. 2527, and such other matters as may properly come before the committee.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the committee at 10 a. m., on Tuesday, May 18, 1943, for consideration of housing bills.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 3 of the Committee on the Judiciary will conduct hearings on H. R. 2139, to provide improvement in the administration of parole, and H. R. 2140, to provide a correctional system for adult and youth offenders convicted in courts of the United States, at 10 a. m., on Tuesday and Wednesday, May 18 and 19, 1943, in room 346, House Office Building, Washington, D. C.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold hearings at 10 a. m. on Wednesday, May 19, and Thursday, May 20, 1943, on all bills dealing with the Chinese Exclusion Act, H. R. 1882, H. R. 2309, H. R. 2428, and H. R. 2429.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, May 20, 1943, at 10 a. m. on H. R. 2612, to extend the effective date of the act of December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

415. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the proceedings of the 43d National Encampment of the Veterans of Foreign Wars of the United States, held at Cincinnati, Ohio, August 30 to September 4, 1942 (H. Doc. No. 34); to the Committee on Military Affairs, and ordered to be printed, with illustrations.

416. A communication from the President of the United States, transmitting an estimate of appropriation for the War Production Board of the Office for Emergency Management for the fiscal year 1944, amounting to \$89,950,000 (H. Doc. No. 202); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLMER: Committee on Rules. House Resolution 234. Resolution for the consideration of S. 796, a bill relating to the use and operation by the United States of certain plants in the interests of national defense; without amendment (Rept. No. 445). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SHEPPARD:

H. R. 2701. A bill to provide for the expatriation of certain nationals of the United States; to the Committee on Immigration and Naturalization.

By Mr. COSTELLO:

H. R. 2702. A bill to provide for the advancement on the retired list of certain officers of the United States Army and the Army of the United States; to the Committee on Military Affairs.

By Mr. RANKIN:

H. R. 2703. A bill to provide more adequate and uniform administrative provisions in veterans' laws pertaining to compensation, pension, and retirement pay payable by the

Veterans' Administration, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. JENKINS:

H. R. 2704. A bill to grant jurisdiction to Federal courts; to the Committee on the Judiciary.

By Mr. WOLCOTT:

H. R. 2705. A bill to amend the act entitled "An act to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for any other purposes," cited as the "Emergency Price Control Act of 1942," approved January 30, 1942 (Public Law 421, 77th Cong.); to the Committee on Banking and Currency.

By Mr. KUNKEL:

H. R. 2706. A bill to provide for the promotion of officers of the Medical Administrative Corps of the Regular Army to grades up to and including that of colonel; to the Committee on Military Affairs.

By Mr. PRICE:

H. R. 2712. A bill to increase the maximum travel allowances for railway postal clerks, acting railway postal clerks, and substitute railway postal clerks; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 2707. A bill for the relief of Henry White; to the Committee on Immigration and Naturalization.

By Mr. BALDWIN of Maryland:

H. R. 2708. A bill for the relief of the Lacchi Construction Co.; to the Committee on Claims.

By Mr. BUCKLEY:

H. R. 2709. A bill for the relief of Alice Stein; to the Committee on Claims.

By Mr. JACKSON:

H. R. 2710. A bill for the relief of Olympia F. Kern; to the Committee on Claims.

By Mr. MCGREGOR:

H. R. 2711. A bill for the relief of Mrs. Mildred Maag; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

749. By Mr. BALDWIN of Maryland: Petition from various citizens of Baltimore, favor-

ing the passage of House bill 2082; to the Committee on the Judiciary.

750. By Mr. JEFFREY: Petition of 80 citizens of Montgomery County, Ohio, supporting House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

751. By Mr. MOTT: Petition signed by Minnie L. LeVaugh and nine other citizens of Monroe, Oreg., urging the passage of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

752. By Mr. GRAHAM: Petition of 69 citizens of Aliquippa, Beaver County, Pa., urging the passage of House bill 2082, introduced by Hon. JOSEPH R. BRYSON, of South Carolina, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

753. By Mr. WELCH: California State Senate Joint Resolution No. 1, relative to old-age assistance; to the Committee on Ways and Means.

754. By Mr. ROHRBOUGH: Petition of Rev. Cecil McMillion, of Walkersville, W. Va., and 24 other citizens of Lewis and Gilmer Counties, W. Va., requesting passage of House Resolution 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

755. By Mr. HEIDINGER: Resolution of the State legislative committee, Junior Order United American Mechanics, State Council of Illinois, earnestly requesting the defeat of House bills 2428 and 2429; to the Committee on Immigration and Naturalization.

756. Also, resolution of the Eldorado Lions Club, of Eldorado, Ill., presented by George Wilson, secretary of said club, and composed of a number of representative citizens of that community, urging the continuation of the Farm Security Administration; to the Committee on Appropriations.

757. By Mr. VORYS of Ohio: Petition of 43 persons, urging the enactment of House bill 2082; to the Committee on the Judiciary.